JOSH GREEN, M.D. GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA





STATE OF HAWAI'I | KA MOKU'ĀINA 'O HAWAI'I DEPARTMENT OF LAND AND NATURAL RESOURCES KA 'OIHANA KUMUWAIWAI 'ĀINA

P.O. BOX 621 HONOLULU, HAWAII 96809

DAWN N.S. CHANG

CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE
MANAGEMENT

RYAN K.P. KANAKA'OLE FIRST DEPUTY

CIARA W.K. KAHAHANE DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE
MANAGEMENT
CONSERVATION AND CODASTAL LANDS
CONSERVATION AND RESOURCES
ENFORCEMENT
ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

Testimony of DAWN N.S. CHANG Chairperson

Before the House Committee on WATER & LAND

Thursday, January 13, 2025 9:30 AM State Capitol, Conference Room 411 & Videoconference

In consideration of HOUSE BILL 1323, HOUSE DRAFT 1 RELATING TO THE TRANSFER OF NON-AGRICULTURAL PARK LANDS

House Bill 1323, House Draft 1, proposes to require the unilateral transfer of all agricultural lands, including lands designated for intensive agricultural use, special livestock use, and pasture use under Section 171-10, Hawai'i Revised Statutes (HRS), from the Department of Land and Natural Resources (DLNR) to the Department of Agriculture (DOA), without mutual agreement. The bill specifies that designated conservation lands not in current agricultural use are to remain under DLNR. **DLNR opposes this measure for the reasons provided below.**

DOA and DLNR have been implementing Act 90, Session Laws of Hawaii 2003 (Act 90), since its adoption which is reflected in the transfer of about 20,000 acres to DOA (and another 20,000 acres to the Agribusiness Development Corporation) prior to 2023. Beginning in 2023, DLNR worked expeditiously with DOA to implement additional transfers. For example, both the Board of Land and Natural Resources (BLNR) and the Board of Agriculture (BOA), approved the transfer of the K.K. Ranch, Inc. lease and the Kapapala Ranch lease and its two related revocable permits on the island of Hawai'i to BOA in 2023. The transfer of the K.K. Ranch, Inc. lease (5,106 acres) is complete. Survey and subdivision work is ongoing to complete the transfer of the Kapapala Ranch lease and revocable permits. The combined area of the Kapapala Ranch lease and revocable permits approved for set aside to DOA is an additional 24,767 acres.

In 2024, the BLNR approved another 40 leases and revocable permits on Maui and Hawai'i island for transfer to BOA. The set-asides of four leases and two revocable permits on Maui with a combined area of 165 acres were completed in 2024. The set-asides of seven Hawai'i island leases covering 907 acres were completed in early 2025 and additional transfers are in process. When all of the transfers

approved by both BLNR and BOA in 2023 and 2024 are completed, the total acreage transferred to BOA under Act 90 since 2003 will be approximately 56,450 acres.

There are 10 additional leases and revocable permits on Hawai'i island that DOA requested transfer of in 2024 but that DLNR has not yet presented to the BLNR for consideration because DLNR's Division of Forestry and Wildlife (DOFAW) wants to reserve access or public hunting rights over the lands or portions of them before transfer to DOA. These 10 cases will require negotiations with the lessees/permittees and determination of access and hunting areas. DLNR intends to present the transfer requests for these leases and revocable permits to the BLNR in 2025. Additionally, one lease on Maui and three revocable permits on Kauai still require BLNR approval to transfer.

Further, there are four large pasture leases on Hawai'i island where the lessees have requested transfer to DOA and, at its meeting of January 28, 2025, BOA approved for transfer to DOA. Of these four leases, DOFAW is agreeable to the transfer of one of them, wants to retain another lease, and proposes to transfer portions of the other two leases while retaining portions at DLNR due to the resource value and potential for reforestation of the retained areas. For the two Hawai'i island leases DOFAW has proposed to split, the lessees have accepted DOFAW's proposal and have met with DOFAW on possible silvopasture projects. There are two other large pasture leases (one on Maui and one on Hawai'i island) and three smaller pasture revocable permits on Kaua'i where the lessees/permittees have requested transfer to DOA but BOA has not yet approved for transfer. DOFAW wants to retain the two leases but is agreeable to the transfer of the three Kaua'i revocable permits. The foregoing information is summarized in the table below:

Leases Requested to be transferred					Acreage DLNR
(*indicates BOA				Acreage	supports
approval to transfer			Total	DLNR seeks	transfer to
on 1/28/25)	Lessee	TMK	acreage	to retain	DOA
	S.C. Ranch Co.,	(3) 4-3-010:008			
GL4477*	Inc.		7,042	1,064	5,978
	Boteilho Hawaii	(3) 4-3-010:002			
GL4478*	Enterprises, Inc.	, ,	5,705	856	4,849
	Ernest DeLuz	(3) 4-2-008:002			
GL4472*	Ranch, LLC		1,902	0	1,902
	Ernest and	(3) 4-1-006:007			
GL4473*	Marian DeLuz		3,110	3,110	0
	Freddy Nobriga	(3) 2-6-018:001			
GL4476	Enterprises, Inc.		4,534	4,534	0
	Diamond B	(2) 1-8-001:003			
GL5276	Ranch, LLC		1,565	1,565	0
		(4) 4-5-015-029			
	Lincoln Y.T.	(4) 4-5-015:010			
RP7770/7790/7466	Ching	(4) 4-5-015:017	68	0	68
	Total		23, 926	11,129	12,797

The DLNR Chair will continue to work personally with the ranchers to find mutually acceptable lease terms, and at the Chair's direction, DLNR staff are prioritizing Act 90 fulfillment.

In 2021, the Legislature published the Act 90 Working Group Final Report Transmission - signed.pdf which finds that "certain agricultural lands under DLNR have multiple management objectives, which can include agricultural production, forestry, native forest restoration, watershed protection, habitat conservation, public recreation, fire fuel suppression, and other public purposes which clearly fall within DLNR's purview and mission. These multiple-use lands should remain under DLNR's management." HB1323, House Draft 1, contradicts the recommendations of this report by mandating that these lands be transferred to DOA and eliminating the review by BLNR.

A bill to mandate transfer of these lands would result in the loss of considerable effort that DLNR and DOA have already invested in managing and designating these lands. More importantly DLNR would not be able to actively protect the public trust resources on these lands, some of which are of low value for agriculture production yet highly valued for natural and cultural resources. DOA would end up managing some parcels with low agricultural value and high liability or management issues. DLNR respectfully requests the opportunity to continue to mutually agree with DOA to transfer and accept certain agriculture lands and more importantly work with the long-time pasture lessees to honor and respect their ranching heritage and protect and preserve the valuable forest lands for watershed protection, forest restoration, critical habitat and access to traditional and customary practices. For additional information, see attached flyer on Multi-Use Pasture Lands Critical to DLNR Mission.

Finally, DLNR notes that State agricultural lands are public trust or ceded lands (where the Office of Hawaiian Affairs would be entitled to it pro rata share of rental proceeds) and therefore the public trust duties and responsibilities run with the land. The managing agency or board (i.e., BOA) is or ought to be bound by the same public trust fiduciary duties and obligations as the BLNR in its management of ceded lands under its jurisdiction.

Mahalo for the opportunity to provide testimony on this measure.





SUMMARY

DESCRIPTION

EXPECTED BENEFITS



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LEGISLATIVE PROPOSALS

The Act 90 Working Group recommends DLNR receive flexibility under Chapter 166E, HRS to amend, extend, and issue new leases by negotiation. The perceived need to transfer pasture leases to the DOA can be relieved by providing the DLNR with statutory powers similar to DOA's, facilitating long-term tenure and stability for ranchers.



