

DAVID Y. IGE
Governor

SHAN S. TSUTSUI
Lieutenant Governor

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LAND USE COMMISSION
Department of Business, Economic Development & Tourism
State of Hawai`i

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Statement of
Daniel E. Orodenker
Executive Officer
Land Use Commission
Before the
House Committee on Water and Land, and
Friday February 3, 2017
9:00 AM
State Capitol, Conference Room 325

In consideration of
HB 1584
RELATING TO IMPORTANT AGRICULTURAL LANDS

Chair Yamane, Vice Chair Kong, and members of the Committee on Water and Land:

The Land Use Commission (LUC) supports HB 1584 that would provide funds for grants-in-aid to the counties for the identification and mapping of important agricultural lands (IAL) and submittal of recommendations and maps to the LUC by June 30, 2019. Further, that if the counties are unable to submit recommendations by that date, the LUC is directed to proceed to identify and designate IAL with recommendations from the State Department of Agriculture and State Office of Planning.

The IAL identification and mapping process for the counties as set out in Section 205-47, Hawai`i Revised Statutes (HRS) requires significant public involvement to include coordination with a broad range of stakeholders, public meetings, and citizen advisory groups. Adequate funding to complete this process could result in a quality product supported by a broad range of stakeholders.

Under the State Constitution, Article XI, section 3, the State has a duty to conserve and protect important agricultural lands. To conserve and protect the broadest range of the best agricultural lands requires identification of large contiguous areas in each county. The identification and designation of important agricultural lands will provide a clear guide for future district boundary amendment requests to move land into the State Urban or Rural districts. This should expedite future boundary amendments and reduce potential litigation over reclassification of important agricultural lands.

Thank you for the opportunity to testify on this matter.

DAVID Y. IGE
Governor

SHAN S. TSUTSUI
Lt. Governor



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SCOTT E. ENRIGHT
Chairperson, Board of Agriculture

PHYLLIS SHIMABUKURO-GEISER
Deputy to the Chairperson

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

BEFORE THE HOUSE COMMITTEE ON WATER & LAND

**FEBRUARY 3, 2017
9:00 A.M.
CONFERENCE ROOM 325**

**HOUSE BILL NO. 1584
RELATING TO IMPORTANT AGRICULTURAL LANDS**

Chairperson Yamane and Members of the Committee:

Thank you for the opportunity to testify on House Bill No. 1584 that appropriates the sum of \$250,000 for FY2017-18 and the same amount for 2018-19 to the Department of Business and Economic Development, and Tourism (DBEDT) to be disbursed equally to the counties as grants-in-aid upon submittal of the counties recommendations for potential Important Agricultural Lands (IAL) pursuant to Section 205-47 to the Land Use Commission. If a county fails to submit its maps of potential IAL to the Land Use Commission by June 30, 2019, then DBEDT shall disburse the funds to the Land Use Commission which shall identify maps of IAL for that county by June 30, 2020, pursuant to new Section 205-48(d) which will authorize the Land Use Commission to identify potential IAL and after Office of Planning and Department of Agriculture review, proceed to designate IAL.

The Department of Agriculture supports the intent of this measure which expresses a degree of exasperation at the counties inability to submit potential IAL to the Land Use Commission for consideration to designate as IAL. We defer to the



Page 2

counties as to which of the legislative initiatives that they feel will best cause the identification of potential IAL and subsequent designation.

Thank you for the opportunity to submit our testimony.



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DAVID Y. IGE
GOVERNOR

LEO R. ASUNCION
DIRECTOR
OFFICE OF PLANNING

Statement of
LEO R. ASUNCION
Director, Office of Planning
before the
HOUSE COMMITTEE ON WATER AND LAND
Friday, February 3, 2017
9:00 AM
State Capitol, Conference Room 325

in consideration of
HB 1584
RELATING TO IMPORTANT AGRICULTURAL LANDS.

Chair Yamane, Vice Chair Kong, and Members of the House Committee on Water and Land.

