



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
KA 'OIHANA O KA LOIO KUHINA
THIRTY-THIRD LEGISLATURE, 2025**

ON THE FOLLOWING MEASURE:
H.B. NO. 502, RELATING TO LAND USE.

BEFORE THE:
HOUSE COMMITTEE ON WATER & LAND

DATE: Thursday, January 30, 2025 **TIME:** 9:00 a.m.

LOCATION: State Capitol, Room 411

TESTIFIER(S): Anne E. Lopez, Attorney General, or
Miranda C. Steed, Deputy Attorney General

Chair Hashem and Members of the Committee:

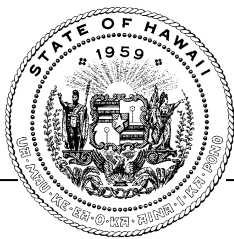
The Department of the Attorney General has concerns regarding this bill and provides the following comments.

This bill temporarily allows each county council to petition for the redistricting of land from an agricultural district to a rural district through the land use commission's declaratory ruling process.

To accomplish this, the bill allows county councils to use the declaratory ruling process in chapter 205, Hawaii Revised Statutes (HRS), to petition the Land Use Commission to redistrict agricultural lands to urban lands, provided that enumerated conditions are met.

With regard to redistricting land, article XI, section 3, of the State Constitution provides that "[l]ands identified by the State as important agricultural lands shall not be reclassified by the State or rezoned by its political subdivisions without meeting the standards and criteria established by the legislature and approved by a two-thirds vote of the body responsible for the reclassification or rezoning action." Section 205-50, HRS, provides specific criteria that must be met to reclassify important agricultural lands. To avoid any potential constitutional or statutory conflicts, we suggest that additional wording be added to section 2 of the bill to exclude lands designated as important agricultural lands from the redistricting by declaratory ruling process contemplated in the bill.

Thank you for the opportunity to provide comments.



**STATE OF HAWAI‘I
OFFICE OF PLANNING
& SUSTAINABLE DEVELOPMENT**

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

MARY ALICE EVANS
DIRECTOR

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Statement of
MARY ALICE EVANS, Director

before the
HOUSE COMMITTEE ON WATER AND LAND

Thursday, January 30, 2025

9:00 AM

State Capitol, Conference Room 411

in consideration of
HB 502
RELATING TO LAND USE.

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

The Office of Planning and Sustainable Development (OPSD) offers **comments** on HB 502, which allows the counties a temporary opportunity between July 1, 2026 and June 30, 2029 to petition for the redistricting of land from the Agricultural District to the Rural District through the Land Use Commission’s (LUC) declaratory order proceeding, provided certain conditions are met.

The OPSD’s *State Land Use Review of Districts* (January 2022) found that reclassification of established rural subdivisions and rural centers from the Agricultural to the Rural District could accommodate rural settlement patterns and subsistence farming lifestyles, and better align State and county land use policy that seeks to separate non-farm residential uses from bona fide farming to reduce pressure on Hawai‘i’s limited productive agricultural lands.

However, OPSD is concerned that this measure as written could be difficult to implement, particularly in the timeframe provided. OPSD prefers the establishment of a county plan-based district boundary amendment proceeding in Hawai‘i Revised Statutes (HRS) Chapter 205 that enables the redistricting of lands to a district that is consistent with a county’s general plan and community development plan land use designations. We believe that Administration bill, HB 1015, provides a vehicle to accomplish this and the redistricting sought in this measure.

Thank you for the opportunity to testify on this measure.

JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



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

SHARON HURD
Chairperson, Board of Agriculture

DEAN M. MATSUKAWA
Deputy to the Chairperson

TESTIMONY OF SHARON HURD
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON WATER AND LAND

THURSDAY, JANUARY 30, 2025
9:00 AM
CONFERENCE ROOM 411

HOUSE BILL NO. 502
RELATING TO LAND USE.

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

Thank you for the opportunity to provide testimony on House Bill No. 502 that temporarily allows each county, by resolution of the respective county councils, to petition for the redistricting of land from the Agricultural District to the Rural District through the Land Use Commission's declaratory ruling process. The Department of Agriculture (Department) offers comments and a recommendation.

There are eight requirements to merit a petition to redistrict lands from the Agricultural District to the Rural District (page 2, line 7 to page 3, line 11). Generally, the lands must be existing agricultural subdivisions of ten or more lots and individual lot sizes not exceeding one acre, be with or without residential dwellings, have met the requirements of Chapter 343 (Hawaii Environmental Policy Act), the reclassification would not adversely affect the use of adjacent lands for agricultural purposes, the reclassification is supported by the applicable county plans, and the county councils will have notified affected landowners and have public hearings.