PASTURE LAND CONSERVATION VALUES



Water



Fire & Forest Health



Native Ecosystems



Forestry



Recreation

DLNR PARTNERSHIPS WITH RANCHERS



CLIMATE CHANGE AND CARBON NEUTRALITY

CONTACT PERSON

HB-1323-HD-1

Submitted on: 2/12/2025 1:13:07 AM

Testimony for WAL on 2/13/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Russell Tsuji	Department of Land and Natural Resources	Oppose	Remotely Via Zoom

Comments:

DLNR testimony for HB1323 HD1 was submitted on another account. Request for zoom link for additional staff at the hearing.

JOSH GREEN, M.D. Governor

> SYLVIA LUKE Lt. Governor



SHARON HURD
Chairperson, Board of Agriculture

DEAN M. MATSUKAWADeputy to the Chairperson

State of Hawai'i DEPARTMENT OF AGRICULTURE

KA 'OIHANA MAHI'AI 1428 South King Street Honolulu, Hawai'i 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613

TESTIMONY OF SHARON HURD CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON WATER AND LAND

FEBRUARY 13, 2025 9:30 A.M. CONFERENCE ROOM 411

HOUSE BILL NO. 1323 H.D.1
RELATING TO THE TRANSFER OF NON-AGRICULTURAL PARK LANDS

Chair Hashem, Vice Chair Lamosao, and Members of the Committee:

Thank you for the opportunity to testify on House Bill 1323 HD1. This bill proposes amendments relating to the transfer of non-agricultural park lands and requires the Department of Agriculture ("Department") to accept the transfer of and manage certain qualifying non-agricultural park lands. The Department appreciates the intent of this bill and offers comments.

The Department of Agriculture appreciates the efforts of the Non-Agricultural Park working group to improve the process for transfer of agricultural lands and looks forward to continue working with the Department of Land and Natural Resources.

Thank you for the opportunity to testify on this measure.





February 10, 2025

Representative Mark J. Hashem, Chair Representative Rachele F. Lamosao, Vice Chair House Committee on Water & Land

Comments in Support of HB 1323, H.D.1, Relating to the Transfer of Non-agricultural Park Lands (Allows the Department of Land and Natural Resources [DLNR] to transfer certain public lands for agricultural use to the Department of Agriculture [DOA] without approval from the Board of Land and Natural Resources [BLNR] and Board of Agriculture [BOA]. Requires the DOA, upon approval of the BOA, to accept the transfer of and manage certain qualifying non-agricultural park lands. Effective 7/1/3000.)

Thursday, February 13, 2025, 9:30 a.m. State Capitol, Conference Room 411, Via Videoconference

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers, and utility companies. LURF's mission is to advocate for reasonable, rational, and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources, and public health and safety.

LURF appreciates the opportunity to present comments regarding HB 1323, H.D.1 in support of the various agricultural stakeholder groups who defend the goals of viable agricultural operations and the conservation and protection of agriculture in Hawaii.

HB 1323, H.D.1. The purpose of this measure is to allow the DLNR to transfer certain public lands for agricultural use to the DOA pursuant to Act 90, Session Laws of Hawaii (2003) (Act 90); Chapter 166E, Hawaii Revised Statutes; and for the purposes and in a manner consistent with Article XI, Section 10, of the Hawaii State Constitution, which establishes that "the public lands shall be used for the development of farm and homeownership on as a widespread a basis as possible, in accordance with procedures and limitations prescribed by law."

House Committee on Water & Land February 10, 2025 Page 2

In furtherance of said transfer of public lands, an Act 90 working group was established by Act 139, Session Laws of Hawaii 2021, which group has determined that certain lands under the DLNR used for "the primary and substantial management objective of agricultural production" should be transferred to the DOA, following the processes and conditions pursuant to Act 90.

This bill therefore amends Chapter 166E, Hawaii Revised Statutes to require the DOA to accept said transfer and management of certain qualifying non-agricultural park lands.

LURF's Position. LURF members include property owners, farmers and ranchers who own, maintain, and engage in agricultural enterprises; who are good stewards of the land; and who consider efforts to protect and support conservation practices and efforts important to the continued conduct of their agricultural operations as well as to help sustain and preserve farming and ranching businesses into the future.

Many farmers and ranchers have been awaiting the transfer of their land leases from the DLNR to the DOA pursuant to Act 90, which was enacted to ensure long-term productive use of public agricultural lands to be managed by the DOA, which department is better suited to administer agricultural lands. The now over 20-year delay of the anticipated transfers, however, has impaired the ability of productive farmers and ranchers to establish and implement long-term plans for their operations, and to confidently continue their production.

LURF understands that when agricultural land is removed from appropriate management, Hawaii's environment and the increasing prevalence of invasive species make it costly and difficult to return agricultural operations back to productive working order. It is therefore imperative that these operating agricultural businesses be afforded full support. LURF supports HB 1323, H.D.1, particularly since the bill makes significant efforts to advance the transfer of agricultural lands.

LURF further believes that continued collaboration between the departments as well as input from all stakeholders regarding such transfers, and the establishment of clear, consistent, well-defined, and mutually agreed upon processes are vital to accomplish the long-awaited transfers and leases of land effectively and successfully.

By recognizing the importance of assisting the local agriculture industry and need to implement measures which help to support the viability and maintenance of agriculture in the State, this bill will significantly help to promote economically viable agriculture, increased food production, and food self-sufficiency in Hawaii.

Thank you for the opportunity to present comments **in support** of this measure.

Boteilho Hawaii Enterprises Inc. PO Box 190 Hawi, HI 96719-0190

COMMITTEE ON WATER & LAND Rep. Mark J. Hashem, Chair Rep. Rachele F. Lamosao, Vice Chair

HB1323 HD1

RELATING TO THE TRANSFER OF NON-AGRICULTURAL PARK LANDS

Chair Hashem, Vice Chair Lamosao, and Members of the Committee,

Boteilho Hawaii Enterprises <u>supports HB1323 HD1</u> which requires the Department of Agriculture to accept the transfer of and manage certain qualifying non-agricultural park lands.

The Boteilho family started dairy farming and ranching in Pa'auilo since 1966. In 1985, we relocated our dairy operation to North Kohala. Originally consisting of 8,000 acres, the ranching operation has remained at its current location in Pa'auilo for 59 years. In 2010, we lost 2,300 acres to the Palila Bird Habitat. We now have 5,700 acres, which we use to raise replacement heifers for our last remaining dairy in the State. In addition, the ranch operation provides local beef to the community that is sold statewide.

The Ranch operation has been a critical support for the dairy and its survival is attributed to the ranch, both financially and support of its livestock during the droughts in North Kohala. Scale of ranch is critical for our financial viability and we have invested hundreds of thousands of dollars in infrastructure over the years. Included in our testimony are pictures of our operation.

This bill will expedite transfer of lands in active agriculture to DOA, pursuant to Act 90. At a previous Act 90 info briefing, we were advised that ag leases remaining with DLNR will not be renewed at the end of their lease but converted to conservation. This would be disastrous for our company as this agricultural land is critical to our continued survival.

We humbly request your support of HB1323 HD1.

Sincerely,

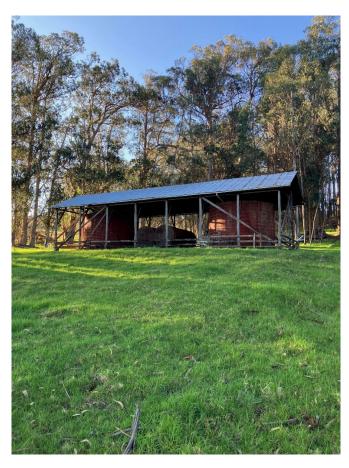
Ed Boteilho Jr. President Boteilho Hawaii Enterprises, Inc. Bahman Sadeghi Vice-President Boteilho Hawaii Enterprises, Inc.