The Office of Planning (OP) supports HB 1584, provided that the appropriation does not displace Administration priorities in the Executive Budget. HB 1584 would make amendments to Hawaii Revised Statutes (HRS) § 205-48 to: (a) require each county to submit maps with recommendations for lands to be designated as important agricultural lands (IAL) to the State Land Use Commission by June 30, 2019; and (b) charge the LUC with mapping and designating IAL if a county fails to submit IAL maps. HB 1584 also provides funds to the counties to complete their IAL mapping and adoption process, providing \$125,000 to each county for Fiscal Biennium 2017-2019. The funds are to be disbursed to the county upon submittal of county maps to the LUC. If a county fails to submit maps to the LUC by the deadline, the funds appropriated for that county may be used by the LUC to identify and prepare IAL maps for that county.

OP believes that the bill offers appropriate incentives for the counties to complete their IAL mapping process. It is our understanding that the County of Kauai has completed their mapping studies, but does not anticipate petitioning for the designation of additional IAL lands beyond what has already been designated under the voluntary petition process. The City and County of Honolulu is nearing the completion of its identification and mapping process, and maps of proposed IAL are currently undergoing public review and comment.

OP notes that disbursement of funds upon completion of the mapping process and submittal of adopted maps to the LUC may not resolve funding issues faced by those counties that have yet to start their IAL mapping process.

Thank you for the opportunity to testify on this measure.

**HB 1584
RELATING TO IMPORTANT AGRICULTURAL LANDS**

**PAUL T. OSHIRO
MANAGER – GOVERNMENT RELATIONS
ALEXANDER & BALDWIN, INC.**

FEBRUARY 3, 2017

Chair Yamane and Members of the House Committee on Water & Land:

I am Paul Oshiro, testifying on behalf of Alexander & Baldwin, Inc. (A&B) on HB 1584, “A BILL FOR AN ACT RELATING TO IMPORTANT AGRICULTURAL LANDS.”

We support this bill with amendments.

After over twenty five years of debate, negotiation, and compromise, the IAL Law and process was finally enacted in July 2008. After years of pursuing a land-use approach to this constitutional mandate, the IAL law that was successfully passed (Act 183 (2005) and Act 233 (2008)) was premised on the principle that the best way to preserve agricultural lands is to preserve agricultural businesses and agricultural viability. As such, the IAL Law not only provides the standards, criteria, and processes to identify and designate important agricultural lands to fulfill the intent and purpose of Article XI, Section 3 of the Hawaii State Constitution, it also provides for a package of incentives designated to support and encourage sustained, viable agricultural activity on IAL.

The IAL Law presently authorizes the identification and designation of IAL in one of two ways --- by voluntary petition to the State Land Use Commission by the landowner or farmer; or subsequently by the Counties filing a petition to designate lands

as IAL pursuant to a County identification and mapping process. In either case, the LUC determines whether the petitioned lands qualify for IAL designation pursuant to the standards, criteria, objectives, and policies set forth in the IAL Law. To date, the voluntary petition process has resulted in the designation by the LUC of over 110,000 acres of agricultural lands as IAL from voluntary petitions by Alexander & Baldwin, Parker Ranch, Castle & Cooke, Mahaulepu Farm, Grove Farm, and Kamehameha Schools.

This bill provides grants in aid to the Counties for the identification and mapping of IAL. With the voluntary petition process already providing a significant amount of IAL throughout Hawaii, this appropriation will assist the Counties in fulfilling the second method of IAL designation, which will be initiated by the County identification and mapping of IAL. When completed, these County maps will be forwarded to the LUC which will enable them to designate qualified lands as IAL.

This bill also includes a provision which authorizes the Land Use Commission to identify, map, and designate IAL in Counties which do not submit IAL recommendations and mapping by June 30, 2019. We respectfully request that amendments be incorporated into this bill to ensure that the new provisions relating to the LUC mapping and designation of IAL are consistent with the present statutory criteria, provisions, and process for the designation of IAL via the County mapping process. We have attached draft amendments for your consideration.

Thank you for the opportunity to testify.

HB 1584 HD1 (Proposed)

SECTION 1. Article XI, section 3 of the Hawaii State Constitution establishes the State's duty to "conserve and protect agricultural lands, promote diversified agriculture, increase agricultural self-sufficiency and assure the availability of agriculturally suitable lands" and provides protections for lands identified as important agricultural lands. In service of this duty, the legislature enacted Act 183, Session Laws of Hawaii 2005, which was codified in part III of chapter 205, Hawaii Revised Statutes.

