

**STATE OF HAWAII
OFFICE OF PLANNING
& SUSTAINABLE DEVELOPMENT**

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Statement of
MARY ALICE EVANS, Director

before the
SENATE COMMITTEE ON JUDICIARY

Thursday, April 9, 2026

10:01 AM

State Capitol, Conference Room 016

in consideration of
HB 1737, HD 3, SD 1
RELATING TO FARM EMPLOYEE HOUSING.

Chair Rhoads, Vice Chair Gabbard, and Members of the Senate Committee on Judiciary.

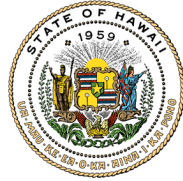
The Office of Planning and Sustainable Development (OPSD) **supports** HB 1737, HD 3, SD 1, which amends HRS § 205-2 and §205-4.5 to clarify the permitted uses within the State Agricultural District with respect to farm dwellings and farm employee housing.

OPSD supports more farm employee housing on bona fide farms in the State Agricultural District. Farm employee housing helps bona fide farms retain workers and helps to alleviate the state's housing shortage. OPSD believes that HB 1737, HD 3, SD 1 promotes this goal while also protecting agricultural lands from non-farm related residential uses.

Thank you for the opportunity to testify on this measure.

JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



State of Hawai'i
DEPARTMENT OF AGRICULTURE & BIOSECURITY
KA 'OIHANA MAHI'AI A KIA'I MEAOLA
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SHARON HURD
Chairperson
Board of Agriculture & Biosecurity

DEAN M. MATSUKAWA
Deputy to the Chairperson

WRITTEN ONLY

TESTIMONY OF SHARON HURD CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEE ON JUDICIARY

**THURSDAY, APRIL 9, 2026
10:01 AM
CONFERENCE ROOM 016**

HOUSE BILL NO.1737, HOUSE DRAFT 3, SENATE DRAFT 1 RELATING TO FARM EMPLOYEE HOUSING

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

Thank you for the opportunity to testify on House Bill No. 1737, Senate Draft 1 that clarifies the permitted uses within the Agricultural District with respect to farm dwellings and farm employee housing. The Department of Agriculture and Biosecurity (Department) supports this measure.

SD1 makes clear that farm employee housing is to be accessory to farm operations. In the case of farm dwellings, they are to be located on and accessory to farms where agricultural activities provide income to the families occupying the dwellings. (page 8, lines 12-16) This provides an opportunity for the counties to define acceptable thresholds of agricultural activity and/or income from sales of agricultural products or raised.

The Department is comfortable with the following amendments to Section 205-4.5(a) (page 8, line 12 to page 10, line 8):

- Occupancy of the farm employee housing units is limited to "agricultural employees and their immediate family members who are actively engaged in the farm operation;"
- Permitted farm employee housing existing prior to the effective date of this measure are deemed nonconforming uses,
- Agricultural tourism activities are allowed on the same parcel as a farm dwelling provided these activities are secondary and incidental to a bona fide agricultural operation,

- Agricultural tourism activities are not allowed within farm employee housing units, and
- Agricultural tourism activities are to be in compliance with county ordinances adopted pursuant to Section 205-5.

Further, this measure acknowledges the counties' authority to regulate zoning and other land use requirements within the Agricultural District. (page 22, lines 3-9)

Cumulatively, the amendments proposed in SD1 appear to provide sufficient guidance to the counties in providing farm employee housing opportunities to qualifying agricultural operations.

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



IN OPPOSITION TO HB1737 HD3

The Libertarian Party of Hawaii opposes HB1737 HD3. While we recognize that agricultural worker housing is a genuine and pressing need across the state, this bill imposes statewide restrictions on privately owned agricultural land that exceed what is necessary to address that need. For the reasons set forth below, we do not support its passage.

I. The Bill Imposes Statewide Restrictions on All Agricultural District Land

HB1737 HD3 amends both HRS Section 205-4.5 and Section 205-2(d)(7). Both sections govern land classified as agricultural by the state Land Use Commission. That classification applies to privately owned farms, ranches, and leased lands statewide.