HB-1323-HD-1

Submitted on: 2/11/2025 12:09:35 PM

Testimony for WAL on 2/13/2025 9:30:00 AM

_	Submitted By	Organization	Testifier Position	Testify
	Ronald Weidenbach	Hawaii Aquaculture and Aquaponics AssociationThe	Support	Written Testimony Only

Comments:

The HAAA strongly supports HB1323 to transfer identified lands used for agricultural purposes, including pasture lands, from DLNR to DOA.

This process has taken far too long and has posed a significant burden and cost to Hawaii's agriculture community. It is time to complete these land transfers and to provide updated and supportive long-term State leases to these local agriculture operations to support local food prduction, food security, and export opportunities as appropriate to reach production efficiencies.

We respecfully urge your support of this important HB1323 legislation.





HOUSE OF REPRESENTATIVES THE THIRTY-THIRD LEGISLATURE REGULAR SESSION OF 2025

COMMITTEE ON WATER & LAND Rep. Mark J. Hashem, Chair Rep. Rachele F. Lamosao, Vice Chair

Thursday, February 13, 2025 9:30 AM
Conference Room 411 & Videoconference
State Capitol
415 South Beretania Street

RE: HB 1323 HD1– RELATING TO THE TRANSFER OF NON-AGRICULTURAL PARK LANDS.

My name is Eric S. Tanouye and I am the President for the Hawaii Floriculture and Nursery Association. HFNA is a statewide umbrella organization with approximately 350 members. Our membership is made up with breeders, hybridizers, propagators, growers, shippers, wholesalers, retailers, educators, and the allied industry, which supports our efforts in agriculture.

The Hawaii Floriculture and Nursery Association (HFNA) **SUPPORTS House Bill 1323 HD1**

This will require the DOA to accept the transfer of certain qualifying non-agricultural park lands from the Department of Land and Natural Resources (DLNR) as required by Act 90. This is important for support of Agriculture in Hawaii as agriculture lands are better suited to be managed by the Department of Agriculture.

If you have any questions at this time, I would be happy to discuss them and can be reached by phone at 808-959-3535 ext 22, cell 960-1433 and email eric@greenpointnursery.com.





Supporting Agriculture and Hawaii,

Eric S. Tanouye

President /

Hawaii Floriculture and Nursery Association



COMMITTEE ON WATER & LAND Rep. Mark J. Hashem, Chair Rep. Rachele F. Lamosao, Vice Chair

HB1323 HD1

RELATING TO THE TRANSFER OF NON-AGRICULTURAL PARK LANDS

Thursday, February 13, 2025, 9:30 AM Conference Room 411 & Videoconference

Chair Hashem, Vice Chair Lamosao, and Members of the Committee,

The Hawaii Cattlemen's Council <u>supports HB1323 HD1</u> which requires the Department of Agriculture to accept the transfer of and manage certain qualifying non-agricultural park lands.

This bill will ensure that lands in active agriculture are transferred to DOA, pursuant to Act 90, without further delays. We appreciate that the DLNR and DOA have worked together to identify and make progress on certain lease transfers. However, there are still leases that are in active agriculture, but are not being approved to transfer. At an Act 90 Info Briefing in 2024, we were informed that the ag leases that remain with DLNR will not be renewed at the end of their lease, but converted to conservation. This is devastating for leaseholders who have multiple generations stewarding this land, producing beef for the community.

The purpose of Act 90, which was passed in 2003 (more than 2 decades ago) is to ensure the long-term productive use of public agricultural lands by allowing these lands to be transferred to and managed by the Department of Agriculture. This bill ensures that the purpose of Act 90, 2003 is realized and guided by the identification of agricultural lands, including all lands designated as intensive agricultural use, special livestock use, and pasture use, rather than the current situation of land transfers blocked by the impediment of mutual agreement by both boards. This unnecessary impediment has resulted in leaseholders still waiting for their agricultural lands to transfer to the Department of Agriculture more than 20 years later.

Ranchers are proponents for stewarding the land well and will continue to implement conservation practices when leases are transferred to DOA—the health of the land allows ranchers to continue their production. With long-term leases based on agricultural production, ranchers will be even better situated to invest in long-term conservation practices. If the state truly wants to support agriculture, transferring agricultural lands from DLNR to DOA will help many productive leaseholders continue their production and land stewardship with confidence that they will be supported in their agricultural operations.









According to the State Ag Land Use Baseline, 1.1 million acres of the state's land was in grazing use in the 1980s. In 2015, that number dropped to 761,000 acres. The 2020 State Ag Land Use Baseline reports that pasture continues to decline on Oahu and Hawaii Island. Astute land stewards are well aware that when land is taken out of management, Hawaii's environment and prevalence of invasive species make it costly and difficult to get it back to working order. It is extremely important that we support those who are still operating as agricultural businesses. This bill would do that by transferring agricultural leases to the department that holds agriculture as a priority.

Additionally, these ranches play a critical role in reaching the state's increased local food production goals. Every single one of these ranches contribute to local beef – even cow/calf producers still keep put local beef into the community. In the state's mandate for the DOE to reach 30% local food purchasing for school lunches, beef comes in at the highest percent at 3% of purchases. Our ranchers can contribute even more if they have the appropriate lease terms and support under DOA.

We appreciate the opportunity to testify on this measure. The Hawaii Cattlemen's Council (HCC) is the Statewide umbrella organization comprised of the four county-level Cattlemen's Associations. Our member ranchers represent over 60,000 head of beef cows; more than 75% of all the beef cows in the State. Ranchers are the stewards of over 750 thousand acres of land in Hawaii, or 20% of the State's total land mass. We represent the interests of Hawaii's cattle producers.

Nicole Galase Hawaii Cattlemen's Council Managing Director

LARRY JEFTS FARMS, LLC PO BOX 27 KUNIA, HAWAII 96759 (808) 688-2892

HB1323hd1, Relating to The Transfer of Non-Agricultural Park Lands House WAL Hearing – 9:30 AM Thursday, February 13, 2025

Testimony By: Larry Jefts Position: Support

Chair Hashem, Vice Chair Lamosao, and Members of the House WAL Committee:

I am Larry Jefts, owner and operator of Larry Jefts Farms, LLC. We have more than 42 years of Hawaii farm experience on Molokai and Oahu. Our family farms grow about 1 million pounds weekly of import replacement produce. I am a volunteer director, serving as Chair of the West Oahu Soil and Water Conservation District (SWCD). I have also served as an officer of the Hawaii Farm Bureau for many years.

We appreciate the collaboration of the Department of Agriculture and the Department of Land and Natural Resources to transfer large pasture lands to the Department of Agriculture. However, continued work for transfers is needed.

We understand that there are still leases in active agriculture that have not been transferred. The transfer of these lands to the DOA ensures long-term leases. Ranchers and all agriculture producers need long-term leases before capital investments can be made.

We believe the Department of Agriculture best manages agricultural lands while ensuring continued measures for conservation and preservation. In turn, ranchers with long-term leases can expand their contribution to import replacement production.

Thank you for the opportunity to testify.



P.O. Box 253, Kunia, Hawai'i 96759 Phone: (808) 848-2074; Fax: (808) 848-1921 e-mail info@hfbf.org; www.hfbf.org

February 13, 2025

HEARING BEFORE THE HOUSE COMMITTEE ON WATER & LAND

TESTIMONY ON HB 1323, HD1 RELATING TO THE TRANSFER OF NON-AGRICULTURAL PARK LANDS

Conference Room 411 & Videoconference 9:30 AM

Aloha Chair Hashem, Vice-Chair Lamosao, 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 1323, HD1, which requires the Department of Agriculture to accept the transfer of and manage certain qualifying non-agricultural park lands.

