

**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
**SENATE COMMITTEES
ON
AGRICULTURE AND ENVIRONMENT,
WATER AND LAND,
ECONOMIC DEVELOPMENT AND TOURISM, AND
ENERGY AND INTERGOVERNMENTAL AFFAIRS**

Wednesday, March 19, 2025

1:00 PM

State Capitol, Conference Room 229

in consideration of
**HB 966, HD2
RELATING TO AGRICULTURAL TOURISM.**

Chairs Gabbard, Inouye, DeCoite, and Wakai, Vice Chairs Richards, Elefante, Wakai, and Chang, and Members of the Committees.

The Office of Planning and Sustainable Development (OPSD) **supports with comments** HB 966, HD2, which establishes uniform agricultural tourism activity requirements applicable to all Counties to promote agricultural tourism as a supplemental revenue stream to farm operations.

OPSD strongly supports agricultural tourism as an additional source of revenue for bona fide farming operations, as defined in Hawai'i Revised Statutes (HRS) § 165-2. We welcome these amendments to HRS Chapter 205 that clarify that agricultural tourism activities, secondary and accessory to a principal farming operation, may be allowed in all Counties. We also support County adoption of ordinances regulating agricultural tourism activities and strongly support a registration process that improves the Counties' ability to review whether these activities are indeed being operated by a bona fide farming operation.

OPSD appreciates that HB 966, HD2 addresses OPSD's primary concerns with prior versions of the bill. We refer the Committees to a discussion of OPSD concerns in testimony submitted to the House Committee on Judiciary and Hawaiian Affairs for its February 20, 2025 hearing on HB 966, HD1.

OPSD believes HD2 provides an improved framework for County regulation of agricultural tourism that does not frustrate State and County efforts to protect Hawai'i's limited productive agricultural lands from higher-valued non-agricultural uses, which increase the value of agricultural land and the cost of farmland for bona fide farmers, foster nuisance conflicts between legitimate agricultural activities and other non-agricultural uses, and contribute to the fragmentation and conversion of agricultural lands to other uses.

OPSD offers the following amendments for the Committees' consideration, which we believe would clarify certain provisions in HD2:

1. Page 5, line 8: insert language to clarify that "farm income" is "farm income from the sale of crops, livestock, or products cultivated and harvested by the principal farming operation."
2. Page 27, lines 3-6: reinstate the original language, since these amendments were proposed in conjunction with the repeal of the minimum lot size in prior versions of the bill and are confusing and are no longer needed.
3. Page 9, line 4 and page 16, line 16: replace "under" with "pursuant to section 205-5" to be clear that reference is to the authority given to Counties in HRS § 205-5 for the Counties to further define accessory agricultural uses in zoning ordinances.

Thank you for the opportunity to testify on this measure.

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



WENDY GADY
EXECUTIVE DIRECTOR

STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION
HUI HO'OU LU AINA MAHIAI

TESTIMONY OF WENDY L. GADY
EXECUTIVE DIRECTOR
AGRIBUSINESS DEVELOPMENT CORPORATION

BEFORE THE SENATE COMMITTEES ON AGRICULTURE & ENVIRONMENT,
WATER & LAND, ECONOMIC DEVELOPMENT AND TOURISM, AND ENERGY AND
INTERGOVERNMENTAL AFFAIRS

March 19, 2025
1:00 p.m.
Conference Room 229 & Videoconference

HOUSE BILL NO. 966 HD2
RELATING TO AGRICULTURAL TOURISM

Chairpersons Gabbard, Inouye, DeCoite, and Wakai, Vice Chairs Richards, Elefante, Wakai, and Chang, and Members of the joint Committees:

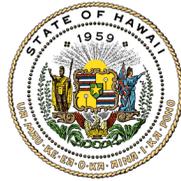
The Agribusiness Development Corporation (ADC) **supports** House Bill 966 HD2, which establishes statewide, uniform standards to promote agricultural tourism activities in the State of Hawaii by establishing state agricultural tourism activity requirements that are applicable to all counties that have adopted an agricultural tourism ordinance. This measure also requires agricultural tourism activities to be registered by the respective county planning commission, requires agricultural tourism activities to coexist with an agricultural activity on a farming operation and requires termination of agricultural tourism activities upon cessation of the agricultural activity.