Act 183 directed each county to work with government and community stakeholders to identify and map potential important agricultural lands within its jurisdiction and make recommendations to the land use commission for the designation of these lands as important agricultural lands. Once designated, agricultural operations on important agricultural lands are eligible for a variety of state and county assistance and incentive programs including grants and other funding assistance, tax incentives, favorable infrastructure and permit requirements, and farm and business education assistance. The legislature finds that, to date, most counties have not completed their identification and mapping duties under Act 183.

The purpose of this Act is to implement Act 183 in accordance with the State's constitutional duty to protect important agricultural lands, by providing a monetary incentive to the counties for the identification and mapping of important agricultural lands.

SECTION 2. Section 205-48, Hawaii Revised Statutes, is amended to read as follows:

"[~~§~~205-48~~]~~ Receipt of maps of eligible important agricultural lands; land use commission. (a) [~~The land use commission shall receive the~~] Each county shall submit its recommendations and maps developed pursuant to section 205-47 delineating those lands eligible to be designated important agricultural lands [no sooner than the effective date of the legislative enactment of protection and incentive measures for important agricultural lands and agricultural viability, as provided in section 9 of Act 183, Session Laws of Hawaii 2005.] to the land use commission by June 30, 2019.

(b) The department of agriculture and the office of planning shall review the county report and

recommendations submitted and provide comments to the land use commission within forty-five days of the receipt of the report and maps by the land use commission. The land use commission may also consult with the department of agriculture and the office of planning as needed.

(c) [State] Where a county has submitted its recommendations and maps developed pursuant to section 205-47, state agency review shall be based on an evaluation of the degree that the:

(1) County recommendations result in an identified resource base that meets the definition of important agricultural land and the objectives and policies for important agricultural lands in sections 205-42 and 205-43; and

(2) County has met the minimum standards and criteria for the identification and mapping process in sections 205-44 and 205-47.

(d) If a county fails to submit its recommendations and maps by June 30, 2019, the commission shall use the standards and criteria in section 205-44 to identify and develop the maps of important agricultural lands in that county and, after receiving the recommendations of the department of agriculture and the office of planning, proceed to identify and designate important agricultural lands, subject to [section] sections 205-45 and 205-49."

SECTION 3. Section 205-49, Hawaii Revised Statutes, is amended to read as follows:

205-49 Designation of important agricultural lands; adoption of important agricultural lands maps. (a) After receipt of the maps of eligible important agricultural lands from the counties or if a county fails to submit its recommendations and maps by June 30, 2019 and the commission has identified and developed maps of important agricultural lands in that county, [and the recommendations of the department of agriculture and the office of planning], the commission shall then proceed to identify and designate important agricultural lands, subject to section 205-45 after receiving the recommendations of the department of agriculture and the office of planning. The decision shall consider [the] applicable county maps of eligible important agricultural lands; declaratory orders issued by the commission designating

important agricultural lands during the three year period following the enactment of legislation establishing incentives and protections contemplated under section 205-46, as provided in section 9 of Act 183, Session Laws of Hawaii 2005; landowner position statements and representations; and any other relevant information.

In designating important agricultural lands in the State, ~~[pursuant to the recommendations of individual counties,]~~ the commission shall consider the extent to which:

- (1) The proposed lands meet the standards and criteria under section 205-44;
- (2) The proposed designation is necessary to meet the objectives and policies for important agricultural lands in sections 205-42 and 205-43; and
- (3) The commission has designated lands as important agricultural lands, pursuant to section 205-45; provided that if the majority of landowners' landholdings is already designated as important agricultural lands, excluding lands held in the conservation district, pursuant to section 205-45 or any other provision of this part, the commission shall not designate any additional lands of that landowner as important agricultural lands except by a petition pursuant to section 205-45.

Any decision regarding the designation of lands as important agricultural lands and the adoption of maps of those lands pursuant to this section shall be based upon written findings of fact and conclusions of law, presented in at least one public hearing conducted in the county where the land is located in accordance with chapter 91, that the subject lands meet the standards and criteria set forth in section 205-44 and shall be approved by two-thirds of the membership to which the commission is entitled.

