

STATE OF HAWAI'I OFFICE OF PLANNING & SUSTAINABLE DEVELOPMENT

JOSH GREEN, M.D. GOVERNOR

> SYLVIA LUKE LT. GOVERNOR

MARY ALICE EVANS

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 SENATE COMMITTEES ON WATER AND LAND AND ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

Wednesday, February 14, 2024 1:00 PM State Capitol, Conference Room 229

in consideration of SENATE BILL 2203 RELATING TO LAND USE COMMISSION.

Chairs Inouye and DeCoite, Vice Chairs Elefante and Wakai, and Members of the Senate Committees on Water and Land and Energy, Economic Development, and Tourism:

The Office of Planning and Sustainable Development (OPSD) **offers comments** on SB2203, which would amend § 205-4.5 (a) (14), Hawaii Revised Statutes (HRS), to restrict agricultural tourism activities as a permissible use in the State Agricultural District only in a county that has a population of 500,000 or more and has adopted ordinances regulating agricultural tourism activities, and provided that the agricultural tourism activities coexist with a bona fide agricultural activity. OPSD **offers the following comments**.

OPSD is concerned that this bill would make currently legal agricultural tourism either illegal or non-conforming in all three Neighbor Island counties. OPSD believes all four counties should be allowed to regulate agricultural tourism for their farmers and residents.

OPSD suggests that page 5, lines 7, 8 and 9, be amended to read, "...shall apply only to a county that has adopted ordinances regulating agricultural tourism.".

Thank you for the opportunity to testify on this measure.

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 WATER AND LAND AND ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

WEDNESDAY, FEBRUARY 14, 2024 1:00 PM CONFERENCE ROOM 229

SENATE BILL NO. 2203 RELATING TO LAND USE COMMISSION

Chairs Inouye and DeCoite, Vice Chairs Elefante and Wakai and Members of the Committees:

Thank you for the opportunity to testify on Senate Bill 2203 that amends Section 205-4.5(a)(14) (page 5, lines 7-8). The effect of this bill appears to allow the counties of Kauai, Maui, and Hawaii to develop and administer laws and regulations governing agricultural tourism activities and overnight accommodations without regards to Section 205-4.5(a)(14) and Section 205-5(b). The effect of this bill appears to exclude the counties of Kauai, Maui, and Hawaii from the provisions in Section 205-4.5(a)(13) that require "agricultural tourism activity to be accessory and secondary to the principal agricultural use and does not interfere with surrounding farm operations;". The Department of Agriculture (Department) offers comments.



At issue here for the Department is whether the counties of Kauai, Maui, and Hawaii, in developing their respective ordinances and regulations, will include the following features drawn from Section 205-4.5(a)(13) and (14):

- Agricultural tourism is conducted on or coexist with a farming operation or bona fide agricultural activity.
- 2. Agricultural tourism activity is accessory and secondary to the principal agricultural use and does not interfere with surrounding farm operations.

With the above two features in mind, the Department of Agriculture supports the concept of agricultural tourism and overnight accommodations as an opportunity for farmers and ranchers to diversity 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. With carefully thought-out ordinances and regulations in place, agricultural operations with accessory and secondary agricultural tourism may be able to sustain their operations and contribute to local food self-sufficiency and have little, if any, adverse effect on the agricultural operations, land values, and access to agricultural resources in the surrounding area.

Thank you for the opportunity to present our testimony.

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Mitchell D. Roth Mayor



Deanna S. Sako Managing Director

Robert H. Command Deputy Managing Director

County of Nawai'i

Office of the Mayor

25 Aupuni Street, Suite 2603 • Hilo, Hawai'i 96720 • (808) 961-8211 • Fax (808) 961-6553 KONA: 74-5044 Ane Keohokalole Hwy., Bldg C • Kailua-Kona, Hawai'i 96740 (808) 323-4444 • Fax (808) 323-4440

February 12, 2024

Committee on Water and Land Senator Lorraine R. Inouye, Chair Senator Brandon J.C. Elefante, Vice Chair

Committee on Energy, Economic Development, and Tourism Senator Lynn DeCoite, Chair Senator Glenn Wakai, Vice Chair

Hawai'i State Legislature 415 S. Beretania Street Honolulu, Hawai'i 96813

Subject:S.B. 2203 RELATING TO LAND USE COMMISSION
Hearing Date: Wednesday, February 14, 2024, at 1:00 p.m.
Time/Place of Hearing: Via Videoconference, Conference Room 229

Aloha Honorable Chairs Inouye and DeCoite and Honorable Vice Chairs Elefante and Wakai, and members of the Committee on Water and Land and the Committee on Energy, Economic Development, and Tourism,

On behalf of the County of Hawai'i, I express my support for SB 2203, which will amend permissible uses within the agricultural districts to a specific population count.

Hawai'i Revised Statute §205-4.5 was amended in 2012 under SB 2341. Initially the bill addressed population size, but this aspect was later eliminated and substituted with the criteria of "three islands". This specification only permitted short-term agricultural tourism overnight accommodations for the County of Maui. The present proposal seeks to reintroduce the population density criteria, <u>500,000 or less</u>, as opposed to the "three island" requirement. If passed, this amendment would enable short-term agricultural tourism overnight accommodations of 21 days or fewer in both the County of Hawai'i and the County of Kauai.

