

JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



SHARON HURD
Chairperson, Board of Agriculture

DEAN M. MATSUKAWA
Deputy to the Chairperson

State of Hawai'i
DEPARTMENT OF AGRICULTURE
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TESTIMONY OF SHARON HURD
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

THURSDAY, FEBRUARY 20, 2025
2:00 PM
CONFERENCE ROOM 325

HOUSE BILL NO. 1006 HD1
RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION

Chair Tarnas, Vice Chair Poepoe, and Members of the Committee:

Thank you for the opportunity to provide testimony on House Bill 1006 HD1 that includes agricultural tourism in the definition of "enterprise" to authorize the Agribusiness Development Corporation to financially support farming businesses engaged in agricultural tourism.

The Department of Agriculture supports this measure and appreciates the definition proposed for "Agricultural tourism" provides that the agricultural tourism activity is accessory and secondary to the principal agricultural use and does not interfere with surrounding farm operations."

Thank you for the opportunity to present our testimony.





**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI
A HO'OMĀKA'IKA'I

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

JAMES KUNANE TOKIOKA
DIRECTOR

DANE K. WICKER
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Statement of
JAMES KUNANE TOKIOKA
Director
Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

Thursday, February 20, 2025
2:00 PM
State Capitol, Conference Room 325

In consideration of
HB 1006, HD1
RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION.

Chair Tarnas, Vice Chair Poepoe, and members of the Committee:

The Department of Business, Economic Development, and Tourism strongly supports HB 1006, HD 1, which seeks to enhance agritourism by including agricultural tourism in the definition of "enterprise" to authorize the Agribusiness Development Corporation (ADC) to financially support farming businesses engaged in agricultural tourism.

Agritourism activity is an entrepreneurial strategy that allows farmers, many of which may qualify as small businesses, to find greater success in their business through direct sales and interaction with customers, while allowing local farmers to capitalize on Hawaii's unique regional identity.

Thank you for the opportunity to testify.

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



WENDY GADY
EXECUTIVE DIRECTOR

STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION
HUI HO'OULU AINA MAHIAI

TESTIMONY OF WENDY L. GADY
EXECUTIVE DIRECTOR
AGRIBUSINESS DEVELOPMENT CORPORATION

BEFORE THE HOUSE COMMITTEE ON TOURISM
February 20, 2025
2:00 p.m.
Conference Room 325 & Videoconference

HOUSE BILL NO. 1006 HD1
RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION

Chairperson Tarnas, Vice Chair Poepoe, and Members of the Committee:

The Agribusiness Development Corporation (ADC) **supports** HB 1006 HD1 which seeks to enhance agritourism by including agricultural tourism in the definition of “enterprise” to financially support farming businesses engaged in agricultural tourism. This important amendment will allow ADC to provide financial and strategic support to farming businesses engaged in agritourism, which is a growing and vital component of Hawaii’s agricultural economy.

The Role of Agritourism in Hawaii’s Agriculture and Economy

Agritourism merges agriculture with tourism, offering unique experiences such as farm tours, hands-on workshops, farm-to-table dining, and direct-to-consumer sales of locally grown products. It plays an essential role in diversifying the agricultural sector, strengthening rural economies, and promoting Hawaii’s cultural heritage. Key benefits of agritourism include:

- 1. Economic Sustainability for Farmers:** Agritourism provides an additional revenue stream for farmers, helping them offset rising operational costs and the challenges of fluctuating crop prices. This financial stability allows farmers to reinvest in their operations and improve overall productivity.
- 2. Promotion of Locally Grown Products:** By engaging directly with visitors, agritourism promotes the value of locally grown food and educates the public on sustainable farming practices, thereby fostering greater appreciation for Hawaii's agricultural products.
- 3. Support for Rural Communities:** Agritourism creates jobs and stimulates economic activity in rural areas, offering opportunities for local residents and businesses to thrive.
- 4. Cultural and Environmental Education:** Agritourism highlights Hawaii's unique agricultural practices, traditional knowledge, and environmental stewardship, creating opportunities to share Hawaii's cultural heritage with visitors and residents alike.