Agritourism activities can be a critical revenue stream for Hawaii's agriculture businesses to find success in a dynamic market. However, the inclusion of such activities on agricultural land cannot eclipse the potential to grow fresh, and local food, produce, and value-added products, if we are to curb the State's reliance on imported agricultural products. The suggested requirements provide reasonable measures to ensure that the optimal use of agricultural assets supports the production of local agricultural products for both local consumption and export in a manner that is economically and environmentally sustainable.

We support this bill provided that its passage does not replace or adversely impact priorities indicated in our Executive Budget. Mahalo for the opportunity to submit testimony in support of this measure.

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
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 SENATE COMMITTEES ON AGRICULTURE AND ENVIRONMENT,
WATER AND LAND, ECONOMIC DEVELOPMENT AND TOURISM, AND ENERGY
AND INTERGOVERNMENTAL AFFAIRS**

**WEDNESDAY, MARCH 19, 2025
1:00 PM
CONFERENCE ROOM 229**

**HOUSE BILL NO. 966, HOUSE DRAFT 2
RELATING TO AGRICULTURAL TOURISM.**

Chairs Gabbard, Inouye, DeCoite, and Wakai, Vice Chairs Richards, Elefante, Wakai, and Chang and Members of the Committees:

Thank you for the opportunity to provide testimony on House Bill No. 966, House Draft 2 that establishes statewide uniform standards to promote agricultural tourism activities in the State by establishing state agricultural tourism activity requirements that are applicable to all counties that have adopted an agricultural tourism ordinance. This measure also requires agricultural tourism activities to be registered by the county planning department; agricultural tourism activities are to coexist with an agricultural activity on a farming operation; and requires termination of the agricultural tourism activities upon cessation of the agricultural activity except under certain circumstances.

The Department of Agriculture (Department) supports the amendments found in House Draft 2 and requests the Senate committees find an objective measure other than revenue to unambiguously establish that agricultural tourism activities are "accessory and secondary" to a commercial farming operation.

Thank you for the opportunity to present our testimony.





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March 19, 2025

HEARING BEFORE THE
SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT
SENATE COMMITTEE ON WATER AND LAND
SENATE COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM
SENATE COMMITTEE ON ENERGY AND INTERGOVERNMENTAL AFFAIRS

TESTIMONY ON HB 966, HD2
RELATING TO AGRICULTURAL TOURISM

Conference Room 229 & Videoconference
1:00 PM

Aloha Chairs Gabbard, Inouye, DeCoite, Wakai, Vice-Chairs Richards, Elefante, Chang, and Members of the Committees:

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 the intent of HB 966, HD2, which establishes statewide, uniform standards to promote agricultural tourism activities in the state. This bill sets clear requirements for agricultural tourism that apply to all counties that have adopted an agricultural tourism ordinance. It also requires agricultural tourism activities to be registered with the county planning commission and ensures that they remain secondary to active agricultural operations, terminating when farming activity ceases.

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.

We believe the primary purpose of the Agricultural District is production agriculture. Agricultural tourism should complement active farming operations and not become the primary land use. Agricultural tourism operations should be subordinate to bona fide agricultural operations. We believe that other loosely related activities merely using agriculture as a justification belong in the rural district. Counties should be encouraged to move in this direction, thereby protecting agricultural lands.

While we support establishing minimum statewide standards, we believe that the details of agricultural tourism should remain a home rule issue. Counties may have different views on what constitutes agricultural tourism and what activities they choose to allow. This should be respected and remain under the purview of county zoning. Therefore, we request that the requirement for a county to adopt ordinances regulating agricultural tourism operations remain in place.

