

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

**SYLVIA LUKE**  
Lt. Governor



**SHARON HURD**  
Chairperson, Board of Agriculture

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

State of Hawai'i  
**DEPARTMENT OF AGRICULTURE**  
KA 'OIHANA MAHI'AI  
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**TESTIMONY OF SHARON HURD**  
**CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT**

**WEDNESDAY, FEBRUARY 1, 2023**  
**1:00PM**  
**CONFERENCE ROOM 224**

**SENATE BILL NO. 647**  
**RELATING TO AGRICULTURAL PARK LEASES**

Chairperson Gabbard and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill 647. This bill allows the Department of Agriculture to extend the agricultural park lease of any lessee who holds a lease with a remaining term of fifteen years or less; provided that the land covered by the lease is twenty-five acres or less and located in a county with a population of less than five hundred thousand. The Department offers comments.

Should this bill pass to the next committee, HDOA respectfully prefers the language of Senate Bill 73. HDOA appreciates the plight of lessees nearing the termination dates of their lease, however, it is our understanding that there is a public policy against allowing individual private interests to exclusively occupy, use, and benefit from public lands for durations exceeding statutory limits or indefinitely. We understand the intent of this policy is to provide other members of the public without a State lease, a fair and equal opportunity to seek and enjoy that public benefit. Maximizing the opportunity to lease public lands under favorable conditions to the greatest number of applicants supports the growth of new farmers and incentivizes established farming operations with proven agricultural capabilities and economic viability to scale up and expand their operations on to other properties as part of their business growth strategy. HDOA understands and appreciates the intent of this bill



to support and encourage the ongoing viability of agricultural operations, often referred to as “legacy farms,” to continue without disruption to maximize the uninterrupted local production of agricultural goods and food. Concurrently, there is a pressing need to increase the number of farmers statewide to realistically achieve the level of farming necessary to meet the State’s goals for food security and sustainability. The single most insurmountable hurdle for most new and beginning farmers seeking to start a farm is the lack of available, appropriately sized, and reasonably priced agricultural lands suitable for farming. Our lands are among the most affordable in the State for agricultural use, making it ideal for incubator and start-up operations.

Without a clear maximum term established by statute, the lease extension provided by the bill could potentially allow lessees to effectively remain on the land indefinitely, through consecutive extensions and preclude others from the same opportunity to lease public lands. There is nothing preventing a current lessee from applying for a new lease for either the same or other available parcel upon expiration of the current one. The HDOA maintains a list of interested farmers seeking to lease Department managed state lands and this list is culled every two years. There are currently 243 people on this list, which indicates the high level of interest in our lands. Potential lessees in this program know upfront that their use of the land cannot exceed fifty-five years. By requiring a business plan for new leases, we encourage lessees to rely on sound business practices to plan ahead for the anticipated and known eventual termination and seek alternate lands if continuation or expansion of their farming operations is contemplated, or desired.

If this body desires a change to the public lease policy, we respectfully request that the change and intent be included in this bills preamble.

Thank you for the opportunity to testify on this measure.



**Hawaii Cattlemen's Council, Inc.**

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

**SB647**  
RELATING TO AGRICULTURAL PARK LEASES

Wednesday, February 1, 2023, 1:00 PM  
Conference Room 224 & Videoconference

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

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.

The Hawaii Cattlemen's Council **supports SB647** which authorizes the Department of Agriculture to extend the lease of any lessee who holds a lease with a remaining term of fifteen years or less; provided that the land covered by the lease is twenty-five acres or less and located in a county with a population of less than five hundred thousand persons.

If a leaseholder is utilizing the land for the leased purpose of agriculture and on good terms, we support the opportunity to extend the lease when there are less than fifteen years remaining on the lease. Farmers and ranchers need to make costly investments to the lease in order to successfully operate their businesses. Allowing for lease extensions gives the leaseholder confidence that they'll be able to continue utilizing their investment. These investments in water systems, infrastructure, and land stewardship are beneficial to the leaseholder, the surrounding community, and the State. Without the ability to extend, a prudent farmer would resist making these investments in the waning years of their lease. It is imperative that we allow lands in current agricultural production to continue to produce and succeed. Protecting agricultural lands from being used for purposes other than agriculture is a key step in increasing food production, and this measure will support the continuation of agricultural operations. We appreciate the opportunity to testify on this measure.

Nicole Galase  
Hawaii Cattlemen's Council  
Managing Director





**THE SENATE**  
THE THIRTY-SECOND LEGISLATURE  
REGULAR SESSION OF 2023

COMMITTEE ON AGRICULTURE AND ENVIRONMENT

Senator Mike Gabbard, Chair  
Senator Herbert M. "Tim" Richards, III, Vice Chair

Wednesday, February 1, 2023 1:00 P.M.  
Conference Room 224 & Videoconference

**SB647: RELATING TO AGRICULTURAL PARK LEASES**

My name is Eric S. Tanouye and I am the President for the Hawaii Floriculture and Nursery Association. HFNA is a statewide umbrella organization with approximately 300 members. Our membership is made up with breeders, hybridizers, propagators, growers, shippers, wholesalers, retailers, educators, and the allied industry, which supports our efforts in agriculture.

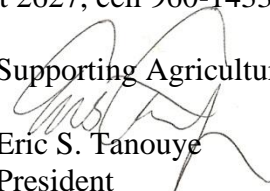
The Hawaii Floriculture and Nursery Association (HFNA) **SUPPORTS SB647**

It is important for Nurserymen and women to have the peace of mind that is associated with an extension of their lease, so that they may continue to farm. We believe the Department of Agriculture has the relevant knowledge to understand which leases for small farms should be extended. This will extend our Family Farms being able to successfully achieve generational succession in the near future.

We ask that you support our industry and agriculture, so that we may continue to bring the beauty of Hawaii to others through flowers and ornamentals.

If you have any questions at this time, I would be happy to discuss them and can be reached by phone at 808-959-3535 ext 2627, cell 960-1433 and email [eric@greenpointnursery.com](mailto:eric@greenpointnursery.com).

Supporting Agriculture and Hawaii,

  
Eric S. Tanouye  
President  
Hawaii Floriculture and Nursery Association



January 30, 2023

Senator Mike Gabbard, Chair  
Senator Herbert M. "Tim" Richards, Vice Chair  
Senate Committee on Agriculture and Environment

**Testimony in Support of SB 647, Relating to Agricultural Park Leases (Authorizes the Department of Agriculture [DOA] to extend the lease of any lessee who holds a lease with a remaining term of 15 years or less; provided that the land covered by the lease is 25 acres or less and located in a county with a population of less than 500,000 persons.)**

**Wednesday, February 1, 2023, 1:00 p.m.; State Capitol Conference Room 224 & Videoconference**

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers, and utility companies. LURF's mission is to advocate for reasonable, rational, and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources, and public health and safety.

LURF appreciates the opportunity to express its **support of SB 647** and of the various agricultural stakeholder groups who defend the goals of viable agricultural operations and the conservation and protection of agriculture in Hawaii.

**SB 647.** LURF understands that agricultural park lessees are disincentivized to invest resources or make major improvements to the infrastructure of their agricultural operations near the end of their lease terms due to the uncertainty of whether or not they will be able to secure lease extensions and continue operations. The purpose of this bill is thus to allow the DOA to extend the lease of any lessee who holds a lease with a remaining term of 15 years or less; provided that the land covered by the lease is 25 acres or less and located in a county with a population of less than 500,000 persons. This bill further requires that the DOA notify in writing the permittees of lands eligible for lease negotiations and shall inform the permittees of the terms, conditions, and restrictions provided by this measure.

**LURF's Position.** LURF members include property owners, farmers and ranchers who own, maintain, and engage in agricultural enterprises, and who consider efforts to

protect and support agriculture significant to the continued conduct of their operations and to help sustain and preserve farming and ranching businesses into the future. Agricultural production in Hawaii is reliant upon and furthered by the leasing of public lands, which makes it feasible for agricultural stakeholders to successfully fulfill the food production needs of the State.

LURF supports SB 647 because the measure makes a significant effort to advance and facilitate the leasing of agricultural lands. By recognizing the significance of agricultural lessees, identifying the need to assist the local agriculture industry, and implementing measures which help to support the viability and maintenance of agriculture in the State, this bill significantly helps to promote economically viable agriculture, increased food production, and food self-sufficiency in Hawaii.

For the reasons stated above, LURF **supports SB 647**, and respectfully urges your favorable consideration of this measure.

Thank you for the opportunity to present testimony regarding this matter.



P.O. Box 253, Kunia, Hawai'i 96759  
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e-mail [info@hfbf.org](mailto:info@hfbf.org); [www.hfbf.org](http://www.hfbf.org)

February 1, 2023

HEARING BEFORE THE  
SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

**TESTIMONY ON SB 647**  
RELATING TO AGRICULTURAL PARK LEASES

Conference Room 224 & Videoconference  
1:00 PM

Aloha Chairs Gabbard, Vice-Chair Richard, 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 647**, which allows the department of agriculture to extend the lease of any lessee who holds a lease with a remaining term of fifteen years or less; provided that the land covered by the lease is twenty-five acres or less and located in a county with a population of less than five hundred thousand.

The success of farmers is critical to the State's goal to double local food production. Hawai'i Department of Agriculture (HDOA) leases are structured to advance agriculture and make it practical for producers to succeed and provide our communities with what they need. HDOA's long-term leases make it possible for farmers and ranchers to prudently invest in operational and infrastructure improvements on the leased land.

Faced with the uncertainty of continued tenancy, lessees have little incentive to make major investments in improvements to their infrastructures and ensure the long-term maintenance of their facilities. As a result, the infrastructure on these small farms could deteriorate

This measure will help to enable small family farm operations on HDOA leased lands to be extended their leases as they near expiration. This would enable many of our small farmers and a new generation of farmers to obtain financing to invest in their operations, by making improvements to their lands and developing plans to improve their agricultural productivity.

Thank you for the opportunity to comment on this measure.



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 Hawai'i  
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  
February 1, 2023 – 1:00 p.m. – Via Videoconference

**Testimony on SB 647  
Relating to Agricultural Park Leases**

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

The Local Food Coalition **SUPPORTS** SB 647, which authorizes the Hawaii Department of Agriculture (HDOA) to extend the lease of any lessee who holds a lease with a remaining term of fifteen years or less; provided that the land covered by the lease is twenty-five acres or less and located in a county with a population of less than five hundred thousand persons.

Long-term leases by HDOA allow farmers to invest in infrastructure improvements on their leased land. Without the certainty of continued tenancy, there is little incentive to make major investments to their infrastructure. SB 647 will allow farmers to obtain financing to invest in their operations and make infrastructure improvements to increase productivity, which will help the state reach its goal of doubling local food production.

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

We respectfully request your support of SB 647. Thank you for the opportunity to submit testimony.

Kendall Matsuyoshi  
808-544-8345  
[kmatsuyoshi@wik.com](mailto:kmatsuyoshi@wik.com)





# MAUI COUNTY FARM BUREAU

PO Box 148, Kula, HI 96790  
mauicountyfarmbureau.org

## TESTIMONY

COMMITTEE ON AGRICULTURE AND ENVIRONMENT

February 1, 2023

1:00 PM

Conference Room 224

**SB 647**

**RELATING TO AGRICULTURAL PARK LEASES**

### **Chair Gabbard and Members of the Committee:**

Maui County Farm Bureau(MCFB) appreciates this opportunity to testify on this important issue. MCFB is a general agriculture advocacy organization representing farm and ranch families and organizations on the island of Maui.

MCFB strongly supports SB647, providing HDOA the ability to extend long term leases under certain conditions,

Hawaii is at a critical time in agriculture. Many multigenerational commercial farming and ranch operations face closure due to lack of successors. At the same time successful operations on HDOA lands face closure due to lease expirations. While there is an abundance of agriculturally zoned lands, access to them can often be difficult due to lease terms .in many cases, denial of long term leases.

It is recognized that HDOA ag parks were created with the intent that occupants would eventually find other parcels for long term use and the property would revert to a new occupant. Unfortunately, the process did not happen with no incentives for landowners to provide long term leases for our farmers and ranchers. Lack of long term leases reduces opportunities for investment.

Hawaii needs a strategy to provide long term lease for agricultural operators. In the mean time, this measure provides a solution to ensure that these successful operations can continue to invest and provide towards Hawaii's goal of increased self sufficiency.

MCFB respectfully requests your strong support of SB647 in the interest of supporting Hawaii's agricultural production.

Thank you for this opportunity to provide our opinion on this matter. Please contact Warren Watanabe at 8082819716 if there are any questions.



# HAWAII CROP IMPROVEMENT ASSOCIATION

In Support of SB647  
Relating to Agricultural Park Leases

Senate Committee on Agriculture & Environment

Date: Wednesday, February 1, 2023  
Time: 1:00 PM  
Place: Conference Room 224

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

The Hawaii Crop Improvement Association (HCIA) appreciates the opportunity to provide testimony **in support of SB647**, which allows the Department of Agriculture to extend the agricultural park lease of any lessee who holds a lease with a remaining term of 15 years or less, provided that the land covered by the lease is 25 acres or less and located in a county with a population of less than 500,000.

Many agricultural park lessees have the desire to invest capital into infrastructure and operational improvements, but the uncertainty of whether their lease term will be extended as it nears its expiration is a disincentive for them to finance these enhancements. Additionally, much of the uncertainty impacts our most experienced, successful local farmers and those are potential losses our industry cannot afford to incur.

Mahalo for the opportunity to testify in support and we urge you to pass this measure.

*The Hawaii Crop Improvement Association is a Hawaii-based non-profit organization that promotes modern agriculture to help farmers and communities succeed. Through education, collaboration, and advocacy, we work to ensure a safe and sustainable food supply, support responsible farming practices, and build a healthy economy.*

**SB-647**

Submitted on: 1/31/2023 12:43:45 PM

Testimony for AEN on 2/1/2023 1:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Frederick M. Mencher	Individual	Support	Written Testimony Only

Comments:

Aloha Chairs Gabbard, Vice-Chair Richard, and Members of the Committee:

**I supports SB 647**, which allows the department of agriculture to extend the lease of any lessee who holds a lease with a remaining term of fifteen years or less; provided that the land covered by the lease is twenty-five acres or less and located in a county with a population of less than five hundred thousand.

The success of farmers is critical to the State's goal to double local food production. Hawai'i Department of Agriculture (HDOA) leases are structured to advance agriculture and make it practical for producers to succeed and provide our communities with what they need. HDOA's long-term leases make it possible for farmers and ranchers to prudently invest in operational and infrastructure improvements on the leased land.

Faced with the uncertainty of continued tenancy, lessees have little incentive to make major investments in improvements to their infrastructures and ensure the long-term maintenance of their facilities. As a result, the infrastructure on these small farms could deteriorate

This measure will help to enable small family farm operations on HDOA leased lands to be extended their leases as they near expiration. This would enable many of our small farmers and a new generation of farmers to obtain financing to invest in their operations, by making improvements to their lands and developing plans to improve their agricultural productivity.

Thank you for the opportunity to comment on this measure.

Mahalo,

Frederick M. Mencher

**SB-647**

Submitted on: 1/31/2023 12:53:05 PM

Testimony for AEN on 2/1/2023 1:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
J Ashman	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Gabbard, Vice Chair Richards, and members of the Committee,

I support this bill that will encourage farmers and ranchers to continue to pay for improvements and maintenance on their leased ag land because they will have the opportunity to secure the continuation of a long term lease, as their leases near the end of their term. Farmers must have stability in their leasehold terms to undertake the kinds of risk that farming entails.

Thank you.

**SB-647**

Submitted on: 1/31/2023 3:59:57 PM

Testimony for AEN on 2/1/2023 1:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Randy Cabral	Individual	Support	Written Testimony Only

Comments:

Strongly support