(b) Copies of the maps of important agricultural lands adopted under this section shall be transmitted to each county planning department and county council, the department of agriculture, the agribusiness development corporation, the office of planning, and other state agencies involved in land use matters. The maps of important agricultural lands shall guide all decision-making on the proposed reclassification or rezoning of important agricultural lands, state agricultural

development programs, and other state and county land use planning and decision-making.

(c) The land use commission shall have the sole authority to interpret the adopted map boundaries delineating the important agricultural lands.

(d) The land use commission may designate lands as important agricultural lands and adopt maps for a designation pursuant to:

(1) A farmer or landowner petition for declaratory ruling under section 205-45 at any time; or

(2) The county process for identifying and recommending lands for important agricultural lands under section 205-47 **or the commission process for identifying and mapping important agricultural lands if a county fails to submit its recommendations and maps by June 30, 2019** no sooner than three years,

after the enactment of legislation establishing incentives and protections contemplated under section 205-46, as provided in section 9 of Act 183, Session Laws of Hawaii 2005.

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$250,000 or so much thereof as may be necessary for fiscal year 2017-2018 and the same sum or so much thereof as may be necessary for fiscal year 2018-2019 for grants-in-aid to the counties for the identification and mapping of important agricultural lands pursuant to chapter 205, Hawaii Revised Statutes, to be allocated as follows:

- (1) \$62,500 to the county of Hawaii;
- (2) \$62,500 to the city and county of Honolulu;
- (3) \$62,500 to the county of Kauai; and
- (4) \$62,500 to the county of Maui.

The sums appropriated shall be expended by the department of business, economic development, and tourism and disbursed to each county upon submittal of that county's recommendations and maps of important agricultural lands to the land use commission pursuant to section 205-48(a), Hawaii Revised Statutes, as

amended by section 2 of this Act; provided that if any county fails to submit its recommendations and maps to the land use commission by June 30, 2019, the department of business, economic development, and tourism shall disburse that county's allocated funds to the land use commission, which shall expend those funds to identify and develop a map of important agricultural lands in that county pursuant to section 205-48(d), Hawaii Revised Statutes, in section 2 of this Act by June 30, 2020.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect on July 1, 2017; provided that the appropriations made in section ~~[3]~~ 4 of this Act shall not lapse at the end of the fiscal biennium for which the appropriations are made; provided further that all moneys from the appropriations unencumbered as of June 30, 2020, shall lapse as of that date.



**Testimony to the House Committee on Water & Land
Friday, February 3, 2017 at 9:00 A.M.
Conference Room 325, State Capitol**

RE: HOUSE BILL 1584 RELATING TO IMPORTANT AGRICULTURAL LANDS

Chair Yamane, Vice Chair Kong, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports** HB 1584, which requires the counties to make recommendations for important agricultural lands by 6/30/2019; requires the Land Use Commission to identify and designate important agricultural lands by 6/30/2020 for any county that fails to meet the 6/30/2019 deadline.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 1,600+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

After almost three decades of discussion, negotiation, and debate, the IAL Law and process was finally enacted in July 2008. We support this bill as it will continue the process of the IAL law.

The IAL Law presently authorizes the identification and designation of IAL in one of two ways. In either case, the LUC determines whether the petitioned lands qualify for IAL designation pursuant to the standards, criteria, objectives, and policies set forth in the IAL Law. To date, the voluntary petition process has resulted in the designation by the LUC of over 110,000 acres of agricultural lands as IAL from voluntary petitions by Alexander & Baldwin, Parker Ranch, Castle & Cooke, Mahaulepu Farm, Grove Farm, and Kamehameha Schools.

We support suggested amendments to ensure that the new provisions relating to the LUC mapping and designation of IAL are consistent with the present statutory criteria, provisions, and process for the designation of IAL via the County mapping process.

Thank you for the opportunity to testify.



LATE

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February 3, 2017

HEARING BEFORE THE
HOUSE COMMITTEE ON WATER & LAND

TESTIMONY ON HB 1584
RELATING TO IMPORTANT AGRICULTURAL LANDS

Room 325
9:00 AM

Aloha Chair Yamane, Vice Chair Kong, and Members of the Committee:

I am Randy Cabral, President of the Hawaii Farm Bureau (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 interest of our diverse agricultural community.