We also request that the implementation of this measure:

- **Ensure that registration requirements do not create unnecessary administrative burdens on working farmers and ranchers.**
- **Provide clarity on what constitutes an eligible agricultural operation to prevent unintended restrictions on small or diversified farms.**
- **Include input from farmers and ranchers in developing regulations to ensure that agricultural tourism activities remain viable and beneficial for agricultural producers**

Thank you for the opportunity to testify on this important matter.



TESTIMONY OF
DANIEL NĀHO'OPI'I
Interim President & CEO
Hawai'i Tourism Authority
before the
**SENATE COMMITTEES ON AGRICULTURE AND ENVIRONMENT, WATER AND LAND,
ECONOMIC DEVELOPMENT AND TOURISM, AND ENERGY AND INTERGOVERNMENTAL
AFFAIRS**

Wednesday, March 19, 2025
1:00 p.m.
State Capitol, Room 229

In consideration of
HB 966 HD 2
RELATING TO AGRICULTURAL TOURISM

Aloha Chairs Gabbard, Inouye, DeCoite and Wakai, Vice Chairs Richards, Elefante, Wakai, and Chang, and Members of the Committees,

The Hawai'i Tourism Authority (HTA) offers comments on HB 966 HD 2, which establishes statewide, uniform standards to promote agricultural tourism activities in the State for all counties that have adopted an agricultural tourism ordinance. It requires agricultural tourism activities to be registered by the county planning department. In addition, it requires agricultural tourism activities to coexist with an agricultural activity on a farming operation and requires termination of the agricultural tourism activities upon cessation of the agricultural activity, except under certain circumstances. The measure also makes conforming amendments and sets the effective date as July 1, 3000.

Agricultural tourism is a vital niche within Hawai'i's tourism industry, specifically identified in HRS 201B-3(a)(19). Successful development of agricultural tourism initiatives advances Hawai'i toward a regenerative tourism model that actively supports farmers while being sensitive to surrounding communities.

Mahalo for the opportunity to share our comments.

HB-966-HD-2

Submitted on: 3/18/2025 12:40:22 PM

Testimony for AEN on 3/19/2025 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Taylor Kellerman	Testifying for Kualoa Ranch	Comments	In Person

Comments:

Aloha,

My name is Taylor Kellerman and I am the Director of Diversified Agriculture and Land Stewardship for Kualoa Ranch, one of the state’s largest agritourism businesses. Our business model is a symbiosis between the visitor industry, local food production, natural resource conservation, and sustainable land management. In 2024 we produced over 150K of local food, actively stewarded over 1500 acres of undeveloped conservation area, and serviced thousands of local residents regarding local food purchasing through our onsite market. Agritourism provides a sustainable financial model for Kualoa, and has the potential to be a key driver in Hawaii’s quest for improved food security as well as serving as a platform for visitor education.

Currently there are already regulations at the county level for agritourism, and while I understand the desire for consistency I do ask that caution be taken to not over-burden and or negatively impact farm’s and ranch’s ability to diversify their business model. I will be present at the hearing tomorrow and hope to provide further comments and context to avoid unnecessary over-regulation, as well as the potential for inadvertent negative repercussions for legitimate agricultural businesses like ourselves.

Mahalo

Taylor Kellerman



Hawaii Cattlemen's Council, Inc.

COMMITTEE ON AGRICULTURE AND ENVIRONMENT

Senator Mike Gabbard, Chair
Senator Herbert M. "Tim" Richards, III, Vice Chair

COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM

Senator Lynn DeCoite, Chair
Senator Glenn Wakai, Vice Chair

COMMITTEE ON WATER AND LAND

Senator Lorraine R. Inouye, Chair
Senator Brandon J.C. Elefante, Vice Chair

COMMITTEE ON ENERGY AND INTERGOVERNMENTAL AFFAIRS

Senator Glenn Wakai, Chair
Senator Stanley Chang, Vice Chair

HB966 HD2

RELATING TO AGRICULTURAL TOURISM

Wednesday, March 19, 2025, 1:00 PM
Conference Room 229 & Videoconference

Chairs, Vice Chairs, and members of the committees,

The Hawaii Cattlemen's Council **offers comments on HB966 HD2** which establishes statewide, uniform standards to promote agricultural tourism activities in the State by establishing state agricultural tourism activity requirements that are applicable to all counties that have adopted an agricultural tourism ordinance.

