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TESTIMONY OF DANIEL NĀHO'OPI'I INTERIM PRESIDENT & CEO. HAWAI'I TOURISM AUTHORITY BEFORE THE HOUSE COMMITTEE ON WATER & LAND Thursday, February 22, 2024 1:00 p.m.

In consideration of

HB 2146 HD 2 RELATING TO AGRICULTURAL TOURISM

Aloha Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee,

The Hawai'i Tourism Authority (HTA) supports HB2146 HD2, to authorize agricultural tourism activities. HTA recognizes the importance of protecting and uplifting Hawai'i agriculture, and the visitor industry offers paths for agricultural enterprises to enhance revenues to stabilize and bolster their businesses. Coordinating the development of new agricultural tourism products is part of our statutory mandate in HRS §201B-3(a)(19).

In 2019, direct and indirect visitor spending on local agricultural products was \$240.7 million – 9.4% of total agriculture industry sales. Expanding agricultural tourism advances a model of regenerative tourism for Hawai'i, builds capacity to advance a circular economy as articulated in the 'Āina Aloha Economic Futures Declaration, and advances Hawai'i's progress toward the Aloha+ Challenge goal of doubling local food production.

HTA has supported the development of agricultural tourism which includes:

- Partnerships for regenerative tourism product development that help our farmers through initiatives including the Community Enrichment, Kahu 'Āina (formerly Aloha 'Āina), and Signature Events programs;
- The creation of the Hawai'i AgriBusiness GuideBook: Starting an Agri-Tourism Operation through our partnership with GoFarm Hawai'i, the Hawai'i AgriTourism Association and the O'ahu Resource & Development Council;
- Offering capacity building opportunities to farmers and businesses interested in agricultural tourism; and
- Support for the Hawai'i Farm Trails website and app which promotes and strengthens Hawai'i's agricultural businesses and agricultural tourism.

HTA remains committed to supporting Hawai'i's farmers by encouraging buying local and developing regenerative tourism products enabled by this legislation, and we stand ready to coordinate with the counties and applicable state agencies.

Mahalo for the opportunity to provide this testimony in support of HB2146 HD2.



LAND USE COMMISSION

Komikina Hoʻohana ʻĀina

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

Ka ʻOihana Hoʻomōhala Pāʻoihana, ʻImi Wai wai a Hoʻomākaʻikaʻi

JOSH GREEN, MD

DANIEL E. ORODENKER EXECUTIVE OFFICER

Telephone: (808) 587-3822 Fax: (808) 587-3827 Website: luc.hawaii.gov

235 S. Beretania Street, RM 406, Honolulu, Hawaiʻi 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaiʻi 96804 Email Address: dbedt.luc.web@hawaii.gov

Statement of
Daniel E. Orodenker
Executive Officer
State Land Use Commission

Before the **House Committee on Finance**

Thursday February 22, 2024 1:00 PM State Capitol, Room 308 and Video Conference

In consideration of HB2146 HD2

RELATING TO AGRICULTURAL TOURISM

Chair Yamashita, Vice Chair Kitagawa, and members of the House Finance Committee:

The Land Use Commission ("LUC") has the following comments on this measure that would make State agricultural tourism requirements applicable to all counties, instead of only counties that have adopted an agricultural tourism ordinance. Additionally, the measure requires the LUC to adopt rules that establish requirements applicable to all farms implementing agricultural tourism.

Under HRS section 205-12, the counties are charged with enforcement of restrictions on use within the State Agricultural District and shall report to the LUC all violations. We believe that it is most appropriate for the individual counties to regulate agricultural tourism based on their individual needs and resources via ordinance. We do not believe the Land Use Commission, which does not have any enforcement capabilities, should be responsible for drafting rules to regulate such uses. The proposed language regarding the minimum rules that should be established in subsection (e) can be directed to the counties for adoption by ordinance.