The Department respectfully recommends that the counties who take advantage of the provisions of this measure, should it be enacted, to consider concurrent revision of their respective ordinances, plans, and rules affecting the subdivision (or other means of partitioning) of agricultural land to direct the development of large lot estates to the Rural District. This may reduce, if not halt, the continuing adverse impact that agricultural land subdivisions with little, if any, agricultural production, are having on agricultural land values and access to these lands for agricultural production.

Thank you for the opportunity to present our testimony.





LAND USE COMMISSION

Komikina Ho'ohana 'Āina

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

Ka 'Oihana Ho'omōhala Pā'oihana, 'Imi Wai wai a Ho'omāka'ika'i

JOSH GREEN, MD
GOVERNOR

DANIEL E. ORODENKER
EXECUTIVE OFFICER

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Statement of
Daniel E. Orodenker
Executive Officer
State Land Use Commission

Before the
House Committee on Water and Land

Thursday January 30, 2025
9:00 AM
State Capitol, Room 411 and Video Conference

In consideration of
HB502

RELATING TO LAND USE

Chair Hashem; Vice Chair Lamosao; and members of the House Committee on Water and Land:

The proposed measure would temporarily allow each county to petition the Land Use Commission ("LUC") to reclassify lands from the State Agricultural District to the State Rural District using the LUC's declaratory ruling process.

The LUC has not taken an official position on the measure at this time. LUC professional staff is available to answer any questions you may have.

Thank you for the opportunity to testify on this matter.

HB-502

Submitted on: 1/29/2025 12:52:52 PM

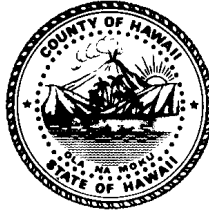
Testimony for WAL on 1/30/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
earl yamamoto	Hawaii Department of Agriculture	Comments	Remotely Via Zoom

Comments:

written testimony offering comments was already submitted

HEATHER L. KIMBALL
Council District 1 (North Hilo,
Hāmākua, and portion of Waimea)



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HAWAI'I COUNTY COUNCIL

25 Aupuni Street, Ste. 1402.
Hilo, Hawai'i 96720

January 29, 2025

House Committee on Water and Land
Honorable Representative Mark J. Hashem Chair

RE: **Support of HB502**

Dear Chair Hashem, and Members of the Committee on Judiciary and Hawaiian Affairs:

As the representative of the Hawai'i County Council for District 1, I thank you for the opportunity to submit **testimony in SUPPORT of HB 502**, relating to a temporary opportunity for counties to petition for the redistricting of land from the Agricultural District to the Rural District through the Land Use Commission's declaratory ruling process.

In the County of Hawai'i there are a number of areas that would meet the conditions specified in HB502. Being able to use the declaratory ruling process to amend the state land use from Agricultural to Rural would have two key benefits:

- 1) The counties would be better able to address the affordable housing crisis because the development ADUs on state land use Agricultural is restricted by the limitations of HRS 205. Allowing the counties to change the state land use to Rural could mean several thousand privately developed units on properties that are unlikely ever to be used for agriculture.
- 2) By removing the non-conforming rural uses in the Agricultural district, the county will be better able to regulate and ensure the appropriate use of true agricultural land.

Thank you for the opportunity to submit this testimony. If you would like to discuss my knowledge of this matter further, please do not hesitate to contact me directly.

Sincerely,

A handwritten signature in cursive script, reading "Heather Kimball".

HEATHER L. KIMBALL



January 30, 2025

The Honorable Mark J. Hashem, Chair

House Committee on Water & Land

State Capitol, Conference Room 411 & Videoconference

RE: House Bill 502, Relating to Land Use

HEARING: Thursday, January 30, 2025, at 9:00 a.m.

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

My name is Lyndsey Garcia, Director of Advocacy, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawaii and its over 10,000 members. HAR **supports** House Bill 502, which temporarily allows each county, by resolution of its county council, to petition for the redistricting of land from an agricultural district to a rural district through the Land Use Commission's declaratory ruling process. Effective 7/1/2026. Sunsets 6/30/2029

There are small lot subdivisions that were created before the enactment of state land use laws within the agricultural districts that are now either too small to support commercial farming or contain non-conforming residential uses. These lands would be more appropriately placed within the rural designation, which is composed primarily of small farms intermixed with low-density residential lots with a minimum size of one-half acre. This measure helps address these inconsistencies while ensuring that the redistricting from agricultural to rural meet clearly defined requirements and review, including ensuring that any proposed redistricting does not adversely affect agricultural purposes.