HFB supports HB 1584, which requires the counties to make recommendations for important agricultural lands by 6/30/2019 and requires the Land Use Commission to identify and designate important agricultural lands by 6/30/2020 for any county that fails to meet the 6/30/2019 deadline.

Since the enactment of the Constitutional Mandate in 1978 to preserve and protect Important Agricultural Lands (IAL), HFBF came before the Legislature every year with proposals of how this measure could be implemented. It was only in 2005 when the standards and criteria to designate IAL was finally passed and in 2008 when the incentives were passed. It was a long road.

We were pleased when the first lands were designated by Alexander and Baldwin in 2009 totaling nearly 4000 acres in Kauai. Today, we have over 100,000 acres that were voluntarily designated by landowners across the State.

Nearly nine years have passed since the incentives were passed in 2008 and we remain in the phase in which counties will submit maps to the LUC identifying lands to be designated as IAL. Act 183 (SLH 2005) states that the counties will work on identification and mapping of important agricultural lands via funding from the State disbursed through the Land Use Commission. Most Counties have yet to receive funding and in turn the county IAL identification and mapping has not progressed as anticipated. HFB supports the Legislators support in implementing Act 183 by providing the funds necessary to identify and map IAL in each county.

Thank you for this opportunity to testify on this measure.



LATE

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February 3, 2017

Representative Ryan Yamane, Chair
Representative Sam Satoru Kong, Vice Chair
House Committee on Water & Land

Comments in Support of HB 1584 Relating to Agriculture (Requires the counties to make recommendations for important agricultural lands by 6/30/2019. Requires the Land Use Commission to identify and designate important agricultural lands by 6/30/2020 for any county that fails to meet the 6/30/2019 deadline. Appropriates funds.)

Friday, February 3, 2017, 9:00 a.m., in Conference Room 325

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.

LURF appreciates the opportunity to express its **support of HB 1584 and respectfully proposes a minor revision.** LURF joins the various agricultural stakeholder groups who are supporting this bill and the goals of viable agricultural operations and the conservation and protection of agriculture, including important agricultural lands (IAL) in Hawaii. This measure conveys the commitment and need for collaboration amongst diverse sectors of the community – the counties, State, agricultural land owners, and agricultural stakeholders - and the importance for them to work together cooperatively to improve the economic viability of the State's agricultural industry.

HB 1584. This measure requires the counties to make recommendations for IAL by June 30, 2019; requires the Land Use Commission to identify and designate IAL by June 30, 2020 for any county that fails to meet the June 30, 2019 deadline; and appropriates funding. The purpose of this bill is to implement Act 183 in accordance with the State's constitutional duty to protect important agricultural lands, by providing a monetary incentive to the counties for the identification and mapping of important agricultural lands.

LURF's Position. LURF supports HB 1584, and recommends the following revisions (in bold):

SECTION 2. Section 205-48, Hawaii Revised Statutes, is amended to read as follows:

"[+]§205-48[+] Receipt of maps of eligible important agricultural lands; land use commission. (a) [~~The land use commission shall receive the~~] Each county shall adopt agricultural incentives pursuant to section 205-46 and submit its recommendations and maps developed pursuant to section 205-47 delineating those lands eligible to be designated important agricultural lands [no sooner than the effective date of the legislative enactment of protection and incentive measures for important agricultural lands and agricultural viability, as provided in section 9 of Act 183, Session Laws of Hawaii 2005.] to the land use commission by June 30, 2019.

LURF believes that, with the above-referenced revision, that HB 1584 will be consistent with the underlying intent and objectives of the IAL laws (Hawaii Revised Statutes [HRS], Sections 205-41 to 52), which were enacted to fulfill the mandate in Article XI, Section 3 of the Hawaii State Constitution, "to conserve and protect agricultural lands, promote diversified agriculture, increase agricultural self-sufficiency and assure the availability of agriculturally suitable lands." As noted in HRS Section 205-41, the intent of Act 183 (2005) was to develop agricultural incentive programs to promote agricultural viability, sustained growth of the agricultural industry, and the long-term use and protection of important agricultural lands for agricultural use.