Agricultural tourism is important to diversity a farm or ranch's revenue stream, provide access for the public to a working farm, and to educate and connect people with where their food comes from. Agriculture is a tough business with small margins. Utilizing agricultural tourism can often be an important factor in being able to stay afloat financially. We understand the intent to combat misues of ag tourism where agriculture is not present. , but e caution against over regulation of ag tourism which would remove access to success for bonafide agricultural producers endeavoring to diversify their operation.

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



March 19, 2025, 1 p.m.
Hawaii State Capitol
Conference Room 229 and Videoconference

To: Senate Committee on Agriculture and Environment

Senator Mike Gabbard, Chair
Senator Herbert "Tim" Richards, III, Vice Chair

Senate Committee on Water and Land

Sen. Lorraine R. Inouye, Chair
Sen. Brandon J.C. Elefante, Vice Chair

Senate Committee on Economic Development and Tourism

Sen. Lynn DeCoite, Chair
Sen. Glenn Wakai, Vice Chair

Senate Committee on Energy and Intergovernmental Affairs

Sen. Glenn Wakai, Chair
Sen. Stanley Chang, Vice Chair

From: Grassroot Institute of Hawaii

Ted Kefalas, Director of Strategic Campaigns

RE: HB966 HD2 — RELATING TO AGRICULTURAL TOURISM

Aloha chairs, vice-chairs and other members of the committees,

The Grassroot Institute of Hawaii offers **comments on — and an amendment to —** [HB966 HD2](#), which would create uniform standards for agricultural tourism operations throughout the state.

Specifically, the bill would allow agricultural tourism activities as an accessory and secondary use to primary agricultural uses in counties with an adopted agricultural tourism ordinance.

The only general requirement would be that any farm or ranch owner wanting to conduct agricultural tourism would be required to register with the county planning department and provide information on farm access, facilities and tourism activities they plan to offer.

Grassroot believes this bill would give farmers and ranchers more freedom to diversify their income sources. Agricultural tourism activities could educate visitors about sustainable practices and land stewardship, in addition to creating employment opportunities and excise tax revenues.

However, Grassroot supports the restoration of certain sections of the HD1 version of this bill.

Specifically, the committees should consider adding back existing statutory language authorizing overnight accommodations in Maui County and the proposed language that would have legalized food trucks on farms and ranches.

The language on food trucks had read as follows, in Section 3, under agricultural-based commercial operations:

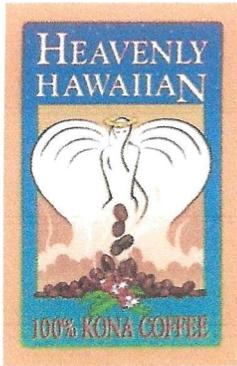
(G) A roadside stand or retail activities in an enclosed structure under three hundred square feet in total floor area that is on a trailer; provided that any stand or structure under this subparagraph shall be exempt from building permit requirements, notwithstanding the need for an electric or plumbing permit, if appropriate.

Furthermore, Grassroot requests that the committees do not add language requiring that farm or ranch income must exceed tourism-derived income.

For many farmers and ranchers, agriculture is primarily for donation or sustenance, and any income-based rules could deny them the opportunity to participate in Hawaii's largest economic driver: tourism.

Thank you for the opportunity to testify.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii



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coffee@heavenlyhawaiian.com

Aloha AEN Chair Gabbard, Vice Chair Richards and AEN Committee March 14, 2025
WTL Chair Inouye, Vice Chair Elefante and WTL Committee
EDT Chair DeCoite, Vice Chair Wakai and EDT Committee
EIG Chair Wakai, Vice Chair Chang and EDG Committee

Thank you for the opportunity to present testimony in **strong support** of HB966 HD2.