We don't believe proposed subsection (d) which would allow agricultural tourism to include overnight accommodations is necessary for "...the enjoyment, education, or involvement of visitors" as stated in the first sentence of the measure. The allowance of transient vacation rentals in the State Agricultural District is now being seen as a huge problem that's been contributing to Maui's local housing shortage.

Thank you for the opportunity to testify on this matter.



STATE OF HAWAI'I OFFICE OF PLANNING & SUSTAINABLE DEVELOPMENT

JOSH GREEN, M.D. GOVERNOR

SYLVIA LUKE

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MARY ALICE EVANS INTERIM DIRECTOR

235 South Beretania Street, 6th Floor, Honolulu, Hawai'i 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawai'i 96804

Telephone: (808) 587-2846 Fax: (808) 587-2824 Web: https://planning.hawaii.gov/

Statement of MARY ALICE EVANS, Interim Director

before the **HOUSE COMMITTEE ON FINANCE**

Thursday, February 22, 2024 1:00 PM State Capitol, Conference Room 308

in consideration of
HOUSE BILL NO 2146 HD2
RELATING TO AGRICULTURAL TOURISM.

Chair Yamashita, Vice Chair Kitagawa, and Members of the House Committee on Finance:

The Office of Planning and Sustainable Development (OPSD) **supports the intent** of HB2146 HD2, which proposes to amend Chapter 205, Hawaii Revised Statutes (HRS), to support agricultural tourism in the State Agricultural District while protecting the principal agricultural use. However, OPSD **recommends an amendment**.

OPSD supports agricultural tourism as a means by which farmers can diversify their income and help to sustain their primary agricultural operations. OPSD believes it is an option that should be available to all counties that adopt an ordinance regulating agritourism.

However, HB 2146 HD2 adds a new § 205- (e) that requires the Land Use Commission (LUC) to adopt rules governing agricultural tourism activities and sets a minimum requirement for such rules. These requirements duplicate the existing requirements under § 205-5 (b), HRS, for county ordinances adopted to permit agricultural tourism uses. Consequently, OPSD recommends that the proposed section § 205- (e) be deleted.

Thank you for the opportunity to testify on this measure.

LATE *Testimony submitted late may not be considered by the Committee for decision making purposes.

JOSH GREEN, M.D. Governor

> SYLVIA LUKE Lt. Governor



SHARON HURD
Chairperson, Board of Agriculture

DEXTER KISHIDADeputy to the Chairperson

State of Hawai'i DEPARTMENT OF AGRICULTURE KA 'OIHANA MAHI'AI

1428 South King Street Honolulu, Hawai'i 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613

TESTIMONY OF SHARON HURD CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON FINANCE

THURSDAY, FEBRUARY 22, 2024 1:00 PM CONFERENCE ROOM 308

HOUSES BILL NO. 2146, HOUSE DRAFT 2 RELATING TO AGRICULTURAL TOURISM

Chair Yamashita, Vice Chair Kitagawa and Members of the Committee:

Thank you for the opportunity to testify on House Bill 2146, HD2, that authorizes agricultural tourism activities, including certain overnight accommodations, under certain conditions and only in counties that have adopted ordinances regulating agricultural tourism activities. The bill also requires the Land Use Commission to adopt rules that establish requirements applicable to all farming operations implementing agricultural tourism activities.

The Department of Agriculture (Department) continues to support the concept of agricultural tourism and overnight accommodations as an opportunity for qualified agricultural operations to diversify their income stream beyond the sale of their food and non-food agricultural products. The Department also supports county home rule with respect to planning and zoning for their agricultural lands. Otherwise, we defer to the Land Use Commission and the Office of Planning and Sustainable Development.



Thank you for the opportunity to testify on this measure.