The Hawaii Farm Bureau acknowledges and appreciates that the Department of Land and Natural Resources has worked with the Department of Agriculture, farmers, and ranchers and has made some progress by transferring certain agricultural leases to the Department of Agriculture as intended by Act 90. However, continued efforts are needed to ensure that all qualifying non-agricultural park lands are properly transferred to DOA to effectively support Hawaii's ranchers.

Long overdue to resolve a 20-year state of limbo

The bill will finally resolve the stagnation resulting from Act 90 of 2003, which was intended to ensure the long-term productive use of public land leased for agricultural purposes by transferring certain lands from DLNR to DOA. During all these years, agriculture producers have had no stability or security to conduct long-term planning and investments.

<u>DLNR retains its management responsibility and authority to manage natural resources</u>

DLNR retains its management responsibility and authority to manage natural resource assets no matter which agency holds the lease.

- All transferred leases will be subject to DLNR easements or rights of entry established to allow access to conservation activities, hunting, gathering, and recreation.
- Farmers and ranchers are required to work with the DLNR Soil and Water Conservation Districts to develop and implement an enforceable conservation program.
- The program will dictate practices and systems to protect the land against deterioration and prevent environmental degradation.

These DLNR lands are already being stewarded by agricultural producers who rely on the conservation of natural resources for their livelihood. Providing them with support and beneficial lease terms under the DOA will only further their ability to make investments in conservation efforts on the land.

Best interest of the public

Hawai'i's food producers are essential to the State's goals of greater self-sufficiency and conservation efforts. Enabling their continued work is in the best interest of the public. They should not be trapped in further decades of debate about which agency controls their existence when it is the mission of one agency, DOA, to foster agriculture in Hawai'i, while collaborating with DLNR to ensure the protection of natural resources.

Food production and natural resource conservation are equally important, constitutionally protected public purposes, not mutually exclusive, and both can and must be achieved.

Thank you for the opportunity to share our comments and for your continued support of Hawai'i's agricultural community.



COMMITTEE ON WATER & LAND Representative Mark J. Hashem, Chair Representative Rachele F. Lamosao, Vice Chair

HB1323, HD1

RELATING TO THE TRANSFER OF NON-AGRICULTURAL PARK LANDS
Thursday, February 13, 2025, 9:30 AM
Conference Room 411 & Videoconference

Chair Hashem, Vice Chair Lamosao, and Members of the Committee,

My name is Charles F. Stevens, I am the owner of SC Ranch Company, Inc. and I am submitting this testomony in <u>SUPPORT of HB1323</u>, <u>HD1</u>. HB1323, HD1 requires the Department of Agriculture (DOA) to accept the transfer of and manage certain qualifying non-agricultural park lands.

The SC Ranch Company, Inc. was established over 50 years ago, by the late Dutch Schuman and Gordan Cran. I purchased the ranch in 2012, and serve as the steward of 7,042 acres, under General Lease (GL) No. 4477. I operate the ranch alongside my family, and am proud to report that we provide Hawai'i's households with over 350,000 lbs of beef annually. To operate this ranch at optimum efficiency and production, I've invested \$1 million of my own resources to install water storage systems, continually improve the roads, etc.

In 2023, I learned that GL4477 (SC Ranch Company) was listed on an internal Department of Land and Natural Resources (DLNR) "no-transfer" list. Eventhough, I was a lessee in good standing, and I was doing a public good, I was stunned.

The DOA's Board of Agriculture approved the transfer of GL4477 (amongst three other leases) on Tuesday, January 28, 2025. However, we await approval to transfer GL4477 by the DLNR's Board of Land and Natural Resources, pursuant to Act 90. If the amendments to Act 90 (HB1323, HD1) were passed, the livelihood of my family, would not be dangling – awaiting action by the DLNR and their Board.

Act 90 is state law, enacted 22 years ago. The DOA is better-suited to manage non-agricultural park lands utilzed by agricultural businesses (i.e. ranching). Further, the lease terms are more aligned with the agricultural business cycle.

Please accept my testomony in **SUPPORT of HB1323.**

Charles F. Stevens SC Ranch Company, Inc.

To: Emma Yuen and the Department of Land & Natural Resources

On behalf of Nobriga Ranch, we thank you for the offer of working together to do conservation work. Nobriga Ranch would prefer to be transferred to the Department of Agriculture so that we can continue to work cattle on the land while implementing conservation work.

This ranch has been our livelihood for generations. Our lease will be up soon and if we are not renewed to continue on the lease, we will go out of business completely. Raising cattle and feeding the community is our way of life. Nobriga Ranch needs this lease to transfer to the Department of Agriculture so that we can continue to feed people and make a living as paniolo for generations to come – that is our intent.

Nobrigra Ranch has enhanced, protected, conserved, and managed unique cultural and historical resources on this ranch. We also know that this land is held in public trust for current and future generations for the people of Hawaii and we intend to continue serving the community by responsibly managing this land while producing food.

Nobriga Ranch has been providing tons and tons of beef locally, feeding people for generations. To DLNR and all of your directors: when you are out having a nice meal of beef, it's coming from a hard working ranch. Losing this ranch will be devastating – not only for our family, but for the whole community. Do any of you remember the last time you went to a restaurant to have a meal, or went to a school that served a koa or ohia as a meal? We value native plants and animals, but we also need to eat.

Throughout all these years in the cattle business, I have learned that cattle ranching and conservation go hand in hand. Pu'u O'o has the best climate and aquafers that are best suited for cattle and conseration. Nobriga Ranch's goal was never about money, but about raising cattle and managing the lands.

Over the past years (2013-2024) we have done many things to enhance this ranch. We have worked with USDA Natural Resource Conservation Service and Farm Service Agency and have success in partnering with them and utilizing their available resources to work together. Among the projects we have done to improve the land are:

- Established more than 200,000 feet of fenching for forage mangement and rotational grazing
- Installed and manage a 4-million gallon reservoir
- Connected thousands of feet of water lines
- Installed numerous water troughs
- Acres of gorse management

These are just a few example of what Nobriga Ranch has done to manage the land responsibly. While having our lease kept in DLNR's portfolio is great for showing acres for government subsidies, our lease is better suited for the Department of Agriculture. DLNR does not prioritize food production. There are many other acres of land that are suitable for reforestation. Please allow us to continue to ranch on this land and provide food for the community.

Nobriga Ranch would like to thank DLNR for all the many great things you do. We recognize that DLNR does a lot of good work. However, for the sake of our continued livelihood, we ask that DLNR consider transferring our lease to the Department of Agriculture as they did for other ranches. This is for the betterment of what ranchers stand for – love of the land, caring for family, and food production.

Nobriga Ranch is dedicated to conserving the resources of this land for generations to come. If this lease were to go out to public bid, there is always someone who has more money and can afford to pay more. But we have been devoted to this land for decades and hope to continue to work to manage it. We invite you to visit and see why this land is best suited for continued ranching.

Thank you for your time and consideration

Sincerely,

Nolan Nobriga

Nobriga Ranch

HB-1323-HD-1

Submitted on: 2/12/2025 9:30:12 AM

Testimony for WAL on 2/13/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Guy Cellier	Hawaii Forest Industry Association	Support	Written Testimony Only

Comments:

Dear Chair Lamosao and WAL Committee Members,

The Hawaii Forest Industry Association supports HB1323 because we support healthy and productive landscapes. Healthy and productive lands includes grazing cattle on grasslands and otherwise unmanaged parklands. The DOA is the right lessor to control agricultural leases.

Please support HB1323.

Guy Cellier

HFIA Presidnt

HB-1323-HD-1

Submitted on: 2/12/2025 1:37:18 PM

Testimony for WAL on 2/13/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Sara Moore	Kealia Ranch	Support	Written Testimony Only

Comments:

Please support HB 1323

This bill ensures that the purpose of Act 90, 2003 is realized and guided by the identification of agricultural lands, including all lands designated as intensive agricultural use, special livestock use, and pasture use, rather than the current situation of land transfers blocked by the impediment of mutual agreement by both boards.