For the foregoing reasons, Hawai'i REALTORS® supports this measure.
Mahalo for the opportunity to testify.



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January 30, 2025

HEARING BEFORE THE
HOUSE COMMITTEE ON WATER & LAND

TESTIMONY ON HB 502
RELATING TO LAND USE

Conference Room 411 & Videoconference
9:00 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 502, which temporarily allows each county, by resolution of its county council, to petition for the redistricting of land from an agricultural district to a rural district through the Land Use Commission's declaratory ruling process.

As a statewide organization representing farmers and ranchers, **HFB remains committed to the preservation and protection of agricultural lands** to ensure the long-term viability of local food production, food security, and Hawai'i's agricultural economy. The continued loss of prime agricultural lands to urbanization and non-agricultural uses is a significant concern, as once these lands are converted, they are rarely restored for farming purposes.

The rural land use classification district was developed to serve as the interface between agriculture and urban land uses. In rural districts, agriculture is a choice, not a requirement, and those who live in the area are expected to accept the aspects of agriculture while having the advantages of lower taxes. Rural classification in most areas of the country also translates to reduced infrastructure, e.g., sidewalks or streetlights. After all, you are in a rural area ...not an urban residential city.

Hawai'i's use of the rural classification is limited across the state and frowned upon by some. This leads to difficulties as it forces agriculture to directly interface with the urban district resulting in conflicts. It also results in people creatively farming to ensure that they can retain their reduced property tax rates and counties needing to spend time inspecting properties to check if legitimate farming was being conducted.

HFB recognizes that HB 502 seeks to provide counties with a mechanism to address land-use needs, particularly in areas where rural reclassification may be warranted. However, we urge caution to ensure that this process does not inadvertently facilitate the unnecessary loss of productive agricultural lands. Temporarily allowing the Counties to reclassify agricultural lands to rural seems reasonable. On these lands, agriculture is a choice, not a requirement. Land can be dedicated to agricultural use for agricultural benefits. However, agriculture is not a requirement, and residents can have larger lots without going through the effort of pretending to farm.

Any redistricting proposals should include an assessment of the agricultural viability of the lands in question. The highest-quality, most productive agricultural lands should not be reclassified without a clear and compelling reason. There are instances where rural reclassification may be appropriate, such as in areas with existing small-scale rural communities or farm dwellings that require more appropriate zoning. However, reclassification should be carefully reviewed to balance these needs without negatively impacting agricultural opportunities.

HFB understands the intent of HB 502 but strongly urges the Legislature to ensure that agricultural preservation remains a priority in any land reclassification process. If this measure advances, we respectfully request that clear safeguards be included to prevent the unnecessary loss of prime agricultural lands and ensure that Hawai'i's long-term agricultural sustainability is protected.

Thank you for the opportunity to provide testimony on this measure.



Officers

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Moloka'i

Negus Manna
Lāna'i

India Clark
North Shore, O'ahu

Christian Zuckerman
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Vincent Kimura
Honolulu, O'ahu

Natalie Urminska
Kaua'i

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

The Hawai'i Farmers Union is a 501(c)(5) agricultural advocacy nonprofit representing a network of over 2,500 family farmers and their supporters across the Hawaiian Islands. **HFUU supports HB502.**

HB502 presents an opportunity for Hawaii's counties to tailor land use planning more closely to local needs and conditions. By enabling county councils to petition for land redistricting from agricultural to rural through the Land Use Commission's declaratory ruling process, the bill grants counties greater autonomy. This local empowerment can facilitate more nuanced development plans that align with community goals, directly addressing infrastructure and residential needs in a manner responsive to local circumstances. Importantly, the bill's temporary nature, effective until 2029, provides an ideal framework to assess its impacts and make informed adjustments.

While rural designation may still allow some agricultural activities, the shift could open pathways for development that reduce viable farmland, impacting long-term food security and the agricultural economy. To ensure a balanced approach, **it is recommended that counties and the Land Use Commission implement a tracking mechanism to monitor the amount, location, and quality of agricultural land being redistricted.** This data should be publicly reported and reviewed periodically to assess whether the policy is contributing to agricultural land loss or aligning with sustainable land use goals. Additionally, counties should be encouraged to adopt clear criteria for redistricting petitions, prioritizing areas with marginal agricultural productivity while safeguarding high-value farmlands.

In summary, HB502 aims to grant counties more influence over land use decisions, which could lead to more localized and effective planning. However, it is essential to carefully monitor its implementation to ensure that the shift from agricultural to rural districts does not adversely affect the state's agricultural capacity and sustainability goals.

Mahalo for the opportunity to testify.

Hunter Heavilin
Advocacy Director
Hawai'i Farmers Union