From:	mailinglist@capitol.hawaii.gov		
To:	WTLTestimony		
Cc:	dmendes@dbedt.hawaii.gov		
Subject:	Submitted testimony for HB443 on Mar 18, 2015 14:45PM		
Date:	Tuesday, March 17, 2015 8:27:20 AM		
Attachments:	HB0443HD1 BED-OP 03-18-15 WTL.pdf		

Submitted on: 3/17/2015 Testimony for WTL on Mar 18, 2015 14:45PM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
Debra Mendes	Office of Planning	Support	Yes

Comments: Please see attached testimony.

Please note that testimony submitted less than 24 hours prior to the hearing, 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.



OFFICE OF PLANNING STATE OF HAWAII

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LEO R. ASUNCION ACTING DIRECTOR OFFICE OF PLANNING

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Statement of LEO R. ASUNCION Acting Director, Office of Planning before the SENATE COMMITTEE ON WATER AND LAND Wednesday, March 18, 2015 2:45 PM State Capitol, Conference Room 224

in consideration of HB 443, HD 1 MAKING AN APPROPRIATION TO UPDATE AGRICULTURAL SOIL CLASSIFICATIONS AND MAPS.

Chair Thielen, Vice Chair Galuteria, and Members of the Senate Committee on Water and Land.

The Office of Planning (OP) supports the intent of HB 443, HD 1, and respectfully requests your consideration of amendments to the bill. HB 443, HD 1 would appropriate funds each fiscal year for Fiscal Years 2016 and 2017 for OP and the Land Use Commission (LUC) to update agricultural soil classifications and maps.

OP acknowledges long-standing concerns over the use of the Land Study Bureau (LSB) overall (master) productivity ratings in regulating land uses in the State Agricultural District. However, OP and the LUC lack the technical expertise or functional mandate with which to guide and implement this undertaking. OP is also concerned about the fiscal implications of HB 443, HD 1, and its impact on the fiscal priorities in the Executive Budget.

OP respectfully requests that, should HB 443, HD 1 be passed out of this Committee, the bill be amended to fund a two-year study and mapping project to: (1) develop recommendations on how the USDA soils classification system and soils database or other classification systems might be used to map agricultural productivity potential in Hawaii; (2) determine how to make effective use of agricultural classifications in regulating agricultural land use; and (3) update agricultural productivity maps based on recommendations for a preferred classification system.

We believe it is also critical that any agricultural classification system update be conducted in conjunction with the Department of Agriculture. OP estimates that the project cost would be \$150,000 for the first phase of the study, and \$150,000 for the second phase of mapping.

Thank you for the opportunity to testify on this measure.

From:	mailinglist@capitol.hawaii.gov		
To:	WTLTestimony		
Cc:	<u>clum@honolulu.gov</u>		
Subject:	Submitted testimony for HB443 on Mar 18, 2015 14:45PM		
Date:	Monday, March 16, 2015 5:33:15 PM		
Attachments:	HB443HD1 DPP WTL-ks.pdf		

Submitted on: 3/16/2015 Testimony for WTL on Mar 18, 2015 14:45PM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
Curtis Lum	Department of Planning and Permitting	Comments Only	No

Comments: The Department of Planning and Permitting offers comments on House Bill No. 443.

Please note that testimony submitted less than 24 hours prior to the hearing, 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.

CITY AND COUNTY OF HONOLULU

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KIRK CALDWELL MAYOR



GEORGE I. ATTA, FAICP DIRECTOR

ARTHUR D. CHALLACOMBE DEPUTY DIRECTOR

March 18, 2015

The Honorable Laura H. Thielen, Chair and Members of the Committee on Water and Land Hawaii State Senate Hawaii State Capitol 415 South Beretania Street Honolulu, Hawaii 96813

Dear Chair Thielen and Members:

Subject: House Bill No. 443, HD 1 Relating to Soil Classification Map Update

The Department of Planning and Permitting (DPP) has **comments** on House Bill No. 443, HD 1, which would appropriate funds for the Office of Planning and Land Use Commission to update agricultural soil classifications and maps.

