

# **ON THE FOLLOWING MEASURE:** S.B. NO. 2960, S.D. 1, RELATING TO FARMERS.

# **BEFORE THE:**

SENATE COMMITTEE ON JUDICIARY

**DATE:** Tuesday, February 27, 2024 **TIME:** 10:00 a.m.

LOCATION: State Capitol, Room 016 and Videoconference

# **TESTIFIER(S):** WRITTEN TESTIMONY ONLY. (For more information, contact Kelcie K. Nagata, Deputy Attorney General, at 808-586-1180)

Chair Rhoads and Members of the Committee:

The Department of the Attorney General provides the following comments.

The purpose and intent of this bill is to: (1) require lessees and purchasers of farm lots and ranch lots to use that land for farming and producing food and (2) authorize agricultural cooperatives to apply for farm lands. *See* S. Stand. Comm. Rep. No. 2260 (February 12, 2024).

Section 171-68, Hawaii Revised Statutes (HRS), enumerates, among other things, who may be considered a "bona fide farmer" to be eligible to apply to lease public state agricultural land. Although the intent of the bill appears to allow agricultural cooperatives to also be considered "bona fide farmers," the qualification in proposed section 171-68(a)(2)(I) on page 8, lines 14-19, is ambiguous as currently drafted and requires clarification.

There are different ways to rephrase the provision. If the Legislature's intent is to allow agricultural cooperative associations formed under chapter 421 to be considered "bona fide farmers" if at least 51% ownership interest is owned by one or more members who qualify as a bona fide farmer under section 171-68(a)(2)(A) through (H), HRS, the Department suggests deleting section 171-68(a)(2)(I) on page 8, lines 14-19, and creating a new subsection (c) to read as follows:

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(c) If the person is an association formed under chapter 421, the association shall have at least fifty-one per cent ownership by one or more members who satisfy the qualifications under subsection (a)(1) through (3) and who are not disgualified under subsection (b); and

(redesignate the current section 171-68(c) as section 171-68(d)).

If, alternatively, the Legislature's intent is to allow for any partnership, corporation, association, or an agricultural cooperative association to also be considered "bona fide farmers" if at least 51% ownership interest is owned by one or more members who qualify as a bona fide farmer under section 171-68(a)(2)(A) through (H), HRS, the Department suggests deleting section 171-68(a)(2)(I) on page 8, lines 14-19, and creating a new subsection (c) to read as follows:

(c) If the person is a partnership, corporation, association, or agricultural cooperative association formed under chapter 421, the entity shall have at least fifty-one per cent ownership by one or more partners, shareholders, or members who satisfy the qualifications under subsection

(a)(1) through (3) and who are not disqualified under subsection (b); and (redesignate the current section 171-68(c) as section 171-68(d)).

Thank you for the opportunity to provide comments.



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February 27, 2024

# HEARING BEFORE THE SENATE COMMITTEE ON JUDICIARY

#### TESTIMONY ON SB 2960, SD1 RELATING TO FARMERS

Conference Room 016 & Videoconference 10:00 AM

Aloha Chair Rhoads, Vice-Chair Gabbard, 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 supports SB 2960, SD1**, which requires that lessees and purchasers of farm lots and ranch lots use that land for farming and producing food and authorizes agricultural cooperatives to apply for farmlands.

HFB advocates for public policies and incentives that provide for viable farming and ranching activities on agricultural lands thereby retaining agricultural lands for future generations. Lands capable of supporting viable agricultural activities should be protected and kept in agriculture for agricultural production.

We support the retention of agricultural lands in blocks of contiguous, intact, and functional land units large enough to allow **flexibility** in agricultural production and management and discourage the fragmentation of agricultural lands to non-agricultural uses. Lands zoned for agriculture should be used primarily for productive agricultural purposes, including family farming.

The Hawaii Farm Bureau was part of the Stakeholders Group convened by the Office of Planning in response to Act 278, Session Laws of Hawaii 2019. The stakeholder group established the following goals 1) Keep suitable agricultural lands for agriculture; 2) Support farmers and farming; 3) Keep agricultural lands affordable for farming; 4) Enable long-term access to agricultural lands for farmers, and 5) Minimize subdivision and CPR of productive agricultural lands except for bona fide agricultural reasons.

The Hawaii Farm Bureau supports policies that ensure that agricultural lands are used primarily for productive agricultural purposes. Thank you for the opportunity to testify on this measure.



COMMITTEE ON JUDICIARY Senator Karl Rhoads, Chair Senator Mike Gabbard, Vice Chair

#### SB2960 SD1 RELATING TO THE FARMERS

Tuesday, February 27 2024, 10:00 AM Conference Room 016 & Videoconference

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

The Hawaii Cattlemen's Council **<u>supports SB2960 SD1</u>** which requires that lessees and purchasers of farm lots and ranch lots use that land for farming and producing food. Authorizes agricultural cooperatives to apply for farmlands.

Our priority is keeping agricultural lands in agricultural production. With land as a limiting resource, we must ensure that any parcels that are suitable for agricultural activities are utilized for that purpose. We support measures that encourage bonafide farming and ranching practices to reach out state's food security goals, but we also want to ensure that the restrictions are feasible to a farmer and rancher to still be flexible amongst their agricultural operation.

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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JOSH GREEN, M.D. Governor

> 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 COMMITTEES ON JUDICIARY AGRICULTURE AND ENVIRONMENT

TUESDAY, FEBRUARY 27, 2024 10:00 AM CONFERENCE ROOM 016

SENATE BILL NO. 2960 RELATING TO AGRICULTURE

Chair Rhoads, Vice Chair Gabbard and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill 2960. This bill requires the lessees and purchasers of farm lots and ranch lots to use that land for farming and producing food and authorizes agricultural cooperatives to apply for farmlands. The Department of Agriculture (Department) supports this bill.

The Department acknowledges 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." The Department's actions to implement the mandate include inspections of our agriculture and non-agriculture park lessees twice a year for compliance with lease terms that the lands are in agricultural production. Should the suggested revisions to Chapter 171, Public Lands, Management and Disposition of be further revised, the Department will assess potential impacts to Chapter 166, Agricultural Parks and 166E, Non-agricultural parks.

Thank you for the opportunity to testify on this measure.





February 25, 2024

# Subject: Support for SB 2960, SD 1 - RELATING TO FARMERS

Aloha Chair Karl Rhoads, Mike Gabbard, and Members of the Committee:

Food+ Policy **supports** SB 2960, SD 1, which is a crucial step towards preserving and promoting the responsible use of agricultural lands. SB 2960 should be passed to uphold a constitutional mandate, ensure agricultural lands are used properly, and promote local food production in Hawai'i.

Agricultural lands support local food production and preserve biodiversity. However, the concerning amount of wealthy people using agricultural land for nonagricultural uses must be stopped. It threatens not only farmers, but also food security and environmental sustainability. As noted by the legislature, the use of agricultural lands for nonagricultural purposes violates Article XI, Section 3, of the Hawai'i State Constitution. SB 2960 would uphold the constitutional mandate to promote diversified agriculture and increase agricultural self-sufficiency.

Furthermore, SB 2960 is essential to ensure the responsible use of agricultural lands and lessen land use conflicts. Requiring purchasers and lessees of farm lots to engage in farming activities helps preserve the agricultural character of these lands and discourages speculative development for residential purposes.

By enacting SB 2960, SD 1, we can protect our agricultural lands, promote sustainable farming practices, and ensure the continued prosperity of Hawai'i's agricultural communities.

Mahalo, 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.