The work has begun and needs to continue unimpeded.

Mahalo!

KAPĀPALA RANCH P. O. Box 537 Pahala, HI 96777

Kapapala.ranch@aol.com lanipetrie@aol.com

COMMITTEE ON WATER AND LAND

Rep. Mark J. Hashem, Chair Rep. Rachele F. Lamosao, Vice Chair

HB1323

RELATING TO PUBLIC LANDS

Thursday, February 13, 2025, 9:30 AM Conference Room 411 & Video Conference

Chair Hashem, Vice Chair Lamosao and Members of the Committees:

I am the owner and operator of Kapapala Ranch in Ka'u, Hawaii Island and strongly support HB1323.

The Department of Land and Natural Resources, DLNR, has been reluctant to transfer our lease which was on the list as long ago as 2009. The Board of Agriculture, BOA, approved the transfer and accepted our lease (see the attached correspondence 2009-2013). The Board of Land and Natural Resources would never put it on their agenda. How could it have been brought to the Board of Agriculture if it wasn't on a list from the DLNR? It took several years to discover that the Division of Forestry and Wildlife, DOFAW, intended to take over our lease at its expiration in 2029.

We fought hard for the next decade and finally in August of 2023 the BLNR unanimously approved our lease and revocable permit lands to transfer to Hawaii Department of Agriculture, HDOA.

It has been a year and a half years since the August 2023 meeting and we still do not have a lease. The DLNR continues to request additional surveys be included before they complete the Executive Order for the Governor's signature. I was astounded to receive DOFAW's letter (2nd Attachment) this past Monday requesting that they start working on interior fences that they wish to construct for management of koa and ohia trees. It is of little concern to them that we do not have a lease and it is because of their department.

As a result of the delays in surveys, thirteen miles of boundary fence between the Ranch and Kapapala and Ka'u Forest Reserves are in limbo. We cannot put forth the capital investment to construct new fences until we clearly have title to a long-term lease on the property. This

dilemma is causing more tension between us and DOFAW. This past January they initiated shooting cattle in the Kapapala Forest Reserve without any notice to us. We understand our obligation to keep livestock contained in the Ranch. A single breech in six miles of boundary with the Kapapala Forest Reserve has already got a temporary patch and we will go back before this month ends and rebuild approximately one mile of fence which will be obsolete due to the 7,000 acre extraction from GL5374.

We have continued to try and work with DOFAW and have cooperated with game bird management for 35 years. We continue to provide seamless access through the Ranch to the public forest reserves to hundreds of people per month. We understand and are committed to the management of public trust lands but we are not getting full cooperation from everyone at the DLNR.

Very Sincerely,

Lin C. litres

Lani C. Petrie

Attachment 1
Attachment 2

LINDA LINGLE Governor



SANDRA LEE KUNIMOTO

DUANEK, OKAMOTO Geputy to the Chairperson

State of Hawaii DEPARTMENT OF AGRICULTURE 16 E. LANIKAULA ST. HILO, HAWAII 96720 4-4140 FAX (808) 974-4148 08) 974-4140

August 10, 2009

Ms. Lani Petri Kapapala Ranch PO Box 1639 Hilo, HI 9672!

Dear Ms. Petri:

Non-Agricultural Park Lands Program

Hilo Finance

The Department of Agriculture (DOA), Agricultural Resource Management Division (ARMI)), will be assuming the leakes that are currently being managed by the Department of Land and Natural Resources (DLNR); thus becoming your new Landlord. We are preparing for a phased turnover within the next six (6) to eight (8) months.

The Non-Agricultural Park Lands Program authorizes the DOA to govern your lease in accordance with new administrative rules established for this statewide program. This program was created in the 2003 legislative session in an effort to transfer management responsibility for state owned agricultural lands from the DLNR to the DOA. Highlights of the new rules include:

An option to extend an existing lease for up to 65 years.

An option to cancel an existing lease nearing the end of its term and issue a new lease to the existing tenant without going to public auction.

3. Authority for the department to develop future non-agricultural park lands projects.

We have appointed Ms. Joyce W. Wong, District Property Manager on the Big Island, who will commence contacting each of you to set-up an appointment to meet and get to know you and your occupancy. Please feel free to discuss your future plans, and how the Department of Agriculture can help you enhance your current program with Joyce at our Hilo office at (808) 974-4141.

We look forward to working with each and every one of you.

agricultural Asset Manager Agricultural Asset Management Branch

Joyce W. Wong District Property Manager

ale of Hawaii transment of Agriculture

impiural Resource Management Division

Sankatha Sheet _ = 1a(S.0) 907201

Lox (808)

and Joyce W. Woody Ir



April 17, 2013

Chauperson Russell 4, Kokuban Bawati Department of Agriculture Office of the Champerson 1428 South King Street Honolnin, III 96814, 2812

Den Mr. Kokoburi:

On behalf of my constituents I ani and Bill Petrie, of Kapapala Ranch, Ka'n, I request an update on the transfer of lands from the Department of Land and Natural Resources (DLNR) to the Department of Agriculture (DOA) mandated by Act 90, Session Laws of Hawaii 2003, regarding parcels identified by Tax Map Key; (3) 9-8-01:03, 06, 09, 11, 12, and 13.

In 2009, Mrs. and Mr. Petrie were notified by a letter from DENR that their lease and revocable permus would be transferred to DOA, but have not been informed of any further action. As an introducer of the original legislation and in your current capacities as Chairman, Unope that you can shed some light on the status of the transfer to communicate to the Petries.

Please contact me directly it you have any questions about this request

Sincerely,

Senator Russell f. Kuderman

Though State Senate

District 2: Puna - Kala

115 S. Beretania Street, Room #23

Honolulu, Hawaii 96813

(808) 586 -6890

senradorman o capitol hawaii gox

CC Land and Bill Petrie

William J. Aila, Jr., Chairperson, Department of Land and Natural Resources

NEIL ABERCROMBIE Governor



RUSSELL S. KOKUBUN Chairperson, Board of Agriculture

SCOTT E. ENRIGHT Deputy to the Chairperson

State of Hawaii DEPARTMENT OF AGRICULTURE 1428 South King Street Honolulu, Hawati 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613

April 26, 2013

The Honorable Russell E. Ruderman Hawaii State Senate 415 S. Beretania Street, Room 227 Honolulu, Hawaii 96813

Dear Senator Ruderman:

We received your letter requesting an update on the transfer of lands from the Department of Land and Natural Resources (DLNR) to the Department of Agriculture (DOA) mandated by Act 90, Session Laws of Hawaii 2003; regarding parcels identified by Tax Map Key: (3) 9-8-01:03, 06, 09, 11, 12 and 13.

The Board of Agriculture (BOA), at its meeting of May 25, 2010, approved a list of encumbrances to be transferred in accordance with Act 90, SLH 2003. Your constituent's encumbrances including General Lease No. S-5374, Revocable Permit Nos. S-7271 and S-7419, which was replaced with S-7758 were approved to be accepted for transfer by the BOA. We currently await the land board's action in this matter to complete the transfers.