Passage of the long-awaited IAL legislation would be pointless without implementation of these programs, incentives and inducements which require the cooperation and support of agricultural, business, and educational organizations, as well as government agencies, which this bill is intended to cultivate and promote.

LURF members include private property owners, farmers and ranchers who own, maintain, and engage in agricultural enterprises, and who consider programs such as this Initiative significant to the continued conduct of their operations and to help sustain and preserve their businesses into the future. Regrettably, interest in agriculture continues to decline due to misguided assumptions of the trade as entailing hard work for low pay, and requiring little, if any appreciable skills.

LURF believes efforts such as HB 1584 would greatly assist in the perpetuation of the agricultural industry in this State by providing funding and deadlines for the counties to identify and designate IAL.

LURF respectfully urges this Committee to favorably consider LURF's recommended revisions and to pass HB 1584,

Thank you for the opportunity to provide comments in support of this measure.

COUNTY INCENTIVES ARE REQUIRED

- HRS Sections 205-46 (a), (b) and (d) of the IAL law requires the Counties to create and implement incentives and incentive programs to enable and promote the economic sustainability of agriculture and to achieve long-term agricultural viability.
- HRS Section 205-46 (c) and (d) of the IAL law identifies numerous examples of possible county IAL incentives which could enhance agricultural viability; and encourages the counties to create additional incentives and modify current incentives.

[§205-46] Incentives for important agricultural lands. (a) To achieve the long-term agricultural viability and use of important agricultural lands, the State and each county shall ensure that their:

(1) Agricultural development, land use, water use, regulatory, tax, and land protection policies; and

(2) Permitting and approval procedures, enable and promote the economic sustainability of agriculture.

Agricultural operations occurring on important agricultural lands shall be eligible for **incentives and protections provided by the State and counties** pursuant to this section to **promote the viability of agricultural enterprise on important agricultural lands and to assure the availability of important agricultural lands for long-term agricultural use.**

(b) State and **county incentive programs shall provide preference to important agricultural lands and agricultural businesses on important agricultural lands.** The State and **each county shall cooperate in program development to prevent duplication of and to streamline and consolidate access to programs and services for agricultural businesses located on important agricultural lands.**

(c) **Incentive and protection programs shall** be designed to provide a mutually supporting framework of programs and measures that **enhance agricultural viability** on important agricultural lands, including but not limited to:

(1) **Grant assistance;**

(2) **Real property tax systems** that support the needs of agriculture, including property tax assessments based on agricultural use valuation;

(3) **Reduced infrastructure requirements and facilitated building permit processes for dedicated agricultural structures;**

(4) **Tax incentives to offset operational costs,** promote agricultural business viability, and promote the long-term protection of important agricultural lands;

(5) Agricultural business planning, marketing, and implementation grants;

(6) **Tax incentives and programs for equity investments and financing for agricultural operations, including agricultural irrigation systems;**

(7) Other programs and mechanisms that promote investment in agricultural businesses or agricultural land protection, such as the **purchase of development rights;**

(8) State funding mechanisms to fund business viability and land protection programs;

(9) **Water regulations and policies** that provide farmers of important agricultural lands **access to adequate and cost-effective sources of water;**

(10) Other measures that would ensure that state capital investments, projects, programs, and rules are consistent with this part; and

(11) **Agricultural education and training** for new farmers; upgrading the skills of existing farmers and other agriculture-related employees through the use of mentoring, business incubators, and public or private scholarships; and increasing the returns of farming by adding value to food processing and other tools and methods.

(d) State and county agencies shall review the protection and incentive measures **enacted for important agricultural lands and agricultural viability** pursuant to this chapter at least every five years to:

(1) **Determine their effectiveness in sustaining agriculture in Hawaii, assuring agricultural diversification, and increasing agricultural self-sufficiency;**

(2) Determine whether the effectiveness of **tax credits or incentive programs** will be enhanced by **creating revolving funds or increasing rates** based upon the tax revenues generated by enhanced investment and agricultural activities on important agricultural lands; and

(3) **Modify measures and programs as needed.**

(e) This section shall apply only to those lands designated as important agricultural lands pursuant to sections 205-45 and 205-49. [L 2005, c 183, pt of §2]