We agree that current maps are, in several ways, out of date. They were done during the plantation era of agriculture, when long-range development plans were not yet adopted. Since then, both the State and counties have long-range plans that direct where urban development should be encouraged to accommodate population and economic growth. As a result, on Oahu about 17,000 acres of land have been redistricted away from the State Agricultural District since 1970, making new soil classification of these lands of limited value.

Chapter 205, Hawaii Revised Statutes, sets forth a process for determining Important Agricultural Lands (IAL), as mandated by the State Constitution. To what extent does an updated soil classification system overlap this mandate? For your information, the City and County of Honolulu has begun mapping IAL, and hopes to submit our recommendations to the State Land Use Commission early next year. It is unlikely that we will be able to consider any new classification system, unless we delay our process. The Honorable Laura H. Thielen, Chair and Members of the Committee on Water and Land Hawaii State Senate Hawaii State Capitol Re: House Bill 443, HD 1 March 18, 2015 Page 2

Before updating maps, there should be a discussion on what the classification system should address. Clearly, the actual soil types remain unchanged, but perhaps their relationship to agricultural needs should first be confirmed.

Therefore, we suggest that the criteria for creating a framework for an agricultural classification system first be developed. It should address the following:

- Should the mapping address only undeveloped land?
- Should the mapping address only lands in the State Agricultural and Conservation Districts?
- Should the mapping address lands zoned by the counties for agricultural purposes?
- Should the process of defining IAL lands be held in abeyance until a new classification system is completed?
- How are the maps intended to be used? Will they be used for broad, regional planning, or detailed for project-specific evaluation?
- Are there specific types of crops or other agricultural uses that should be accommodated?

The City and County of Honolulu is willing to participate in any discussions that would address the above. Thank you for this opportunity to testify on House Bill No. 443, HD 1.

Very truly yours,

George J. atta

George I. Atta, FAICP Director

GIA:ks

Statement of Daniel E. Orodenker Executive Officer Land Use Commission

Before the Senate Committee on Water And Land March 18, 2015 2:45 PM State Capitol, Conference Room 224

In consideration of HB 443 HD1 MAKING AN APPROPRIATION TO UPDATE AGRICULTURAL SOIL CLASSIFICATIONS AND MAPS

Chair Thielen, Vice Chair Galuteria, and members of the Committee on Water and Land:

The Land Use Commission (LUC) supports the intent of HB 443 HD1 that seeks to update and modernize the soil classifications to make them a more accurate and better tool for decision makers. The Land Study Bureau (LSB) classifications that currently serve as a guide to regulating uses within the State Agricultural District were done decades ago and may benefit from a fresh look.

The LUC lacks the technical expertise and staff to conduct or direct such a study. We have discussed some possible options with the State Office of Planning and defer to their testimony.

Thank you for the opportunity to testify on this matter.

From:	mailinglist@capitol.hawaii.gov
To:	WTLTestimony
Cc:	darakawa@lurf.org
Subject:	Submitted testimony for HB443 on Mar 18, 2015 14:45PM
Date:	Saturday, March 14, 2015 4:02:46 PM
Attachments:	150314 HB 443 HD1 AG - OP & LUC Ag Soil Classification & Maps (WTL) (wmy-dza)rev.pdf

Submitted on: 3/14/2015 Testimony for WTL on Mar 18, 2015 14:45PM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
David Z. Arakawa	Land Use Research Foundation of Hawaii	Oppose	No

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.



March 14, 2015

Senator Laura H. Thielen, Chair Senator Brickwood Galuteria, Vice Chair Senate Committee on Water and Land

Comments and Concerns Regarding HB 443, HD1, Relating to Making an Appropriation to Update Agricultural Soil Classifications and Maps; Appropriates moneys for the office of planning and LUC to update agricultural soil classification system and maps. (HB 443, HD1)

Wednesday, March 18, 2015, 2:45 p.m., in Conference Room 224

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 a utility company. 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.