Why Agritourism Should Be Included in the Definition of “Enterprise”

ADC is instrumental in supporting Hawaii's agricultural sector by providing resources, financial support, and expertise to farmers. However, the current definition of “enterprise” does not explicitly include agritourism, limiting ADC's ability to assist farming operations engaged in this important activity. By

expanding the definition of “enterprise” to include agritourism, this amendment will:

- **Encourage Diversification in Agriculture:** Farmers will have greater access to resources needed to launch or expand agritourism initiatives, helping them diversify their income streams and build more resilient operations.
- **Increase Access to Funding and Technical Support:** Including agritourism will enable ADC to provide financial support, grants, and technical expertise to farming businesses that incorporate tourism into their operations.
- **Support Statewide Economic Goals:** Agritourism aligns with Hawaii’s broader goals of promoting sustainable tourism, supporting local businesses, and reducing reliance on imports by strengthening the local food system.

Economic Impact of Agritourism in Hawaii

Agritourism already contributes significantly to Hawaii’s economy. According to the Hawaii Department of Agriculture, agritourism activities have generated millions of dollars in revenue annually, with many farms reporting that tourism-related income represents a substantial portion of their total earnings. Expanding ADC’s mandate to support agritourism will allow more farming operations to benefit from this growing market, further boosting the agricultural and tourism sectors.

Conclusion

Including agritourism in the definition of “enterprise” is a necessary step to ensure that Hawaii’s farmers can fully participate in this dynamic and growing sector. By providing financial support and resources to agritourism ventures, ADC will strengthen Hawaii’s agricultural economy, enhance rural development, and promote sustainable tourism practices.

I respectfully urge the Committee to support this amendment and authorize ADC to extend its support to farming businesses engaged in agritourism.

Mahalo for the opportunity to testify on this important measure.



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February 20, 2025

HEARING BEFORE THE
HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

TESTIMONY ON HB 1006, HD1
RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION

Conference Room 325 & Videoconference
2:00 PM

Aloha Chair Tarnas, Vice-Chair Poepoe, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate, and advance the social, economic, and educational interests of our diverse agricultural community.

The Hawai'i Farm Bureau supports HB 1006, HD1, which includes agritourism in the definition of "enterprise" to authorize the Agribusiness Development Corporation to financially support businesses engaged in agritourism.

We strongly support agritourism, which represents an excellent revenue enhancement opportunity for farmers and ranchers and an educational opportunity for the public. Fostering the profitability of farmers and ranchers will significantly contribute to the State's goal of increased self-sufficiency.

The Agribusiness Development Corporation (ADC) was initiated by the agricultural industry as sugar and pineapple downsized. It was established to help transition Hawaii's agricultural sector from plantation agriculture to smaller, diversified agricultural operations. Transitioning large tracts of monoculture farmland into smaller diversified ag lots and finding and supporting bona fide farmers to work those lands is a long and complex process. ADC has successfully developed a productive diversified sector from former sugar and pineapple lands.

ADC assists farmers and ranchers with land and water issues, regulatory mandates, invasive species, global competition, financing, marketing, and research funding. As the entrepreneurial agricultural arm of the state, ADC should have the authority to support agritourism.

Thank you for this opportunity to provide comments on this measure.



Food+ Policy Internship 2025

food@purplemaia.org

February 19, 2025

Subject: HB1006 *Agribusiness Development Corporation; Enterprise; Definition; Agricultural Tourism*

Aloha Chair Tarnas, Vice Chair Poepoe, and Members of the Judiciary and Hawaiian Affairs Committee,

Hawaii Food+ Policy is in support of HB1006, which aims to include agriculture tourism in the definition of enterprise, so that agriculture businesses may profit from the tourist industry. For many of our families, agriculture is a way of life and a livelihood in which we depend upon, but a sector that is struggling amidst our tourism focused economy. The action of bill HB1006 would allow our local farmers to take advantage of the tourist industry by adding agritourism into their businesses as an accessory to their main operations. The operations of an agritourism industry would also allow for the education of visitors to our local agriculture practices, as well as aiding hands to the farmers if they wish to include such activities. Agriculture tourism activities are meant to aid alongside a farmer's original operations, and would allow businesses to shape their agritourism around what they would need.

Tourism is by far one of the most influential economic sectors of our state, and for that to aid our local businesses in the best way would be to allow them to access it. Understandably we do not want tourism permeating every aspect of Hawaii's economy, but for agritourism to be a second hand support alongside agriculture operations would be highly helpful for our local farmers. So as to grow our agricultural sector in becoming more self-sufficient, the state needs to be supporting our farmers so that they are able to afford to live off of their businesses. We ask your support in passing HB1006 to establish agricultural tourism in the definition of enterprise, so as to support the businesses of your local farmers. Thank you for your time and consideration.

