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Lt. Governor



#### State of Hawaii DEPARTMENT OF AGRICULTURE

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# TESTIMONY OF SCOTT E. ENRIGHT CHAIRPERSON, BOARD OF AGRICULTURE

## BEFORE THE HOUSE COMMITTEE ON FINANCE

February 25, 2016 11:00 A.M. **CONFERENCE ROOM 308** 

HOUSE BILL NO. 2676 HD2 RELATING TO AGRICULTURE

Chairperson Luke and Members of the Committee:

Thank you for the opportunity to testify on House Bill No. 2676 HD2, which seeks to encourage farming in Hawaii by establishing within the University of Hawaii College of Tropical Agriculture and Human Resources Agribusiness Incubator Program, a fiveyear energy independent farming community pilot project. There are two blank appropriations. The project includes land acquisition, infrastructure and housing development, land management and maintenance, and employment of technologies to cause energy and water independence. The Department of Agriculture supports the intent of this measure but defers to the College of Tropical Agriculture and Human Resources.

Thank you for the opportunity to submit our testimony.



Written Testimony Presented Before the
House Committee on Finance
Thursday, February 25, 2016 at 11:00 a.m.
By
Robert Bley-Vroman, Chancellor
And
Maria Gallo, Dean
And
J. Kenneth Grace, Associate Dean

College of Tropical Agriculture and Human Resources
University of Hawai'i at Mānoa

#### HB 2676 HD2 – RELATING TO AGRICULTURE

Chair Luke, Vice Chair Nishimoto, and members of the House Committee on Finance, thank you for this opportunity to testify <u>in support</u> of HB 2676 HD2, which appropriates funds to the University of Hawai'i at Mānoa, College of Tropical Agriculture and Human Resources (CTAHR), Agribusiness Incubator Program for the establishment of a five-year energy independent farming community pilot project.

We support this measure provided that its passage does not replace or adversely impact priorities as indicated in the University's Board of Regents Approved Executive Budget.

Beginning farmers in Hawai'i face substantial difficulties in obtaining affordable land to farm that is accessible and has adequate infrastructure. Additionally, most new farmers must live in one location, and commute to their agricultural land. The lease or mortgage costs associated with maintaining two pieces of property (residence and farm), the costs of commuting, and high risk of agricultural vandalism and theft at unattended farm lots, make this a very difficult, if not impossible, situation for the future generation of farmers. The resulting decline in those entering farming and succeeding at it threatens the food security of Hawai'i.

HB 2676 HD2 proposes to investigate and implement a novel solution to this dilemma by establishing sustainable, energy-independent farming communities on state land. These communities would share central facilities, with homes located adjacent to each tenant's farm. Modern technologies make such essentially off-the-grid communities with alternative energy sources, water reuse, and small, low-cost housing units a viable proposition.

The Agribusiness Incubator Program (AIP) has contributed to the business success of many small farmers and food producers in Hawai'i. Planning of such a farming community pilot project, including identification of economic and regulatory obstacles and possible solutions, is within the program's area of expertise. First year costs for planning and business plan development would be \$150,000 for AIP personnel and operational support. Other state agencies are expected to become involved as partners in subsequent years to address the business infrastructure and land stewardship needs of the pilot project.

The decline in new farmers is a serious issue for Hawai'i that demands novel approaches. We greatly appreciate the opportunity to testify in support of HB 2676 HD2.

From: mailinglist@capitol.hawaii.gov

Sent: Wednesday, February 24, 2016 10:37 AM

To: FINTestimony Cc: brian@hfbf.org

**Subject:** \*Submitted testimony for HB2676 on Feb 25, 2016 11:00AM\*

# **HB2676**

Submitted on: 2/24/2016

Testimony for FIN on Feb 25, 2016 11:00AM in Conference Room 308

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Randy Cabral	Hawaii Farm Bureau	Support	Yes

# Comments:

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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# Written Testimony Presented Before the House Committee on Education Tuesday, February 25, 2016; 11:00am By Steven Chiang

## HB 2676.HD2 RELATING TO AGRICULTURE

Chair Luke, Vice-Chair Nishimoto, and members of the committee, please note my strong support of of HB2676, which funds the Agribusiness Incubator Program to establish an energy-independent farming community pilot project.

As the Director of the Agribusiness Incubator Program, which provides business consulting to new and existing agribusinesses, and as the co-founder of the GoFarm Hawaii beginning farmer training program, I am well aware of the challenges Hawaii's farmers face.

As you may know, the average age of Hawaii's farmers continues to increase. What is most troubling to me is that, despite the evident increase in the interest in and support of farming, the number of beginning farmers nationwide has declined by 20% in the five years between the most recent USDA censuses. In my experience, a significant portion of this disparity is due to the difficulty in accessing land to farm.

Passage of this bill would allow the State and other landowners to see that a cluster of extremely modest homes connected to small acreage lots and unconnected to utilities can address obstacles facing both landowners and farmers. Obstacles that, if overcome, will result in making more farmland accessible to small farmers.

Specifically, for landowners, this innovative model of energy independent clustered farm housing will obviate many infrastructure costs, simplify termination of leases, promote leasing of larger parcel sizes, enhance the agricultural appeal of lands disconnected from utilities, and generate more revenue per acre. The result of which will be more farmland accessible for farmers.

My preliminary analysis on the return on investment for this model is promising. More work is needed, however, to address the real-world requirements and challenges. There is an urgent need to address the issue of farmland accessibility so that Hawaii can fulfill the desire of the people to have a vibrant agricultural industry and preserve productive use of agricultural lands. This bill will help Hawaii to develop a very promising and innovative solution that will serve as a model for governmental and private landowners in Hawaii and beyond. I strongly urge the committee to support its appropriation. Thank you.

Steven Chiang

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