HB 443, HD1. In the 1960's and 1970's, the Land Study Bureau ("LSB") of the University of Hawaii used the interaction of particular soil properties, topography and climate to establish a five-class agricultural productivity rating system, including "A", "B", "C", "D" and "E" classifications, with "A" representing the class of highest productivity and "E" the lowest.

The purpose of this measure is to appropriate funds to the Office of Planning ("OP"), in conjunction with the Land Use Commission ("LUC"), to update agricultural soil classification system and soil classification maps. The bill is <u>silent</u> regarding the relevance of the LSB system and what would be done with the "updated" soil classification system and maps required by this measure.

Background.

In its recent testimony relating to this measure, the <u>LUC has admitted</u>:

"The LUC lacks the technical expertise and staff to conduct or direct such a study."

In its recent testimony on this bill, the <u>OP has admitted</u>:

"... OP and the LUC lack the technical expertise or functional mandate with which to guide and implement this undertaking. OP is also concerned about the fiscal implications of HB 443, and its impact on the fiscal priorities in the Executive Budget."

Senate Committee on Water and Land March 14, 2014 Page 2

While the Hawaii Farm Bureau has submitted email testimony in support of this measure, last year, it **OPPOSED HB 1120**, **HD2 (2014)**, which was a very similar bill, as follows:

What is missing is the evolution of agriculture itself. Many years ago, raising vegetables in trays above ground would have been considered cost prohibitive and limited to backyards or the far north where harsh climates would otherwise prohibit the growth of crops. Today, hydroponics is commonplace and we see products in the marketplace at cost competitive prices. Since soil conditions are no longer the prime variable, the best environment for reducing pest pressure and raising the best quality produce is important. **Traditional measures of depth and quality of soil are no longer important.**

Farmers are creative and evolve to identify ways to make their farms viable. Investment in helping farmers and ranchers farm and ranch is a better use of funds than another study that may or may not be used. Resources are scarce. We urge you to invest in farmers and ranchers or infrastructure such as water source development to make agriculture viable. **More maps will not grow agriculture.**

Please oppose HB1120, HD2. Thank you.

LURF's Position. Based on the following reasons and considerations, LURF **OPPOSES HB 443, HD1**, and requests that this bill be **held** in Committee.

• The OP and the LUC are Not in the Position to Conduct the Study Proposed by this Bill.

With all due respect to the OP and LUC, LURF believes it is not appropriate for those offices "to update the agricultural soil classification system and soil classification maps," as required by the current version of this bill, as the **OP and LUC do not have the expertise in agriculture** that is required to successfully execute those two assignments.

As admitted in the recent testimony of OP and LUC, they lack the technical expertise, staff and functional mandate to comply with the assignments required by this measure.

If this Committee is consistent with its very detailed inquiry into the experience and qualifications of a recent cabinet nominee, such a detailed inquiry into the OP and LUC will confirm that OP and the LUC do not have the requisite agricultural soil expertise or proficiency in agriculture; and OP and LUC are not in the position to make the highly technical soil and agricultural determinations, evaluations, establishing a soil classification system and soil classification maps, as required by this bill.

The OP, by its own admission, is also "concerned about the fiscal implications of HB 443, and its impact on the fiscal priorities in the Executive Budget."

• There is No Need for this Legislation, as the LSB's Five-Class Productivity Rating System is No Longer a Driver of Land Use and Agricultural Policy and Has Been Superseded by Important Agricultural Lands.

LURF believes that despite its continued statutory existence, the LSB's rating system is no longer a leading factor in land use and agricultural policy, and for all practical purposes, has been superseded by the Important Agricultural Lands (IAL) laws, which have changed the paradigm from land rating systems to IAL, which encourages and supports successful and viable agricultural operations regardless of land rating systems. The identification and designation of IAL was first proposed at the 1978 Constitutional Convention and approved by voters as a constitutional amendment in the same year. Enacted as Article XI, Section 3, of the Constitution of the State of Hawaii, the State is required to conserve and protect agricultural lands, promote diversified agriculture, increase agricultural self-sufficiency and assure the availability of agriculturally suitable lands. The Constitution requires the State to identify IAL to support the aforementioned purposes.