Heavenly Hawaiian Farms has been farming Kona coffee for over 25 years,

As many on your committees know, farming of every kind is a very challenging venture at best. It requires extensive labor, initial capital investment and regular infusion of cash to make ends meet. And, at the end of the day, there is no guarantee of success or profitability. Farmers, therefore, need to find means to supplement their crop sales income. Agricultural tourism is one of the most significant avenues to generate that supplemental cash flow. It allows the farmer to sell more of the farm crop at retail to visitors on the farm. Enhanced sales are generated through the experience of being on the farm, education by seeing how a product is developed from the raw crop, experiencing first-hand what a farmer must do to value add to bring their product to market. And visitors are able to taste products freshly harvested and processed. On-farm sales will generate many times the revenue of online retail sales, farmers market sales or wholesale sales to retail stores. Agricultural tourism is truly a "lifeline" for farmers trying to improve their cash flow.

However, the current process to obtain planning approval for an agricultural tourism permit from county planning is extremely intimidating, cumbersome, costly and time consuming. It simply doesn't work for the average farmer. I have a fellow coffee farmer who has incurred costs of over \$60,000, just in hiring experts, attorneys and advisors to prepare a permit application for a walking path, some small open pavilions highlighting processing activities and restrooms on a five-acre coffee farm. It took over a year for the applicant to prepare a "completed application" for the planners. Applying for a permit with all the associated costs of experts, attorneys, planners, etc. to present a package to the county is prohibitive. This is just one example. The existing process doesn't work for the farming community. Therefore, many farmers simply opt out.

HB966 HD2 will help level the "playing field" for small farmers and ranchers as it eliminates the costly and onerous site plan approval process. HB966 HD2 fixes these problems by allowing a farmer to register his/her agricultural tourism activities with a simple registration filing. Stores and restaurants on farms are currently allowed with the simple registration process. The logical question is, why can't the mere act of getting tourists onto the farm also be handled with a similar simple registration process?

HB966 HD2 allows a logical, fair and equitable process for all farmers and ranchers, large and small. And, it helps the struggling farmer or rancher to compete and stay in business with the added stream of revenue, all without the unnecessary and prohibitive costs of site planning approvals. It presents a win-win resolution.

Finally, HB966 HD2 requires that agricultural tourism be only allowed on land on which productive agricultural use is occurring. It further requires that the agricultural tourism activities must cease when the agricultural activities cease. This guaranties that the agricultural tourism ties in with legitimate agriculture. This creates an agricultural baseline to assure that the agricultural tourism component of the business is tied in with legitimate farming or ranching agricultural activities. A reduced county agricultural use property tax assessment and reduced DWS ag use water rates are ways to prove a legitimate agricultural use of the property. Verification of production by product sales receipts from the farm is another. These requirements would disqualify "gentlemen farmers."

We **strongly support** HB966 HD2, and urge your Committees to vote favorably to approve it and to pass it out of your committees.

A handwritten signature in black ink, appearing to read "Dave Bateman", with a long horizontal line extending to the right.

Mahalo nui,
Dave Bateman, President,
Heavenly Hawaiian Farms, Holualoa, HI

HB-966-HD-2

Submitted on: 3/17/2025 9:01:04 AM

Testimony for AEN on 3/19/2025 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
James Kimo Falconer	Testifying for Hawaii Coffee Growers Association	Support	Written Testimony Only

Comments:

For the Joint Hearing of Senate Committees Agriculture and Environment, Water and Land, Economic Development and Tourism and Energy and Environmental Affairs: Chairs Gabbard, Inouye, DeCoite and Wakai, Vice Chairs Richards, Elefante, Wakai and Chang, and members of these committees,

The Hawaii Coffee Growers Association strongly supports HB 966 and the amendments proposed in HD2. We all experience bureaucratic pressure in our every day lives and running a farm or ranch in 2025 is no exception. Costs to employ our businesses continue to rise as we all look for creative ways to make ends meet. The subject of Ag Tourism is a no-brainer if the application suits iteself and we adhere to reasonable ways to administrate it.