For the foregoing reasons, I support the passage of SB 2003. Thank you for the opportunity to testify on this matter.

on Mitchell D. Roth

Mayor County of Hawai'i

Mitchell D. Roth Mayor

Deanna S. Sako Managing Director

West Hawai'i Office 74-5044 Ane Keohokālole Hwy Kailua-Kona, Hawai'i 96740 Phone (808) 323-4770 Fax (808) 327-3563



County of Hawai'i PLANNING DEPARTMENT

February 13, 2024 Testimony of Zendo Kern

Zendo Kern Director, County of Hawai'i, Department of Planning before the

SENATE COMMITTEE ON WATER AND LAND & COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

Wednesday, February 14, 2024 1:00 p.m. State Capitol, Conference Room 229 In consideration of SENATE BILL NO. 2203 RELATING TO LAND USE COMMISSION

Chair Inouye, Vice Chair Elefante, and Members of the Senate Committee on Water and Land

Chair DeCoite, Vice Chair Wakai, and Members of the Senate Committee on Energy, Economic Development, and Tourism

On behalf of the County of Hawai'i Planning Department, I am expressing our **support** for SB 2203 which will amend permissible uses within the agricultural districts to a specific population count.

Hawai'i Revised Statute §205-4.5 was amended in 2012 under SB 2341. Initially the bill addressed population size, but this aspect was later eliminated and substituted with the criteria of "three islands". This specification only permitted short-term agricultural tourism overnight accommodations for the County of Maui. The present proposal seeks to reintroduce the population density criteria, <u>500,000 or less</u>, as opposed to the "three island" requirement. If passed this amendment would enable short-term agricultural tourism overnight accommodations of 21 days or fewer in both the County of Hawai'i and the County of Kauai.

Thank you for the opportunity to testify on this measure.

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Zendo Kern Director

Jeffrey W. Darrow Deputy Director

East Hawai'i Office 101 Pauahi Street, Suite 3 Hilo, Hawai'i 96720 Phone (808) 961-8288 Fax (808) 961-8742





SB2203 RELATING TO LAND USE COMMISSION Senate Committee on Water and Land Senate Committee on Energy, Economic Development, and Tourism

February 14, 2024	1:00 PM	Conference Room 229
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The Office of Hawaiian Affairs (OHA) offers **COMMENTS** on **SB2203**, which applies permissible uses within agricultural districts to counties having specific population levels. Specifically it would change the application of agricultural tourism activities provision from only applying to a county with three islands to applying to a county with a population of 500,000 or more. OHA believes that such a use should be permissible in all counties under strict oversight to allow farmers to utilize agricultural tourism as an accessory use to significant agricultural activities.

The United States Department of Agriculture (USDA) noted that as of 2021, 93% of all farms in Hawai'i were family farms and accounted for 55% of farmland and 52% of all agricultural products sold and government payments.¹ The USDA additionally noted that small family farms with a gross cash farm income of less than \$350,000 per year accounted for 91% of all Hawai'i farms.²

A study conducted on the implementation of agritourism on small and medium-sized farms in Hawai'i found that many small farmers in Hawai'i face challenges such as "increased competition from industrial-scale farming operations both domestically and overseas, as well as not being positioned to absorb rising operational costs like these larger competitors."³

In interviewing farmers for this study, the study's authors noted that some of those farmers stated that "the decision to adopt agritourism was not their first choice but rather something they felt they had to do in order to make ends meet."⁴ The study further noted

¹ United States Department of Agriculture, *Family-owned farms account for 93% of Hawaii farms, according to the 2017 Census of Agriculture Typology Report,* National Agricultural Statistics Service Hawaii Field Office, February 8, 2021, p. 1. ² Id.

³ Swette Center for Sustainable Food Systems. *Hawai* '*i Agritourism: Examining how Agritourism can be Responsibly*

Implemented to Support Small Farmers and Ecological and Cultural Preservation in the Hawaiian Islands. April, 2023, p. 21. ⁴ *Id* at p. 22.



SB2203 RELATING TO LAND USE COMMISSION

Committee Hearing of the Senate Committee on Water and Land Committee Hearing of the Senate Committee on Energy, Economic Development, and Tourism

that "many [farmers in Hawai'i] have found that agritourism has had a positive impact."⁵ It was further found that "Agritourism can also be a means of 'place-making' in farm tourism, empowering farmers to be able to perpetuate their cultural practices while bringing economic, sociocultural and environmental benefits to farm visitors and the community."⁶

Agritourism would allow existing family farms, making up over 90% of all the farms in Hawai'i, to compete economically with foreign and domestic industrial-scale farms while allowing cultural practitioners such as kahu holoholona (ranchers), mahi'ai (farmers), and hānai'ai (food producer-practitioners) to continue their traditional practices as guaranteed and protected by the Hawai'i State Constitution.

OHA respectfully requests that the legislature consider these matters when determining the restrictions on where agritourism may be an allowable use on agricultural lands in the state.

OHA appreciates the opportunity to share our mana'o on SB2203. Mahalo nui loa.

⁵ Id.

⁶ *Id* at p. 23.