JOSH GREEN, M.D. Governor

> SYLVIA LUKE Lt. Governor



STATE OF HAWAI'I AGRIBUSINESS DEVELOPMENT CORPORATION

235 S. Beretania Street, Suite 205 Honolulu, HI 96813 Phone: (808) 586-0186 Fax: (808) 586-0189

TESTIMONY OF WENDY L. GADY
EXECUTIVE DIRECTOR
AGRIBUSINESS DEVELOPMENT CORPORATION

BEFORE THE HOUSE COMMITTEE ON FINANCE

Thursday, February 22, 2024 1:00 p.m. VIA VIDEO CONFERENCING Conference Room 308

HOUSE BILL NO. 2146 HD2 RELATING TO AGRICULTURAL TOURISM

Chairperson Yamashita, Vice Chair Kitagawa, and Members of the Committee:

Thank you for the opportunity to testify in support of House Bill No. 2146 HD2, which makes state agricultural tourism requirements applicable to all counties, instead of only counties that have adopted an agricultural tourism ordinance, and requires the Land Use Commission to adopt rules that establish requirements applicable to all farms implementing agricultural tourism.

Agritourism comes with economic benefits for farmers and ranchers. From generating additional income and direct marketing to preserving farms, farmland, and local culture and traditions, agritourism diversifies farmers' income streams, meaning they are able to make money outside of their regular planting season. By allowing farms to offer agritourism opportunities, surrounding areas

and local communities will see an increase in people visiting or passing through.

This of course means an economic boost for Hawaii's rural areas.

While ADC supports the intent of the measure to promote agritourism, it will defer to the Land Use Commission with regards to the establishment of the rules and requirements for all farms and ranches implementing agritourism.

Thank you for your consideration of our testimony.



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February 22, 2024

HEARING BEFORE THE HOUSE COMMITTEE ON FINANCE

TESTIMONY ON HB 2146, HD2 RELATING TO AGRICULTURAL TOURISM

Conference Room 308 & Videoconference 1:00 PM

Aloha Chair Yamashita, Vice-Chair Kitagawa, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate, and advance the social, economic, and educational interests of our diverse agricultural community.

The Hawai'i Farm Bureau provides comments on HB 2146, HD2, which authorizes agricultural tourism activities, including certain overnight accommodations, under certain conditions and only in counties that have adopted ordinances regulating agricultural tourism activities and requires the Land Use Commission to adopt rules that establish requirements applicable to all farming operations implementing agricultural tourism activities.

We strongly support agritourism as it represents an excellent revenue enhancement opportunity for farmers and ranchers as well as an educational opportunity for the public. Fostering the profitability of farmers and ranchers will significantly contribute to the State's goal of increased self-sufficiency.

We believe the primary purpose of the Agricultural District is production agriculture. Agricultural tourism operations should be subordinate to bona fide agricultural operations. We believe that other loosely related activities that merely use agriculture as a justification belong in the rural district. Counties should be encouraged to move in this direction, thereby protecting agricultural lands.

We believe that the details of agricultural tourism to be a Home Rule issue and we request that the requirement that a County adopt ordinances regulating agricultural tourism operations remain in statute. Counties may differ in their opinions of what they allow. Different counties may have different opinions of what comprises agricultural tourism This should be duly respected and remain within the purview of County Zoning

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

HB-2146-HD-2

Submitted on: 2/21/2024 4:03:57 PM

Testimony for FIN on 2/22/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kathleen M. Pahinui	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair Yamashita and Committee Members -

While there is much to support in this version of HB 2146 HD2, I am still oppsoed to the 21-day or less stay as part of the agritourism bill. This violates the City and County of Honolulu's vacation rental ordinance of stays of no less than 30-days. Thre are no new permits for vacation rentals allowed as of now on this island.

I would also recommend that the bill state that activities must have a nexus to the agriculture being produced or animals being raised on the farm. In other words, ziplines, kayaks and ATVs would not qualify as agritourism as they have no legitimate nexus to farming.

Mahalo for your time and consideration.

Malama aina,

Kathleen M. Pahinui

Waialua, North Shore, Oahu