DAVID Y. IGE Governor

SHAN S. TSUTSUI Lt. Governor



SCOTT E. ENRIGHT Chairperson, Board of Agriculture

PHYLLIS SHIMABUKURO-GEISER Deputy to the Chairperson

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

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

# BEFORE THE HOUSE COMMITTEES ON AGRICULTURE AND ECONOMIC DEVELOPMENT AND BUSINESS

March 18, 2016 8:30 A.M. CONFERENCE ROOM 312

# HR149/HCR203 REQUESTING THE DEPARTMENT OF AGRICULTURE TO PROMOTE THE EXPANSION OF AGRICULTURAL COMMERCE

Chairpersons Tsuji and Kawakami and Members of the Committees:

Thank you for the opportunity to testify on HR149/HCR203. This resolution requests the Department of Agriculture to promote expansion of agricultural commerce by actively engaging in consultation and discussions with the appropriate governmental entities and relevant stakeholder groups, in order to facilitate the ability of farmers to construct "enclosed country stores" on lands zoned for agriculture via special permits issued by the counties. The Department of Agriculture provides comments and a recommendation.

As described in the resolutions, the "enclosed country stores" closely resemble what is already found in existing law. Section 205-2(d)(15)(B) describes "retail activities in an enclosed structure". These uses are a permitted use on all Agricultural District lands and county-level special permits are not required for their approval. Specifically, this section allows:



"(B) Retail activities in an enclosed structure owned and operated by a producer for the display and sale of agricultural products grown in Hawaii, value-added products that were produced using agricultural products grown in Hawaii, logo items related to the producer's agricultural operations, and other food items;'

We also note that the County of Maui, in response to the aforementioned statute, enacted and approved Ordinance No. 4246 that allows and further defines an "agricultural retail structure" as a permissible use within the Agricultural District without requiring a special permit, but clearly requiring it to be accessory to agricultural production by the farmer of the property on which the structure is to be built.

We agree that "enclosed country stores" or "retail activities within an enclosed structure" or "agricultural retail structures" may enhance economic viability of the agricultural industry in each county, and it is the responsibility of the counties to determine how best to achieve this outcome. The Department of Agriculture recommends that these resolutions be amended to request the counties of Kauai, Honolulu, Maui, and Hawaii to directly provide the Legislature with a report on activities taken to implement the State law that provides for retail activities within an enclosed structure.

Thank you for the opportunity to submit our testimony.



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### March 18, 2016

#### HEARING BEFORE THE HOUSE COMMITTEE ON AGRICULTURE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & BUSINESS

### **TESTIMONY ON HR 149/HCR 203**

REQUESTING THE DEPARTMENT OF AGRICULTURE TO PROMOTE THE EXPANSION OF AGRICULTURAL COMMERCE

### Room 312 8:30 AM

Aloha Chair Tsuji, Chair Kawakami, Vice Chair Onishi, Vice Chair Kong, and Members of the Committees:

I am Randy Cabral, President of the Hawaii Farm Bureau Federation (HFB). Organized since 1948, the HFB is comprised of 1,900 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interests of our diverse agricultural community.

**HFB supports HR 149/HCR 203,** which requests that the Department of Agriculture promote the expansion of agricultural commerce by actively engaging in consultation and discussions with the appropriate governmental entities and relevant stakeholder groups, in order to facilitate the ability of farmers to construct enclosed country stores on lands zoned for agriculture

Farm stands and other retail sales are significant revenue enhancing opportunities for our farmers and ranchers. Act 113, SLH 2012, expanded the farm stand law, which at the time, presented some challenges for farmers and ranchers who were conducting true farm stand operations in agricultural areas. It expanded Agricultural-based commercial operations in HRS 205-2 to include:

- (A) A roadside stand that is not an enclosed structure, owned and operated by a producer for the display and sale of agricultural products grown in Hawaii and value-added products that were produced using agricultural products grown in Hawaii;
- (B) Retail activities in an enclosed structure owned and operated by a producer for the display and sale of agricultural products grown in Hawaii, value-added products that

were produced using agricultural products grown in Hawaii, logo items related to the producer's agricultural operations, and other food items; and

(C) A retail food establishment owned and operated by a producer and permitted under title 11, chapter 12 of the rules of the department of health that prepares and serves food at retail using products grown in Hawaii and value-added products that were produced using agricultural products grown in Hawaii.

We believe that the details of Agricultural-based commercial operations to be a Home Rule issue. Counties may differ in their opinions of what they allow. This should be duly respected and falls within the purview of County zoning code.

Abuse and enforcement of these laws is usually the challenge and HFB is especially concerned about unintended consequences of allowing other types of activities on agriculture land. We believe the primary purpose within the Agricultural District is production agriculture, however, we strongly believe farm stands and other on farm retail opportunities, such as enclosed country stores, can increase the viability of our farmers and ranchers.

Thank you for this opportunity to provide comments on this measure.