Should you have any questions, please do not hesitate to contact Mr. Brian Kau, Administrator and Chief Engineer, of my staff at (808) 973-9473,

Sincerely,

Russell S. Kokubun

Chairperson, Board of Agriculture

Surices. Koh

c. Lani and Bill Petrie William Alla, Chairperson, BLNR Scott Enright, Deputy to the Chairperson, DOA Ken Kakesako, Legislative Coordinator, DOA Brian Kau, Administrator, Agricultural Resource Mgt. Div., DOA



NEIL ABERCISOMBIR





STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

May 6, 2013

WILLIAM J. ANLA, JR.
CHARLERING
ELVARI OF LAND AND HAVIOGAL REGIONACES
CHARLESTON OF WATER RESIDENCE HAVIOGALES

ESTHER KIA'AINA

WILLIAM M. TANA

BOATION AND OFFICE HER REATION BETWEEN THE STATE OF THE S

Russell S. Kokubun Chairperson, Board of Agriculture 1428 South King Street Honolulu, HI 96814-2512

Dear Chairperson Kokubun:

We have received your letter of April 26, 2013 to Senator Russell Ruderman regarding the potential transfer of the Kapapala Ranch parcels in Kau, Hawaii to the Department of Agriculture pursuant to Act 90, Session Laws of Hawaii 2003.

Please note that our Division of Forestry and Wildlife (DOFAW) intends to incorporate the Kapapala Ranch lands into the Kapapala Forest Reserve upon the expiration of General Lease No. S-5374 on November 30, 2029, for the following reasons:

- The division is planning on the lands becoming the replacement hunting area for Mauna Kea's rifle-hunting of sheep. This would be the only area available to have this type of recreational activity.
- Additionally, the lands will be managed for their native koa forest resources which are adjacent to our Koa Canoe Management Area.
- The Kapapala Ranch lands are also positioned as a buffer forest for the adjacent Kau
 Forest Reserve that harbors the greatest concentration of native birds in the state.
- Enhancing and maintaining the forest within the Kapapala Ranch lease lands creates a
 corridor for birds to move from the Kilauea/Keahou area to the Kau Forest Reserve
 providing greater habitat and diversity.
- The Ainapo Trail within the Kapapala Ranch area would benefit the public with greater access to the trail traversing the Mauna Loa Summit between the Volcanoes National Park and the Mauna Loa Forest Reserve in the saddle area.

Accordingly, we do not anticipate presenting the Board of Agriculture's request for the transfer of the lands to the Board of Land and Natural Resources.

Russell S. Kokubun Chairperson, Board of Agriculture May 6, 2013 Page 2

Please contact DOFAW Administrator Roger Imoto at 587-4182 should you have any questions.

Sincerely,

1

William J. Aila, Jr. Chairperson

C: Senator Russell E. Ruderman Lani and Bili Petric. Kapapala Ranch Roger Imoto, Administrator, DOFAW Russell Tsuji, Administrator, Land Division JOSH GREEN, M.D.

SYLVIA LUKE LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



DAWN N.S. CHANG

CHAIRPERSON BOARD OF LAND AND NATURAL RESOURCES COMMISSION ON WATER RESOURCE MANAGEMENT

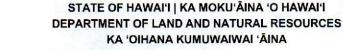
RYAN K.P. KANAKA OLE FIRST DEPUTY CIARA W.K. KAHAHANE DEPUTY DIRECTOR - WATER AQUATIC RESOURCES BOATING AND OCEAN RECREATION BUREAU OF CONVEYANCES COMMISSION ON WATER RESOURCE

MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES

ENFORCEMENT ENGINEERING FORESTRY AND WILDLIFE HISTORIC PRESERVATION

KAHOOLAWE ISLAND RESERVE COMMISSION

STATE PARKS



DIVISION OF FORESTRY AND WILDLIFE 1151 PUNCHBOWL STREET, ROOM 325 HONOLULU, HAWAII 96813

02/10/2025



Lani Petrie Via email

Dear Lani Petrie,

Proposed Fencing in GL 5374 and DOA Transfer Status Update RE:

The Department is seeking to install a boundary fence along the 7,000 acres that was approved by the Board of Land and Natural Resources as an extension of the Kapapala Forest Reserve. The Department would also like to create an enclosed fenced unit within that area of approximately 640 acres.

In your March 15, 2023 letter, you indicate that this area contains an estimated 600 acres that is adjacent to the Kapapala Canoe Management Area and that a forester had indicated that this is the last area in the ranch that had the elevation and rainfall to grow koa of substantial magnitude. The Department is interested in protecting this area as soon as possible. Protecting forests from hooved animals is the primary landscape-level tool to reduce Rapid Ohia Death mortality. These fences will also facilitate the Department's efforts to eliminate feral cattle in the Forest Reserves. While this area is still under lease GL5374, the Department notes that these fences are consistent with your proposal for the area, as you shared in your 2023 letter.

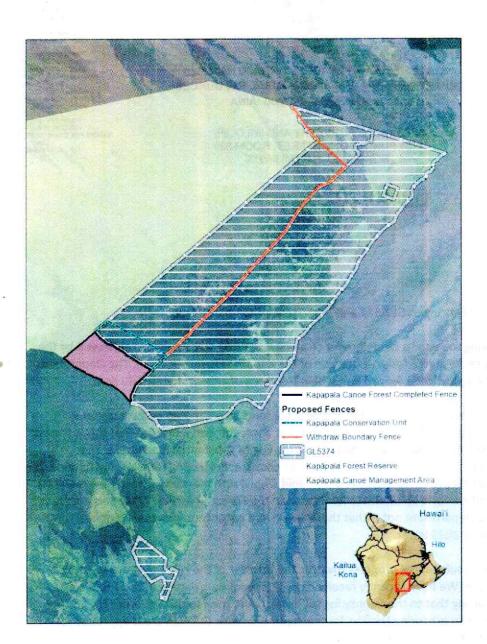
The Department is making substantial progress towards the transfer of the remaining areas to the Department of Agriculture. We have recently received the final boundary survey of the 7,000 acres parcel and will be submitting that to the County for subdivision and then to the Governor for an Executive Order. We are also procuring surveys for management roads through areas approved for transfer to the Department of Agriculture.

We anticipate commencing these fence projects in 2025 and will be contacting you again when we have a more specific timetable. Please contact Emma Yuen, Natural Resources Management Program Specialist, at (808) 366-4788 or Emma.Yuen@hawaii.gov if you have any questions.

7

Sincerely,

Dawn N. S. Chang Chairperson



Signature:



Email: emma.yuen@hawaii.gov

<u>HB-1323-HD-1</u> Submitted on: 2/10/2025 8:44:36 PM

Testimony for WAL on 2/13/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Kristin Mack Almasin	Individual	Support	Written Testimony Only

Comments:

I support this bill.

My name is Stephen De Luz, I am the 2nd generation owner of Ernest De Luz Ranch, working with my son & grandson, taking this ranch through 4 generations. My father, Ernest De Luz and I have at least 125 years combined ranching experience. From the age of 15, I have worked alongside my father, learning and gaining experience.

In 1986 my father purchased the Carl Meyer Ranch, which was on a DLNR lease. In 1996 we purchased the Pu'u Wa'a Wa'a Ranch from Newell Bohnett and this lease was eligible for a 20-year extension, but it was ignored until the lease expired. The lease was then transferred into conservation forestry and the rancher was no longer in control of the lease. We were given a grazing permit, which did not work. Under the direction of DLNR grazing when & where they permitted caused our herd to do poorly. Cows struggled to survive, calf growth was poor & reproduction was low.

We had no control over our ranch under the direction DLNR, we had no other option but to sell & focus on the 5000 acres we had left in order to be successful. Having lost 21,000 acres, we had to sell over 1000 cows. Because of what has happened in the past we need to keep what little we have left, to keep our business going.

We have worked with NRCS, adding 5 million gallons of water by building several reservoirs. We have put in several miles of cross fence, to properly rotate our cattle. We have cleared acres of noxious weeds & laid new waterlines, improving the property & conservation. We have had several lightning strikes causing fire, but it was easily controlled because the fire fuel was grazed & we had the water supply to extinguish it. Our operation employs at least 4 full time employees and we hire part-time employees as needed. We purchase equipment, fence materials, pipe, medicines, livestock feed, repair & maintenance supplies for our equipment. By keeping my business in operation, we pay for the use of the land through our lease, including the property tax. Selling our cattle, we create lots of tax revenue. All this contributes to the States economy.

