JAN 18 2019

A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF AGRICULTURE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that providing incentives

2 to produce food locally supports the State's goal to double

3 local food production and promote increased sustainability.

4 The purpose of this Act is to create a three-year pilot

5 program to determine if state incentives tied to state

6 agricultural land leases can increase local food production.

7 SECTION 2. (a) There is established within the department

of agriculture a three-year state land lease incentives pilot

program to determine if state incentives tied to state land

leases can increase Hawaii-based food production.

- 11 (b) The pilot program shall apply to:
- 12 (1) All leases of state land in the agricultural district

classified pursuant to chapter 205, Hawaii Revised

14 Statutes, including land managed by the department of

15 agriculture, department of land and natural resources,

department of Hawaiian home lands, and agribusiness

17 development corporation; and



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1	(2)	Any lease of state land within the urban district
2		classified pursuant to chapter 205, Hawaii Revised
3		Statutes, to an entity or a person who meets the
4 .		minimum requirements under subsection (c).

- (c) Any entity or person may apply with the department of
 agriculture to receive incentives under the pilot program if the
 following minimum requirements are met:
- 8 (1) The applicant is the tenant under the master lease of 9 the state land and not a tenant sublessee;
- 10 (2) The state leased land produces food grown for
 11 commercial sale, including plants, aquaculture,
 12 poultry, livestock, and poultry and livestock
 13 products; and
 - (3) At least forty per cent of the area leased or forty

 per cent of the gross revenues from the state leased

 land derives from the commercial sale of food pursuant
 to paragraph (2).
 - (d) Pilot program incentives shall include:
- 19 (1) Rent credit for the cost of obtaining a food safety
 20 certification for the food grown for commercial sale
 21 pursuant to subsection (b)(2); and

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1	(2)	A preference in bids for state leases of agricultural	
2		land; provided that the applicant self-certifies that	
3		the applicant qualifies for the preference and	
4		indicates this preference on the expression of	
5		interest form filed with the department of	
6		agriculture's division of agricultural resource	
7		management, in the bid proposal, or on another	
8		official state application to lease state land.	
9	(e)	The state land lease incentives pilot program	
10	established pursuant to this Act shall supersede any conflicting		
11	administrative rules of the department of agriculture,		
12	department of land and natural resources, department of Hawaiian		
13	home lands, and the agribusiness development corporation. The		
14	department of agriculture, department of land and natural		
15	resources, department of Hawaiian home lands, and the		
16	agribusiness development corporation shall not be required to		
17	adopt rules under chapter 91, Hawaii Revised Statutes, to carry		
18	out the p	urposes of the pilot program.	
19	SECT	ION 3. The department of agriculture, department of	
20	land and	natural resources, department of Hawaiian home lands,	
21	and the a	gribusiness development corporation shall each prepare	

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- 1 a report regarding the results of the three-year state land
- 2 lease incentives pilot program, including any proposed
- 3 legislation. The reports shall be combined and included within
- 4 the department of agriculture's annual report to the
- 5 legislature, due no later than twenty days prior to the
- 6 convening of the regular sessions of 2020, 2021, and 2022.
- 7 SECTION 4. There is appropriated out of the general
- 8 revenues of the State of Hawaii the sum of \$ or so
- 9 much thereof as may be necessary for fiscal year 2019-2020 and
- 10 the same sum or so much thereof as may be necessary for fiscal
- 11 year 2020-2021 for administration of the pilot program pursuant
- 12 to this Act.
- 13 The sums appropriated shall be expended by the department
- 14 of agriculture for the purposes of this Act.
- 15 SECTION 5. This Act shall take effect on July 1, 2019.

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INTRODUCED BY:

2019-0741 SB SMA.doc

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Report Title:

Department of Agriculture; Land Leases; Pilot Program; Report; Appropriation

Description:

Creates a three-year pilot program to determine if state incentives tied to agricultural land leases can increase local food production. Requires the departments of agriculture, land and natural resources, and Hawaiian home lands to report to the legislature annually. Appropriates funds.

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