This measure arises as a timely need to update how we allow certain aspects of showcasing our products not only found in the common market place, but on our actual farms. The experience is educational, inspiring and gives our visitor industry a unique moment to enjoy our lifestyle. We believe this measure has properly addressed some of the issues in the most need of updating, and we ask for your help in moving it forward.

Mahalo for the oppportunity to testify today.



Testimony to the Senate Committee on Agriculture and Environment
Senator Mike Gabbard, Chair
Senator Herbert M. "Tim" Richards, III, Vice Chair

Testimony to the Senate Committee on Water and Land
Senator Lorraine R. Inouye, Chair
Senator Brandon J.C. Elefante, Vice Chair

Testimony to the Senate Committee on Economic Development and Tourism
Senator Lynn DeCoite, Chair
Senator Glenn Wakai, Vice Chair

Testimony to the Senate Committee on Energy and Intergovernmental Affairs
Senator Glenn Wakai, Chair
Senator Stanley Chang, Vice Chair

Wednesday, March 19, 2025, at 1:00PM
Conference Room 229 & Videoconference

RE: HB966 HD2 Relating to Agricultural Tourism

Aloha e Chairs Gabbard, Inouye, DeCoite, Wakai, Vice Chairs, and Members of the Committees:

My name is Sherry Menor, President and CEO of the Chamber of Commerce Hawaii ("The Chamber"). The Chamber supports House Bill 966 House Draft 2 (HB966 HD2), which establishes statewide, uniform standards to promote agricultural tourism activities in the State for all counties that have adopted an agricultural tourism ordinance. Requires agricultural tourism activities to be registered by the county planning department. Requires agricultural tourism activities to coexist with an agricultural activity on a farming operation and requires termination of the agricultural tourism activities upon cessation of the agricultural activity, except under certain circumstances.

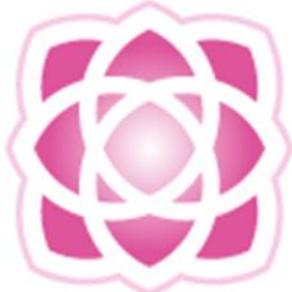
HB966 HD2 aligns with our 2030 Blueprint for Hawaii: An Economic Action Plan, specifically under the policy pillar for 21st Century Agriculture. This bill promotes policies that drive economic growth, enhance workforce opportunities, and improve the quality of life for Hawaii's residents.

There is a pressing need to establish a uniform statewide framework for agricultural tourism that unlocks new revenue streams and supports sustainable growth in Hawaii's agricultural sector. The legislature found that inconsistent permitting processes across the State's four counties create a disjointed regulatory environment that limits farmers' ability to integrate tourism with traditional agriculture. This bill sets statewide standards for agricultural tourism by requiring registration with county planning departments and ensuring that these activities remain accessory to productive agricultural uses, thereby fostering investment, promoting partnerships, and expanding regenerative tourism opportunities.

By streamlining regulations and amending existing statutes, the bill not only standardizes agricultural tourism but also updates definitions for farming operations and rural districts, supports energy feedstock production, and clarifies permitted uses in agricultural districts. These measures encourage integrated business models and bolster economic diversification while protecting core agricultural activities. The Chamber supports this bill because it provides a cohesive regulatory framework that drives investment, enhances sustainable growth, and strengthens the economic vitality of Hawaii's agricultural communities.

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 966 House Draft 2. Thank you for the opportunity to testify.



