SYLVIA LUKE Lt. Governor



SHARON HURD Chairperson, Board of Agriculture

> **DEXTER KISHIDA** Deputy 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 SENATE COMMITTEE AGRICULTURE AND ENVIRONMENT

FEBRUARY 12, 2024 1:31 PM CONFERENCE ROOM 224

SENATE BILL NO. 2422 RELATING TO AGRICULTURE

Chairs Gabbard, Vice Chairs Richards, and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill 2422. This bill appropriates funds for capital improvement projects for agricultural infrastructure projects throughout the State. This measure recognizes that a reliable agricultural infrastructure that supports the State's land and water resources is the lifeline of Hawaii's agriculture industry and critical for farmers' and ranchers' plan to increase production on agricultural lands and for Hawaii's for-profit and non-profit agencies to invest in Hawaii agriculture knowing there will be a reliable source of water and support for the infrastructure of agricultural lands as well as support for new and innovative opportunities to grow agriculture in the State.

The Department greatly appreciates and supports this measure for quantifying the repair and maintenance needs statewide, recognizing the request in the bill is a lengthy stretch at this time of limited resources.

Thank you for the opportunity to testify.



SYLVIA LUKE Lt. Governor



WENDY L. GADY Executive Director

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 SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

Monday, February 12, 2024 1:31 p.m. Conference Room 224 & Videoconference

> SENATE BILL NO. 2422 RELATING TO AGRICULTURE

Chairperson Gabbard, Vice Chair Richards, and Members of the Committee:

Thank you for the opportunity to testify in support of Senate Bill No. 2422, which appropriates funds for capital improvement projects per the agricultural infrastructure of the State, a food and product innovation network, and outstanding debt on the Waiahole water system.

The Agribusiness Development Corporation (ADC) strongly supports this measure, which provides funding for critical infrastructure projects statewide. These capital improvement projects will make ADC's water systems more reliable and efficient, and provide water retention areas to address fire mitigation, drought conditions, and climate change. This measure also provides funding for the Food Product Innovation Network, which will create rural jobs, provide additional revenue streams to our local farmers and producers, and foster the development of locally made value-added products to expand the "Made in Hawaii" brand.

In addition to the infrastructure projects that will help ADC utilize its land assets and promote economic development, this measure also provides debt relief for the Waiahole Water System, which would allow ADC to re-invest the revenues generated back into the century old irrigation system, which provides irrigation water to 5,866 acres in Central Oahu.

The ADC believes these investments will make the agency more dynamic and stimulate economic development, particularly in our rural communities. By making these investments, ADC will be able to attract and support agribusinesses and entrepreneurs and help them reach economies of scale.

We support this bill provided that its passage does not replace or adversely impact priorities indicated in our Executive Budget. Thank you for your consideration of our testimony.



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

Land Use Research Foundation of Hawaiʻi

Maui Farm to School Network (Maui F2SN)

Ulupono Initiative

College of Tropical Agriculture and Human Resources - University of Hawai'i at Manoa SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT Monday, February 12, 2024 – 1:31 p.m. – Conference Room 224 & Videoconference

SB 2422 - RELATING TO AGRICULTURE

SUPPORT

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

The Local Food Coalition **SUPPORTS** SB 2422 which appropriates funds for capital improvement projects per the agricultural infrastructure of the State, a food and product innovation network, and outstanding debt on the Waiahole water system.

The Coalition supports funding that will make improvements to various agriculture infrastructure and irrigation systems across the state. It is important to invest in these important resources that are vital for our local farmers and ranchers.

The recent COVID pandemic, supply chain issues, and inflation highlighted the need to increase Hawaii's food self-sufficiency and reduce our reliance on imports. The state will not be able to do so nor reach its goal to increase local food production if improvements are not made to these lands and irrigation systems.

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

Thank you for the opportunity to submit testimony in support of SB 2422.



Email: communications@ulupono.com

SENATE COMMITTEE ON AGRICULTURE & ENVIRONMENT Monday, February 12, 2024 — 1:31 p.m.

Ulupono Initiative supports SB 2422, Relating to Agriculture

Dear Chair Gabbard and Members of the Committee:

My name is Micah Munekata, and I am the Director of Government Affairs at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve the quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food, renewable energy and clean transportation choices, and better management of freshwater resources.

Ulupono <u>supports</u> SB 2422, which appropriates funds for capital improvement projects per the agricultural infrastructure of the State, a food and product innovation network, and outstanding debt on the Waiahole water system.

Ulupono supports funding for critical agricultural infrastructure across Hawai'i, much of which resides within the management of the Department of Agriculture (DOA) and the Agribusiness Development Corporation (ADC), the State's two entities tasked with agricultural infrastructure management and development. From irrigation maintenance, repair and water resource development to agricultural land acquisition, ag park development and innovative food and product networks, we believe that this bill captures a bulk, if not all, of the actual DOA and ADC infrastructure needs.