We successfully operate a cow/calf production and a grass fat operation for our local markets. In the past year, we have produced approximately 115,000 pounds of choice grass fed range beef and 68,000 pounds of beef from culled cows & bulls.

We currently hold the DLNR lease for GL4472 – 1,902 acres & GL4473 – 3110 acres and requested that our lease be transferred to Department of Agriculture under Act 90. DLNR has agreed to transfer GL4472 which is 1902 acres, but they do no want to transfer GL4473 which is 3110 acres. This Mauka side of the ranch is the most productive part of our ranch. This is where we built our reservoirs & store most of our water. With this lease, they say they seek to accomplish restoration goals while have the most negligible impact or disruption to the ranching operations. However, we have had first-hand experience with a lease under DLNR. Rather than being in control of the lease we were given a grazing permit. Under the direction of DLNR, we had to graze when & where they permitted. This caused our herd to do poorly. Cows struggled to survive, calf growth was poor & reproduction was low. The percentage of pastoral land in Hawaii is dwindling down to less than 20%. DLNR has taken so much agricultural land already, with no accountability on what they say they will do. This land has been in ranching for many years, we have a generational commitment to protect the land and work it to produce for the community.

Several other ranchers had their leases transferred, I feel that I am just as qualified to transfer my lease. We all have the same goals, to provide beef to the community & to protect the land from out-of-control fires.

Thank you for your time, Stephen De Luz (808) 936-4507

<u>HB-1323-HD-1</u> Submitted on: 2/11/2025 12:27:00 PM

Testimony for WAL on 2/13/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Randy Cabral	Individual	Support	Written Testimony Only

Comments:

Strong support

Submitted on: 2/11/2025 1:10:10 PM

Testimony for WAL on 2/13/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Theresa M Thompson	Individual	Support	Written Testimony Only

Comments:

I strongly support HB 1323 Which allows the Department of Land and Natural Resources to transfer certain public lands for agricultural use to the Department of Agriculture without approval from the Board of Land and Natural Resources and Board of Agriculture. Requires the Department of Agriculture, upon approval of the Board of Agriculture, to accept the transfer of and manage certain qualifying non-agricultural park lands.

Mahalo,

Theresa Thompson

<u>HB-1323-HD-1</u> Submitted on: 2/11/2025 5:32:40 PM

Testimony for WAL on 2/13/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
John R. Gordines	Individual	Support	Written Testimony Only

Comments:

The HDOA should be the tip of the spear and be in charge of all agricultural lands.

Aromatic!

Submitted on: 2/12/2025 7:52:05 AM

Testimony for WAL on 2/13/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Vanessa Stevens	Individual	Support	Written Testimony Only

Comments:

Chair Hashem, Vice Chair Lamosao, and Members of the Committee,

My name is Vanessa Stevens, and I am submitting this testimony in **SUPPORT of HB1323**, **HD1**. HB1323, HD1 requires the Department of Agriculture (DOA) to accept the transfer of and manage certain qualifying non-agricultural park lands.

Act 90 is state law, enacted 22 years ago. There are over 90 leases awaiting approval to transfer by the DLNR's Board of Land and Natural Resources. The DOA is better-suited to manage non-agricultural park lands utilized by agricultural businesses. Further, the lease terms are more aligned with the agricultural business cycle.

Thank you for hearing this important bill and honoring the intent and purpose of Act 90. Please accept my testimony in **SUPPORT of HB1323, HD1.**

Vanessa Stevens

Submitted on: 2/12/2025 8:38:22 AM

Testimony for WAL on 2/13/2025 9:30:00 AM

Subn	nitted By	Organization	Testifier Position	Testify
Lilia	Kapuniai	Individual	Support	Written Testimony Only

Comments:

Chair Hashem, Vice Chair Lamosao, and Members of the Committee,

My name is LiliaKapuniai, and I am submitting this testomony in **SUPPORT of HB1323, HD1**. HB1323, HD1 requires the Department of Agriculture (DOA) to accept the transfer of and manage certain qualifying non-agricultural park lands.

Act 90 is state law, enacted 22 years ago. There are over 90 leases awaiting approval to transfer by the DLNR's Board of Land and Natural Resources. The DOA is better-suited to manage non-agricultural park lands utilzed by agricultural businesses. Further, the lease terms are more aligned with the agricultural business cycle.

Thank you for hearing this important bill and honoring the intent and purpose of Act 90. Please accept my testomony in **SUPPORT of HB1323, HD1.**

Lilia Kapuniai

COMMITTEE ON WATER & LAND Rep. Mark J. Hashem, Chair Rep. Rachele F. Lamosao, Vice Chair

HB1323 HD1

RELATING TO THE TRANSFER OF NON-AGRICULTURAL PARK LANDS

Thursday, February 13, 2025, 9:30 AM

Chair Hashem, Vice Chair Lamosao, and Members of the Committee on Water & Land,

Thank you for the opportunity to testify in **support of HB1323 HD1**.

My name is Jason Moniz, my family and I own and operate KK Ranch Inc. on a 5105-acre State Department of Agriculture General Lease, S-3163. The lease was successfully transferred per Act 90, from DLNR to HDOA in October 2023. The transfer from the DLNR to HDOA just over a year ago has been a breath of fresh air for our ranching operation. With the confidence of a long-term HDOA lease we have advanced existing and acquired a new USDA-NRCS cost share Environmental Quality Improvement Programs (EQIP). These programs allow us to leverage federal cost share funding to make environmental and production improvements to our state lease. We have also begun participating in regenerative agriculture programs that monitor and implement measures to enhance our production of healthy forages and trees to increase the ranch's carbon sequestration. Our new HDOA lease agreement is more complex with quite a few added provisions. However, the assurance of having a new lease with HDOA, and the support we have from HDOA, have given us the confidence needed to move forward with plans to increase our local marketing to 50% or more within the next five years, as the market allows; this is a big deal.

We have neighboring ranches seeking transfers on Hawaii Island (SC Ranch, Boteilho Hawaii Enterprises, Ernest DeLuz Ranch, Freddy Nobriga Enterprises) and a ranch on Maui (Balthzar Ranch), that I am personally familiar with. These ranches, like ours, fit the Act 90 working group proviso that indicated that those leases "used for the primary and substantial management objective of agricultural production should be transferred to HDOA, following the processes and conditions pursuant to Act 90". DLNR continues to hold the transfer of these leases despite their meeting the conditions set by the Act 90 Working Group for their transfer to HDOA. These lands have been historically leased for livestock production for nearly 200 years. Just the handful of ranches I listed above represents over 10% of the State's beef production.

This bill will ensure that lands in active agriculture are transferred to HDOA, pursuant to Act 90, without further delays. We appreciate that the DLNR and HDOA worked together to transfer our lease. However, as leaders within the beef cattle industry, my wife and I find it difficult for us to agree with or explain to other lessees the rational used by DLNR to transfer some, but not their leases. Like our ranch, several of the other lessees, have previously been negatively impacted by substantial withdrawals to their leases and even losses of entire leases for DLNR's DOFAW purposes. DLNR has clearly indicated their intent to take large segments of these leases and in

some cases all, out of pastoral use and move them to conservation uses. In our case 2100 acres were withdrawn from our lease 20 years ago to mitigate the impact of realignment of the old Saddle Road on the palila bird's critical habitat. The purpose of the withdrawal, to establish a second breeding population of the endangered palila bird, was less than successful, yet the lands were not returned to grazing. I estimate less than 25% of the withdrawn lands have been successfully planted and predominately Koa trees have been planted, which do not serve the palila with the seeds and insects they utilize for survival. In addition, significant ungrazed grass goes unchecked and has created wildfire fuel that threatens the adjacent Mauna Kea Forest reserve and adjacent ranch lands.

