DAVID Y. IGE Governor

JOSH GREEN Lt. Governor



PHYLLIS SHIMABUKURO-GEISER Chairperson, Board of Agriculture

GLENN K. MURANAKADeputy 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 PHYLLIS SHIMABUKURO-GEISER CHAIRPERSON. BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON AGRICULTURE

MARCH 20, 2019 9:00 A.M. CONFERENCE ROOM 312

SENATE BILL NO. 651 SD2 RELATING TO AGRICULTURE

Chairperson Creagan and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill 651 SD2. This measure amends the eligibility criteria for applicants seeking non-agricultural park leases from the Department of Agriculture by allowing a person, whether individual, agricultural cooperative, agricultural association, partnership, or corporation incorporated primarily for agricultural production purposes, to qualify if: (a) the purpose of the lease is to construct and operate a facility requiring more than \$500,000 in construction costs and equipment purchases; (b) the agricultural or aquacultural use is based on high, advanced, or innovative technology that requires substantial initial capital funding; (c) a majority of the operational decision making authority regarding crop selection and pricing remains with persons who are bona fide farmers who have resided in the State for at least three years, or five years for permanent status aliens; (d) the operations are primarily for productions of food crops or product that contribute to the replacement of similar food crops or products that are imported; and (e) the Board of Agriculture finds that it is in the best interests of the State and is consistent with its mission and priorities. The Department supports this bill.

The Department recognizes that recent developments in agriculture indicate a growing reliance on technological advances and methods that require substantial



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resources to build and maintain infrastructure for such innovative agricultural models. Most local farmers do not have such resources readily available to them and need to associate with others outside of the State and agricultural industry who can provide such investment capital. Other local farmer-investor arrangements that provide financial viability of high technology-based agriculture and aquaculture could also be encouraged with relaxation of use restrictions, tax credits, or other incentives, to meet this growing need.

Thank you for the opportunity to present testimony on this measure.



P.O. Box 253, Kunia, Hawai'i 96759 Phone: (808) 848-2074; Fax: (808) 848-1921 e-mail info@hfbf.org; www.hfbf.org

March 20, 2019

HEARING BEFORE THE HOUSE COMMITTEE ON AGRICULTURE

TESTIMONY ON SB 651, SD2 RELATING TO AGRICULTURE

Room 312 9:00 AM

Aloha Chair Creagan, Vice Chair DeCoite, and Members of the Committee:

I am Brian Miyamoto, Executive Director 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.

Hawaii Farm Bureau **supports SB 651, SD2,** which gives the Board of Agriculture authority to decide on a case-by-case basis which entities qualify for a non-agricultural park lease. Establishes certain conditions and qualifications that must be met for the Board to deem an entity eligible for a lease.

HFB believes this measure will address this existing investment constraint for farmers on non-agricultural park lands. The intent of this measure is to encourage investment in agricultural production technologies.

Thank you for this opportunity to testify on this important subject.

<u>SB-651-SD-2</u> Submitted on: 3/18/2019 2:54:17 PM

Testimony for AGR on 3/20/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Dale Sandlin	Hawaii Cattlemens Council	Support	No

Comments: