

**DEPARTMENT OF BUSINESS,  
ECONOMIC DEVELOPMENT & TOURISM**  
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI  
A HO'OMĀKA'IKA'I

**JOSH GREEN, M.D.**  
GOVERNOR

**CHRIS J. SADAYASU**  
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Statement of  
**CHRIS J. SADAYASU**  
**Director**  
Department of Business, Economic Development, and Tourism  
before the  
**HOUSE COMMITTEE ON JUDICIARY AND HAWAIIAN AFFAIRS**

Thursday, February 23, 2023  
2:00 PM  
State Capitol, Conference Room 325 & Videoconference

In consideration of  
**HB995, HD1**  
**RELATING TO IMPORTANT AGRICULTURAL LANDS.**

Chair Tarnas, Vice Chair Takayama and members of the Committee. The Department of Business, Economic Development and Tourism (DBEDT) supports Administration Bill, HB995, HD1 which amends Hawai'i Revised Statutes (HRS) 205-49 to conform with existing Land Use Commission rules by clarifying that the adoption of these regional maps is through rulemaking, rather than contested case hearing. These revisions are essential to clarify the process for county Important Agricultural Lands petitions and remove obstacles to the implementation of Section 3 of Article XI of the Constitution of the State of Hawaii, to conserve and protect agricultural lands, and promote agriculture self-sufficiency and agricultural diversification.

Thank you for the opportunity to testify on this measure.

**JOSH GREEN, M.D.**  
Governor

**SYLVIA LUKE**  
Lt. Governor



**SHARON HURD**  
Chairperson, Board of Agriculture

**MORRIS M. ATTA**  
Deputy to the Chairperson

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**DEPARTMENT OF AGRICULTURE**  
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**TESTIMONY OF SHARON HURD**  
**CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE HOUSE COMMITTEE ON JUDICIARY AND HAWAIIAN AFFAIRS**

**THURSDAY, FEBRUARY 23, 2023**  
**ROOM 325**  
**2:00 P.M.**

**HOUSE BILL NO. 995, HOUSE DRAFT 1**  
**RELATING TO IMPORTANT AGRICULTURAL LANDS**

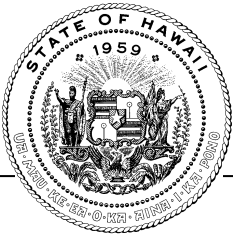
Chairperson Tarnas and Members of the Committee:

Thank you for the opportunity to testify on House Bill No. 995, HD1 that clarifies the decision-making process for the Land Use Commission's (LUC) adoption of maps of Important Agricultural Lands.

The Department of Agriculture (Department) supports this effort to bring clarity to the process to be used by the LUC in considering the counties proposed IAL maps. The Department understands that this measure deleted the proposed repeal of the existing IAL incentive for farm dwellings and employee housing described in Section 205-45.5, as HB996 that will be heard next by this Committee both repeals the existing IAL incentive and offers a replacement incentive for farm dwellings and employee housing on designated Important Agricultural Lands.

Thank you for the opportunity to provide our testimony on this measure.





**STATE OF HAWAI'I  
OFFICE OF PLANNING  
& SUSTAINABLE DEVELOPMENT**

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GOVERNOR

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Statement of  
**SCOTT GLENN, Director**

before the  
**HOUSE COMMITTEE ON JUDICIARY AND HAWAIIAN AFFAIRS**

Thursday, February 23, 2023, 2:00 PM  
State Capitol, Conference Room 325

in consideration of  
**HB 995, HD1**  
**RELATING TO IMPORTANT AGRICULTURAL LANDS.**

Chair Tarnas, Vice Chair Takayama, and Members of the House Committee on Judiciary and Hawaiian Affairs:

The Office of Planning and Sustainable Development (OPSD) **strongly supports** House Bill 995, HD1, which amends sections of the Hawai'i Revised Statutes (HRS) pertaining to Important Agricultural Lands (IAL). We note that HD1 removed language regarding the repeal of Section 205-45.5 from the measure, which OPSD proposes to be addressed in HB 996 HD1.

This bill revises Section 205-49, HRS, to conform with existing Land Use Commission rules by clarifying that the adoption of regional IAL maps should be accomplished through rulemaking, rather than through the contested case hearing process.

This revision is essential to clarifying the process for county IAL petitions. However, OPSD would prefer the original measure along with passing HB 996 HD1. Both revisions are intended to remove obstacles to the implementation of Section 3 of Article XI of the Constitution of the State of Hawai'i and, thus, will help conserve and protect agricultural lands and promote agriculture self-sufficiency and agricultural diversification.

Thank you for the opportunity to testify on this measure.



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February 23, 2023

HEARING BEFORE THE  
HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

**TESTIMONY ON HB 995, HD1**  
RELATING TO IMPORTANT AGRICULTURAL LANDS

Conference Room 325 & Videoconference  
2:00 PM

Aloha Chair Tarnas, Vice-Chair Takayama, 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 HB 995**, which clarifies the decision-making process for the Land Use Commission adoption of maps of Important Agricultural Lands.

The identification and designation of Important Agricultural Lands (IAL) was first proposed at the 1978 Constitutional Convention and subsequently approved by voters in the same year. Enacted as Article XI, Section 3, of the Constitution of the State of Hawai'i, the State is required to conserve and protect agricultural lands, promote diversified agriculture, increase agricultural self-sufficiency, and assure the availability of agriculturally suitable lands.

Several attempts to establish IAL in statute were attempted over the years, but it was only in 2005 that Act 183 was enacted. In 2008, Act 233 was enacted to establish incentives, such as tax credits, loan guarantees, and expedited regulatory processing to encourage landowners to designate their lands as IAL.

Another incentive allows landowners to develop farm dwellings and employee housing for their immediate family members and their employees. It limits the farm dwelling to 5% of the total IAL or 50 acres, whichever is less. It also requires that plans for farm dwellings and employee housing be supported by agricultural plans approved by HDOA.

Many small landowners are unaware of how IAL designation will impact their land use and rights. Agricultural landowners are justifiably concerned about the occupancy limits on farm dwellings, especially those who plan to retire on their farm, as they believe IAL law restricts occupation to those who are actively farming. They worry that they may be forced to leave their homes once they are no longer physically able to do the work

required to farm. Additionally, some of the long-time small farmers had intended to pass on their property to each of their adult children through subdividing. Because of the limitations and uncertainty associated with approvals of that process under an IAL designation, they are understandably uneasy about their future and their succession planning. Unfortunately, they have not been able to get clarification about this and other issues associated with IAL designation.

HB 995, HD1 seeks to the bill facilitate the designation of IAL by clarifying the process for county IAL petitions by allowing IAL designations through rulemaking.

Thank you for the opportunity to testify on this measure.