SCR 130

SHAN S. TSUTSUI Lt. Governor



SCOTT E. ENRIGHT Chairperson, Board of Agriculture

PHYLLIS SHIMABUKURO-GEISER Deputy to the Chairperson

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TESTIMONY OF SCOTT E. ENRIGHT CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEE ON WATER, LAND, AND AGRICULTURE

March 28, 2016 3:00 P.M. CONFERENCE ROOM 224

SENATE CONCURRENT RESOLUTION NO. 130 REQUESTING THE ESTABLISHMENT OF A BONA FIDE AGRICULTURAL PRODUCER TASK FORCE TO CREATE A DEFINITION FOR THE TERM "BONA FIDE AGRICULTURAL PRODUCER"

Chairperson Gabbard and Members of the Committee:

Thank you for the opportunity to testify on SCR130. This resolution requests the Legislature to establish a 13-member task force to create a definition for the term "bona fide agricultural producer" to be used across State government, or create different definitions to be applied for different uses. A report to the 2017 Legislature is required. The Department of Agriculture supports the intent of this resolution and offers the following comments.

The goal of the Task Force is to develop a single or multiple definitions to describe all "bona fide agricultural producers". We anticipate that creating a single or multiple definitions with the intent of supplementing or replacing existing definitions in exiting law such as Chapter 205 may require careful and substantial amendments to the Hawaii Revised Statutes.

Also, creating a single definition of "bona fide agricultural producer" will likely require the development of standards and criteria to define what constitutes a qualifying



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level of performance or achievement for each category of agricultural producer. We believe a single definition may need to be broad so as not to inadvertently exclude farmers that are part-time, full-time, existing, new, recovering from natural/other disasters, corporate, partnership, sole-proprietor, value-added, aquaculture, personal/subsistence, crop, livestock, forestry, apiary, floriculture, nursery, research, and so forth. If gross income from sales of agricultural products is used in the definition of "bona fide agricultural producer" the same situation arises as every agricultural activity such as truck crop farming, aquaculture, shade house nursery, and livestock grazing has very different gross incomes per acre. Further, the Task Force needs to be mindful that if it is intended that the counties are also required to use the definition or definitions in their respective zoning ordinances, they may balk at complex and multiple definitions.

Thank you for the opportunity to present testimony.



Email: communications@ulupono.com

SENATE COMMITTEE ON WATER, LAND, & AGRICULTURE Monday, March 28, 2016 — 3:00 p.m. — Room 224

Ulupono Initiative <u>Strongly Supports</u> SCR 130, Requesting the Establishment of a Bona Fide Agricultural Producer Task Force to Create a Definition for the Term "Bona Fide Agricultural Producer"

Dear Chair Gabbard, Vice Chair Nishihara, and Members of the Committee:

My name is Kyle Datta and I am General Partner of Ulupono Initiative, a Hawai'i-based impact investment firm that strives to improve the quality of life for the people of Hawai'i by working toward solutions that create more locally produced food; increase affordable, clean, renewable energy; and reduce waste. We believe that self-sufficiency is essential to our future prosperity and will help shape a future where economic progress and mission-focused impact can work hand in hand.

Ulupono <u>strongly supports</u> **SCR 130**, which establishes a task force to define a "bona fide agricultural producer", because it aligns with our goal of creating more locally produced food.

A few generations ago, the vast majority of food consumed was locally produced. However, today, estimates range from 8% to 15% of food consumed is locally produced. When working with stakeholders inside and outside of the agricultural industry to change this drastic loss in market share, we often find support for many local food policies. However, when it comes to the details of crafting legislation and incentives, we often get stuck on the single appropriate definition for a bona fide agricultural producer and this often prevents any actionable progress. The proposed task force is valuable because it will create a commonly recognized definition.

Ulupono is supportive of having a different definition for a bona fide agricultural producer depending upon the agricultural topic, since the issues are nuanced. The appropriate definition may need to be different for various issues such as tax credits for producers, differentiated energy and water rates, marketing and labeling of products, land lease criteria, etc. These different issues have often created barriers for our local farmers and ranchers.