The IAL laws (Act 183, SLH 2005 and Act 233 SLH 2008), were enacted in 2005 and 2008, to fulfill the constitutional mandate and purposes.

Most significant about the IAL laws is the fact that said laws were based on a consensus of agricultural stakeholders, including the Hawaii Farm Bureau, LURF, the Hawaii Department of Agriculture ("HDOA"), University of Hawaii College of Tropical Agriculture and Human Resources, Hawaii Agricultural Research Center, Department of Business and Economic Development & Tourism, Office of Planning, Department of Taxation and the planning offices of the four counties; all of them coming together to form a mutual agreement on a system to fulfill the constitutional mandate, based on the common understanding that the only effective long-term way to preserve agricultural lands is to protect and support viable agricultural businesses on such lands.

While State rating systems may have some value, the IAL laws recognize that it is not the only consideration for the identification and designation of IAL agricultural land, and thus refers to agricultural productivity rating systems as a standard in only one of the eight IAL criteria, and does not specifically mention LSB.

In 2000, the DOA observed that the LSB's rating system is dated, and indexed to sugar, pine and farm practices in the 1960's and 1970's; and the DOA noted that the Hanalei Valley taro-growing lands were rated "E" (the worst productivity). In contrast, the IAL law includes in its standards and criteria for designation, "Land types associated with traditional native Hawaiian agricultural uses, such as <u>taro cultivation</u>…"

The IAL criteria also recognizes the value of agricultural lands with non-class "A" ratings, which are valuable to Hawaii's agricultural industries, such as cattle-grazing pasture lands, dairy, eggs, chicken, pork, coffee, wine vineyards, ornamental flowers, aquaponics and hydroponics. Many such agricultural uses including livestock, eggs and pork are understood by IAL as being important to "food sustainability," and are recognized by the consensus-driven IAL process as providing opportunities and helping farmers to be profitable.

LURF believes that the LSB's ratings probably have not changed much over the past 20 years (when the LSB ratings were established, sugar and pineapple were the main agricultural products), however, the agricultural industry has changed dramatically and has become much more diverse as farmers continue efforts to find ways to remain profitable.

Land use and agricultural policy is now driven by IAL because it is based on the diversity and viability of agriculture (not the LSB rating itself), and on the preservation of lands through dedication. Under the new IAL dynamic, the State encourages and incentivizes the designation of agricultural lands of any soil quality, notwithstanding any land "ratings." For example, significant tracts of non-class "A" rated agricultural lands on Hawaii Island have already been designated as IAL for use as cattle grazing and core ranch operations that annually produce 7.5 million pounds of beef.

Senate Committee on Water and Land March 14, 2014 Page 4

Given the establishment and implementation of the IAL laws, rather than looking backward and unnecessarily revisiting LSB ratings as required by this measure, <u>this Legislature should move</u> forward by funding more water source development; creating more incentives for agricultural operators; focusing on IAL dedications by the State and counties; assisting with funding for the studies required in connection with said IAL dedications; and assisting with funding for research, development and pilot projects to establish a viable hydroponic industry in Hawaii.

Should agricultural stakeholders themselves identify a legitimate need to go back and review LSB ratings, such a review should be conducted though the same collaborative process originally followed for the establishment of the IAL laws.

For the reasons stated above, LURF respectfully recommends that **HB 443**, **HD1 be held in this Committee.**

Thank you for the opportunity to provide comments regarding this proposed measure.

Submitted on: 3/15/2015 Testimony for WTL on Mar 18, 2015 14:45PM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
Amy Brinker	Individual	Support	No

Comments:

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