From 2020 to 2023, Ulupono Initiative actively engaged with agricultural stakeholders across the state seeking to understand the greatest needs of the industry and how best to coordinate funding and resources toward those needs. In most cases, local producers identified access to affordable, reliable land and water resources as top issues that will determine the success and financial viability of their operations. This measure presents a singular opportunity to meet those needs of our hard-working, local farmers and ranchers with dedicated state resources, and to directly support the State's local food production goals.

If we are serious about the future of our state's agriculture, key infrastructure investments are needed, and they are needed **now**.

Respectfully,

Micah Munekata Director of Government Affairs

Investing in a Sustainable Hawai'i



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TO: Committee on Agriculture and Environment

FROM: HAWAII FOOD INDUSTRY ASSOCIATION Lauren Zirbel, Executive Director

DATE: February 12, 2024 TIME: 1:31pm PLACE: Room 224

RE: SB2422 Relating to Agriculture

Position: Support

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, manufacturers and distributors of food and beverage related products in the State of Hawaii.

Chair Gabbard, Vice Chair Richards, and Members of the Committee,

HFIA is in support of this measure. Increasing local food production is a goal we all share. When more of the food that is consumed in Hawaii is grown and made in Hawaii, our state becomes more resilient, more sustainable, and stronger economically. Supporting and investing in our agricultural infrastructure is a key foundation of increasing local food.

Encouraging value added products for local consumption to be made using local agricultural commodities is another key component of increasing local food. HFIA has proudly produced the Made in Hawaii Festival for 30 years. Each year Made in Hawaii Festival vendors find ways to add value and create a range of amazing products using locally grown fruits, vegetables, meat, flowers, wood, and more. We know there is tremendous potential for growth in this sector. Creating a Food and Product Innovation Network is the kind of support that can enable our local businesses to grow and thrive and create more Hawaii food and products for Hawaii consumers.

We encourage the Committees to pass this measure and we thank you for the opportunity to testify.



February 11, 2024

Subject: SB 2422 Agribusiness Development Corporation

Aloha Chair Gabbard, Vice Chair Richards and Members of the Agriculture and Environment Committee,

Hawaii Food+ Policy is in strong support for **SB 2422** which seeks to appropriate funds for crucial capital improvement projects, focusing on the agricultural infrastructure of the State of Hawaii. This bill also addresses the establishment of a food and product innovation network, along with the retirement of outstanding debt on the Waiahole water system.

The allocation of funds for agricultural infrastructure is a commendable step towards ensuring sustainability and resilience of our state's agricultural sector. Recent events have highlighted the urgent need for maintaining and enhancing the state's irrigation systems, making this bill timely and essential. This strategic investment aligns with the evolving needs of our agriculture industry, fostering innovation and economic growth.

Furthermore, addressing outstanding debt on the Waiahole water system demonstrates responsible financial management, ensuring that existing liabilities are managed appropriately. While recognizing the declaration that the general fund expenditure ceiling is exceeded, we believe the benefits accruing from these appropriations far outweigh the financial constraints.

In conclusion, we strongly urge you to support and pass SB 2422. This bill reflects a commitment to the well-being of our local farmers and the sustainable growth of our agriculture industry.

Thank you for your time and consideration. We trust that you will recognize the importance of this bill for the prosperity and resilience of Hawaii's agriculture.

Mahalo,

The Hawaii Food+ Policy Team

The Food+ Policy internship develops student advocates who learn work skills while increasing civic engagement to become emerging leaders. We focus on good food systems policy because we see the importance and potential of the food system in combating climate change and increasing the health, equity, and resiliency of Hawai'i communities.

In 2024, the cohort of interns are undergrads and graduate students from throughout the UH System. They are a mix of traditional and nontraditional students, including parents and veterans, who have backgrounds in education, farming, public health, nutrition, and Hawaiian culture.



COMMITTEE ON AGRICULTURE AND ENVIRONMENT Senator Mike Gabbard, Chair Senator Herbert M. "Tim" Richards, III, Vice Chair

SB2422 RELATING TO AGRICULTURE

Monday, February 12, 2024, 1:31 PM Conference Room 224 & Videoconference

Chair Gabbard, Vice Chair Richards, and Members of the Committee,

The Hawaii Cattlemen's Council **<u>supports SB2422</u>** which appropriates funds for capital improvement projects per the agricultural infrastructure of the State, a food and product innovation network, and outstanding debt on the Waiahole water system.

Agricultural infrastructure, such as water systems and processing facilities require funding to ensure that these assets continue to remain usable for current and future Hawaii ag producers. Rancher and farmers rely on water to grow our food, and it is paramount that we maintain the systems we have in place. While we advocate for our priority of keeping agricultural land in agricultural production, we must also recognize the needs that producers need to stay in business – the vital being land and water. Without this sort of infrastructure, food security goals cannot be met.

Thank you for the opportunity to testify. The Hawaii Cattlemen's Council (HCC) is the Statewide umbrella organization comprised of the four county-level Cattlemen's Associations. Our 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 over 750 thousand acres of land in Hawaii, or 20% of the State's total land mass. We represent the interests of Hawaii's cattle producers.

Nicole Galase Hawaii Cattlemen's Council Managing Director



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