As Hawai'i's local food issues become more complex and challenging, organizations need

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additional resources and support to address and overcome them. We appreciate this committee's efforts to look at policies that support local food production.

We believe that by collaborating, we can help produce more local food and support an economically robust homegrown agriculture industry, which strengthens our community with fresh, healthy food. Thank you for this opportunity to testify.

Respectfully,

Kyle Datta General Partner



4 Ag Hawai'i

Hawai'i Aquaculture & Aquaponics Association

Hawai'i Cattlemen's Council

Hawai'i Farm Bureau Federation

Hawai'i Farmers' Union United

Hawai'i Food Industry Association

Hawai'i Food Manufacturers Association

Kohala Center

Malama Kaua'i

Maui School Garden Network

Ulupono Initiative

SENATE COMMITTEE ON WATER, LAND AND AGRICULTURE Monday, March 28, 2016 – 3:00 PM - Room 224

RE: SCR 130 - Requesting the Establishment of a Bona Fide Agricultural Producer Task Force to Create a Definition for the Term "Bona Fide Agricultural Producer" – In Support, Request Amendment

Aloha Chair Gabbard, Vice Chair Nishihara and Members of the Committee:

The Local Food Coalition appreciates the opportunity to submit testimony on SCR 130, which requests the establishment of a bona fide agricultural producer task force to create a definition for the term "bona fide agricultural producer".

We support this Resolution, however would like to suggest amendments to clarify that the five representatives of farmers and ranchers be actual farmers and ranchers and/or leaders of recognized farming and ranching organizations. The creation of a definition for "bona fide agricultural producer" is critical to ensure the effectiveness of government policies and programs.

The Local Food Coalition is an organization comprising of farmers, ranchers, livestock producers, investors and other organizations working to provide Hawai'i's food supply.

We ask for your favorable consideration in passing SCR 130 with our requested clarifying amendment. Thank you.

Lori Lum 808-544-8343 <u>llum@wik.com</u>



COMMITTEE ON WATER, LAND, AND AGRICULTURE SENATOR MIKE GABBARD, CHAIR SENATOR CLARENCE K. NISHIHARA, VICE CHAIR

DATE:	Monday, March 28, 2016		
TIME:	3:00 p.m.		
PLACE:	Conference Room 224		

SCR 130 – REQUESTING THE ESTABLISHMENT OF A BONA FIDE AGRICULTURAL PRODUCER TASK FORCE TO CREATE A DEFINITION FOR THE TERM "BONA FIDE AGRICULTURAL PRODUCER".

My name is Dale Sandlin, and I am Managing Director of the Hawaii Cattlemen's Council. The Hawaii Cattlemen's Council, Inc. (HCC) is the Statewide umbrella organization comprised of the five county level Cattlemen's Associations. Our 140+ 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 approximately 25% of the State's total land mass.

The Hawaii Cattlemen's Council <u>strongly supports</u> SCR 130, provided that the resolution include an explanation as to the process of how those five positions are named.

We also respectfully ask that a representative from Hawaii Cattlemen's Council be included within those positions as we could provide unique insight to the production of cattle in the state.

We appreciate the intent of this bill as it should help to distinguish non-producers and those bona fide farmers and ranchers who are making daily contributions to our state's food security.

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



<u>SCR130</u>

Submitted on: 3/22/2016 Testimony for WLA on Mar 28, 2016 15:00PM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
Alan Gottlieb	Ponoholo Ranch	Support	No

Comments: We support SCR 130 as we need consensus on a definition(s) for bonafide agricultural producers. We may want several definitions, because grazing and crop farming are very different and have different financial thresh-holds. We would like to see this resolution amended to say how the 5 farmers and ranchers will be selected for the Task Force, and would also like to respectfully suggest that at least one member of the task force be a representative selected by the Statewide Hawaii Cattlemen's Council, as cattle grazing is so different than crop farming, as mentioned above.

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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