Mahalo,

The Hawaii Food+ Policy Team

The Food+ Policy internship develops student advocates who learn work skills while increasing civic engagement to become emerging leaders. We focus on good food systems policy because we see the importance and potential of the food system in combating climate change and increasing the health, equity, and resiliency of Hawai'i communities.

In 2025, the cohort of interns are undergrads and graduate students from throughout the UH System. They are a mix of traditional and nontraditional students, including parents and veterans, who have backgrounds in education, farming, public health, nutrition, and Hawaiian culture.



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

HEARING BEFORE THE HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 325
Thursday, February 20, 2025 AT 2:00 P.M.

To The Honorable David A. Tarnas, Chair
The Honorable Mahina Poepoe, Vice Chair
Members of the Committee on Judiciary & Hawaiian Affairs

SUPPORT HB1006 HD1 RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION

The Maui Chamber of Commerce **SUPPORTS HB1006 HD1** which includes agricultural tourism in the definition of "enterprise" to authorize the Agribusiness Development Corporation to financially support farming businesses engaged in agricultural tourism.

The Chamber recognizes that agricultural tourism (agtourism) offers a wide range of benefits for both farmers and local communities. For farmers, agtourism provides diversified income streams through activities such as farm tours, farm-to-table dinners, and agritainment, offering additional revenue beyond traditional agricultural sales. It also enhances brand awareness, as direct interaction with consumers allows farmers to build brand recognition and customer loyalty. Additionally, agtourism helps preserve agricultural heritage by educating the public about farming practices, food production, and rural lifestyles, fostering a deeper appreciation for agricultural traditions. By hosting events and workshops, farmers can further strengthen ties with their communities and build social capital.

For communities, agtourism stimulates economic growth by attracting visitors who spend on lodging, dining, and shopping. It creates jobs in hospitality, tourism, and agriculture-related sectors, and it can help revitalize rural areas by attracting tourists and promoting local businesses. Moreover, by generating income from non-agricultural activities, agtourism incentivizes farmers to keep their land in agricultural production, helping to preserve open spaces and natural landscapes.

In essence, agtourism offers a sustainable way for farmers to thrive, communities to prosper, and consumers to connect with the source of their food.

For these reasons we **SUPPORT HB1006 HD1** and respectfully request its passage.

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.



Testimony to the House Committee on Judiciary & Hawaiian Affairs (JHA)

Representative David A. Tarnas, Chair
Representative Mahina Poepoe, Vice Chair

Thursday, February 20, 2025, at 2:00PM
Conference Room 325 & Videoconference

RE: HB1006 HD1 Relating to the Agribusiness Development Corporation

Aloha e Chair Tarnas, Vice Chair Poepoe, and Members of the Committee:

My name is Sherry Menor, President and CEO of the Chamber of Commerce Hawaii ("The Chamber"). The Chamber supports House Bill 1006 House Draft 1 (HB1006 HD1), which includes agricultural tourism in the definition of "enterprise" to authorize the Agribusiness Development Corporation to financially support farming businesses engaged in agricultural tourism.

HB1006 HD1 aligns with our 2030 Blueprint for Hawaii: An Economic Action Plan, specifically under the policy pillar for 21st Century Ag. This bill promotes policies that drive economic growth, enhance workforce opportunities, and improve the quality of life for Hawaii's residents.

Hawaii's agricultural industry is expanding to include tourism while ensuring farming remains the primary focus. This bill amends Section 163D-2 of the Hawaii Revised Statutes to define "agricultural tourism" as a commercial activity on a working farm that provides visitor enjoyment, education, or engagement. It must remain secondary to agriculture and not disrupt surrounding operations. The bill also updates "enterprise" to include businesses engaged in agricultural tourism, reinforcing its role in Hawaii's economy.

By broadening "enterprise," the bill enables farms to integrate tourism while focusing on crop development, value-added products, and agricultural facilities. It also ensures most output remains for export, preserving agricultural sustainability. The Chamber supports this measure for fostering economic growth and innovation while protecting working farms and enhancing Hawaii's reputation as an agricultural destination.

The Chamber of Commerce Hawaii is the state's leading business advocacy organization, dedicated to improving Hawaii's economy and securing Hawaii's future for growth and opportunity. Our mission is to foster a vibrant economic climate. As such, we support initiatives and policies that align with the 2030 Blueprint for Hawaii that create opportunities to strengthen overall competitiveness, improve the quantity and skills of available workforce, diversify the economy, and build greater local wealth.

We respectfully ask to pass House Bill 1006 House Draft 1. Thank you for the opportunity to testify.