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

**HEARING BEFORE THE SENATE COMMITTEES ON ECONOMIC DEVELOPMENT AND TOURISM
and
AGRICULTURE AND ENVIRONMENT and WATER AND LAND and
ENERGY AND INTERGOVERNMENTAL AFFAIRS
HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 229
Wednesday, March 19, 2025, 1:00 P.M.**

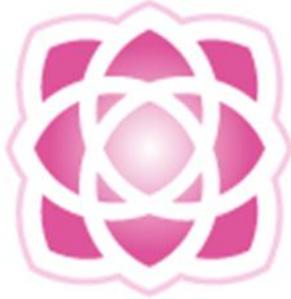
Senator Lynn DeCoite, Chair
Senator Glenn Wakai, Vice Chair
Members of the committee on Economic Development and Tourism
Senator Mike Gabbard, Chair
Senator Herbert M. "Tim" Richards, III, Vice Chair
Members of the committee on Agriculture and Environment
To The Honorable Senator Glenn Wakai, Chair
The Honorable Senator Stanley Chang, Vice Chair
Members of the committee on Energy and Intergovernmental Affairs
To The Honorable Senator Lorraine R. Inouye, Chair
The Honorable Senator Brandon J.C. Elefante, Vice Chair
Members of the Committee on Water and Land

SUPPORT HB966 HD2 RELATING TO AGRICULTURAL TOURISM

The Maui Chamber of Commerce **SUPPORTS HB966 HD2** which establishes statewide, uniform standards to promote agricultural tourism activities in the State by establishing state agricultural tourism activity requirements that are applicable to all counties that have adopted an agricultural tourism ordinance.

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, which offer additional revenue beyond traditional agricultural sales. It also helps enhance brand awareness by allowing direct interaction with consumers, enabling farmers to build brand recognition and customer loyalty. Additionally, agtourism aids in preserving agricultural heritage by educating the public about farming practices, food production, and rural lifestyles, fostering a deeper appreciation for agricultural traditions. Finally, by hosting events and workshops, farmers can strengthen their ties with the community and build social capital.

For communities, agtourism can stimulate economic growth by attracting visitors who spend on lodging, dining, and shopping. It also creates jobs in hospitality, tourism, and agriculture-related sectors. Moreover, agtourism can contribute to community development by revitalizing rural areas, attracting



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

HB966 HD2

March 19, 2025

Page 2

tourists, and promoting local businesses. By generating income from non-agricultural activities, agtourism also incentivizes farmers to keep their land in agricultural production, helping 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.

We appreciate that the Legislature amended the measure to remove the language prohibiting agricultural tourism activities from earning more than the income generated from agricultural production. There may be instances where the income from selling products made from the farm's produce (such as jellies, sauces, etc.) exceeds the earnings from growing the ingredients. We believe that farmers should not be restricted in this way.

For these reasons we **SUPPORT HB966 HD2**.

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.

Joint Hearing on March 19, 2025
1:00 PM, Room 229

COMMITTEE ON AGRICULTURE AND ENVIRONMENT

Senator Mike Gabbard, Chair
Senator Herbert M. "Tim" Richards, III, Vice Chair

COMMITTEE ON WATER AND LAND

Senator Lorraine R. Inouye, Chair
Senator Brandon J.C. Elefante, Vice Chair

COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM

Senator Lynn DeCoite, Chair
Senator Glenn Wakai, Vice Chair

COMMITTEE ON ENERGY AND INTERGOVERNMENTAL AFFAIRS

Senator Glenn Wakai, Chair
Senator Stanley Chang, Vice Chair

COMMENTS on HB966 HD2

Aloha Chairs Gabbard, Inouye, DeCoite, Wakai, and Committee Members.

While agricultural tourism might potentially help some agricultural producers, a poorly written law will open the floodgates to unintended exploitation of ag lands and further strain the viability of local agricultural production.

Please consider these critical amendments if you decide to move HB966 forward.

Concern 1: "Agricultural tourism activities shall be secondary and accessory" is a meaningless condition if it is not defined and quantifiable.

Suggested Amendment:

(b) Agricultural tourism activities shall:

(1) Be accessory and secondary to the principal agricultural use as evidenced by the most recent federal and state tax returns. Revenues from the principal agricultural use shall not be less than one-third of the revenues from agricultural tourism.