Today's ranchers are focused on more than just cattle production. They are proponents for stewarding the land and routinely implement conservation practices that make improvements to their state leases. With long-term leases based on agricultural production, ranchers will be even better situated to invest in long-term conservation practices.

Thank you again for the opportunity to testify in support of this Bill and the support of the ranchers whose leases have not yet been transferred.

Submitted on: 2/12/2025 5:09:48 PM

Testimony for WAL on 2/13/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
J Ashman	Individual	Support	Written Testimony Only

Comments:

Ranchers in *perpetual limbo* for over 20 years.

Not enough transfers to DOA.

Excrutiatingly slow, with DLNR forcing many to give up large portions of their lands in order to get the transfer. Diminishes sustainability.

How can food producers stay in business without being able to make plans, invest in the land, qualify for loans, etc.? This is their livelihood.

Please pass this bill. Thank you.

Submitted on: 2/12/2025 5:40:39 PM

Testimony for WAL on 2/13/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Frances Kama-Silva	Individual	Support	Written Testimony Only

Comments:

Our family stands in strong support of HB1323 HD1 with the exception of the changed effective date of the year 3000. These transfers need to be done post haste without the withholding of any additional lands to DLNR. These remaining ranchers have been stewards of our aina for generations, investing hundreds of thousands of dollars in maintaning their ranches, battling to keep out invasives while struggling to remain viable business' devoted to feeding Hawaii's families. Our paniolo heritage needs to be nurtured and supported and this bill helps to do that. Twenty years to fulfill a promise is too long, please vote yes to move these transfers forward. Mahalo.

I strongly ask you to support this bill. I am one of the ranches that was taken off the list to transfer. I initially invested \$350,000 to dig a well and put in all the infrastructure. We were awarded the outstanding producer for conservation practices by NRCS. I have been there for over 22 years and this property was in ranching for over 100 years. If I lose this along with another state lease I am out of business. Act 90 was implemented for ranchers like me but it had no teeth. DLNR had the choice to keep the land if they wanted even though it was agg land and always was in agg. They should not have this power. The intent of act 90 should be fufilled which is to transfer agg lands to DOA. The property is managed with no over grazing. Anyone who would like to see it please email me diamondbranchhi@aol.com

1. This is a photo of the hwy coming from Ulupalakua. It also shows the ocean and Pahii gulch. This is one of two gulches that flank the property. That large gulch starts way up at the summit. When it rains the water coming down spans up to 100 ft + at times people have died trying to cross it. Also notice the fence along the mauka part of the hwy that prevents the cattle from going on the road.



2. Another photo from the same place but just showing a little of the hwy. This is so there is no doubt that the photo is taken from the road. This photo shows the whole ranch. You can see the corral and the pump house and the main ranch road going up the center. What looks like a road on the right is actually the boundary fence between that property and the National Park. On the far far left edge of Pahii gulch is the left boundary that land next to the edge of the gulch is Haleakala Ranch. As I replied to your statement in paragraph 1. You and everyone can see Haleakala Ranch on the left, National park on the right, ocean on the bottom and DLNR in the middle and not bounded on three sides by reserves as you stated. The 4000 acres is at the top of the photo in the clouds. As you can see in the photo that we just took last week there is no bare ground even with us not having any rain. The short road below the corral with poles on the right, which carries the electric wire, is a road I just graded which goes to my well head. That is why it is in dirt. Contrary to your statement in #2. there is no barren ground on that ranch and large scale erosion. You can see the road between the ranch and the ocean. The soil washing away and smothering the coral reefs and fisheries that you claim, come from the two major gulches one on the left Pahii and one on the right Nuu. This photo and others clears up a lot of propaganda. Now with aerial photos you can't lie about what is there and what is not. It is clear to me that you wrote this letter, trying to justifying not transferring this lease to DOA, without ever seeing the property.



3. This photo is from the same place and no its not some Chinese puzzle. The RED line is the actual boundary of this ranch. The BLUE line is the only area where the cattle graze and have access to. The WHITE line is all the small ranch roads leading to water troughs and different paddocks. The round GREEN are my 45,000 gallon water tanks except for the one near the coral which is 20,000. The straight TURQUOISE are the pipe lines that pump water up to the mauka tanks and to the various troughs. Just a note I missed drawing in 2 other troughs. When you look at this photo note the red line at the top just below the cloud line. That cloud line is there almost daily. This is what I was referring to as why where DLNR fenced off and planted those 320,000 trees there is always moisture. As I indicated above whey you sent me the before and after photos you will notice the area was already very green before the trees were planted. Please also note how large of an area there is from the red line top boundary to the lower blue line where the cattle can get to. This is for several reasons. One it is very steep. Two mostly brush and some grass but by not having the cattle even in the lower part it keeps the ground covered. There will be other photos that are close up.



4. This photo is that upper portion above my top water tank. All the colors reflect the same things. In this photo the BLACK line is the fence that came down from that 4000 acres in a portion of my lease because they could not stay on the boundary due to the steepness. It comes down part way between me and the national park. It is my understanding that they were the ones who put up and paid for that fence. The YELLOW line is my paddock fence line in that upper area. I didn't draw all the paddocks on the other photo because it would be too much lines and confusing. Again please note the steepness and the cloud line. This photo was taken a few weeks before and like most days the clouds are there, getting moisture to that upper area. Something that will not happen below that cloud line. Another thing I want to mention is the location of that water tank. That is the end of the ranch roads. This is the area I took the fence crew to see if they wanted to carry material from there up the mountain. In your letter #3 you mention the parcel includes a strategic road and trail that would allow public access to the 4000 acres. There is no road nor any kind of vehicle known to man that can clime those steep hills to get to that area. Remember that 4000 acres is conservation area and will it now be open to the public???? And

seeing the photo and the next few I ask the question how they will get up there.



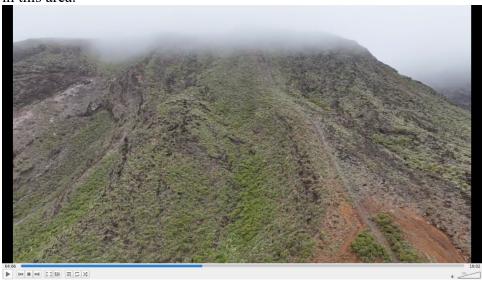
5. This photo is the same area as #4 but from below the clouds looking down. Notice the steepness which gets worst from this point. Also see how far it is to the water tank where the ranch road ends. You can also see how much area can't be grazed. From where this drone photo is there is more then a mile up hill to that 4000 acres.



6.Same area the drone is just higher to show both gulches. Now Pahii on the right looking down and Nuu on the left. Both run taking tons of soil down into the ocean. Something that the next 40 generations of DLNR employees can't stop. Soil, trees, animals, and big boulders get washed into the ocean. No number of trees planted can stop these rivers from running during a storm. Blue outline is area we graze. You see no barren areas where we manage and have cattle. Even the little gulches all are green or brown with grass or cattle koa, and Kukui nut trees that we planted. That little gulch does run but only when we get 10 or more inches in a short time but not much as the stream is only about 4 ft.



7. This is the same place the drone was in photo 6 but turned around. Now you see how steep and rugged the place is. You see the park fence going up into the cloud area. Note from this area up into the clouds it is over a mile to get to that 4000 acre fence area with the trees. See the thick clouds which provides moisture and some small rains in that upper area. There is not even goats in this area.



8. A recent storm at the end of January brought heavy rains. These photos show that the runoff is from the gulches, not from the pasture.