(This would be a 25% income requirement. There must be an unambiguous standard for "accessory and secondary." If less than 25%, one wonders if we are supporting agriculture or non-regulated tourism on agricultural lands. *Note that other revenues such as film location fees would not be included in this calculation.*)

Concern 2: The counties are directed to register the agricultural tourism operation, but there are no triggers for future oversight or enforcement.

Concern 3: The exception to termination needs a time limit. The existing language could allow agricultural tourism to continue indefinitely without a principal agricultural use, if one of the “temporary” conditions arises.

Suggested Amendments:

Insert two new paragraphs and modify existing paragraph (e)

(e) An annual report shall be filed with the county planning department, and it shall include:

(1) The annual revenues for the principal agricultural use;

(2) The annual revenues for the agricultural tourism;

(3) The percentage of revenue from the principal agricultural use compared with revenue from the agricultural tourism;

(4) Any changes to the infrastructure, facilities, activities, registrations, or other relevant information relating to the agricultural tourism and principal agricultural use.

~~(e)~~ (f) The authorization to conduct agricultural tourism activities at the farming operation shall terminate when the percentage of revenue determined in (e)(3) is less than 25 percent as averaged over the preceding three years.

~~(e)~~ (g) The authorization to conduct agricultural tourism activities at the farming operation shall be automatically terminated upon failure to file the an annual report for two consecutive years, or upon the cessation of the agricultural activity conducted on the farming operation., unless Should the cessation of the agricultural activity is be temporary and due to inclement weather, disease or pest infestation, market and supply chain disruptions, or change in crop type, automatic termination may not occur, provided that this temporary exemption is limited to three years.

While agricultural tourism may benefit some agricultural producers, the Legislature should be very careful to avoid a free-for-all on agricultural lands. **Without these or similar amendments to fix the bill’s loopholes, you should defer this measure.**

Mahalo for your consideration,

Gil Riviere

Kathleen M. Pahinui
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Sunday, March 16, 2025

COMMITTEE ON AGRICULTURE AND ENVIRONMENT Senator Mike Gabbard, Chair Senator Herbert M. "Tim" Richards, III, Vice Chair

COMMITTEE ON WATER AND LAND Senator Lorraine R. Inouye, Chair Senator Brandon J.C. Elefante, Vice Chair

COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM Senator Lynn DeCoite, Chair Senator Glenn Wakai, Vice Chair

COMMITTEE ON ENERGY AND INTERGOVERNMENTAL AFFAIRS Senator Glenn Wakai, Chair Senator Stanley Chang, Vice Chair

Re: Oppose HB966 RELATING TO AGRICULTURAL TOURISM

Aloha Committee Chairs and Committee Members:

While I understand the intent of HB 966 and its purpose of defining and reigning in unchecked and rampant agri-tourism abuses, I am concerned that it may be removing some of those checks and balances. We need to have a strong definition of how much farmland can be used or must be in production ag use before allowing an agri-tourism business.

Any such activities must be in alignment with what is going on with the ag operations. Operating a restaurant and not growing the food served is not acceptable. And most if not all the food should come from the farm not purchased outside. And you do not need a restaurant with a zipline or other such activities. It is putting agri-tourism before food production.

If the purpose of this bill is to allow each county more latitude in defining agri-tourism in their ordinances, then I understand the purpose. But if it is meant to loosen restrictions on agri-tourism, then I have serious concerns.

Agri-tourism is the real purpose for many who buy ag land on our North Shore - not to farm; and they will use any ruse possible to get around the rules. Luckily, our county Dept of Planning and Permitting along with our Council and Mayor just updated our land use ordinance to make unfettered agri-tourism harder.

Please support agriculture, not tourism. Please help us reach our food security goals.

Food first!

Mālama ʻāina,

Kathleen M. Pahinui

Kathleen M. Pahinui
Resident, Waialua, North Shore, Oʻahu