The existing language in paragraph (4) already references agricultural parks developed by the State as one specific context in which clusters of farm dwellings are permitted. However, the proposed amendments introduce new definitions and restrictions that apply far beyond that context. Any farm that the LUC classifies as agricultural land would be subject to the new 800 square foot cap on farm employee housing units, the land-area ratio restriction, the prohibition on submitting property to a condominium regime, and the agricultural tourism limitations. The fact that HD3 extends these definitions into Section 205-2(d)(7) as well only broadens their statewide reach compared to earlier versions of the bill.

A bill that creates a permissive pathway for farm employee housing should not simultaneously impose new statewide restrictions on the use of private agricultural property. LPHI opposes laws that constrain private land use decisions. These must fall within the scope of inherent individual property rights.

II. The 800 Square Foot Cap Regardless of County Standards

Prior to this bill, there was no statewide definition of farm employee housing, and counties have adopted their own standards. Some counties currently permit farm employee housing units larger than 800 habitable square feet. Enacting this cap as state law would retroactively impose a more restrictive standard on farmers who have built or are planning employee housing in compliance with their county's existing rules.

The legislature should avoid the establishment of a statewide farm employee housing permissions structure. It should not create a ceiling that displaces more permissive county standards. LPHI believes that land use decisions of this nature are better left to the individuals or to counties rather than the state. At minimum, the bill should **include an explicit savings clause** protecting any farm employee housing unit that was permitted or constructed in compliance with applicable county ordinances prior to the effective date of this act.

III. The Prohibition on Condominiums Restricts the Free Market & Private Property Rights



The bill prohibits fee owners from submitting any portion of their own agricultural property to a condominium property regime under Chapter 514B to separate ownership of farm employee housing units from the primary farm dwelling. This places even more restrictions on the rights of private landowners.

LPHI supports actual efforts to expand housing options for agricultural workers. This bill would impose statewide restrictions on private agricultural land. It is more limiting than existing county rules, contains an unenforceable blank provision, and most importantly, it restricts private property rights.

We urge the committees not to pass HB1737 HD3.

For liberty,

Abbra Green | LPHI Secretary | LibertarianHawaii.com | (808)824-LPHI



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April 9, 2026

HEARING BEFORE THE
SENATE COMMITTEE ON JUDICIARY

TESTIMONY ON HB 1737, HD3, SD1
RELATING TO FARM EMPLOYEE HOUSING

Conference Room 016 & Videoconference
10:01 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 the intent of HB 1737, HD3, SD1, which clarifies the permitted uses within the agriculture district with respect to farm dwellings and farm employee housing.

HFB has long supported farm dwellings and farm worker housing as essential components of viable agricultural operations. On-site housing allows farmers and ranchers to live near their operations, respond to livestock and crop needs, support agricultural workers, deter agricultural crimes, and maintain productive farms, particularly in rural areas where housing options are limited. Farm dwellings and farm worker housing play an important role in sustaining local agricultural production and supporting Hawai'i's agricultural workforce.

HFB appreciates the amendments made in this version of the measure, particularly:

- the removal of the square footage per acre ratio;
- clarification that farm employee housing units must be occupied by agricultural employees actively engaged in the farm operation; and
- language confirming that county authority over zoning, density, building size, setbacks, and other land use requirements remains intact.

These changes help address prior concerns and improve the measure's workability across Hawai'i's diverse counties and agricultural operations.

At the same time, HFB continues to emphasize the importance of maintaining the integrity of the Agricultural District. Farm dwellings and farm employee housing must remain clearly tied to bona fide agricultural activity. Misuse of agricultural lands for primarily residential purposes undermines the intent of the agricultural district, inflates land values, and creates conflicts that impact legitimate farming operations.

HB 1737, HD3, SD1 strikes a more appropriate balance by:

- reinforcing that farm employee housing is accessory to active agricultural operations;
- preventing the separation of such housing from the farm through condominium property regimes; and
- maintaining the traditional division of authority between the State and counties.

HFB looks forward to continuing to work with the Legislature, counties, and stakeholders to ensure that implementation of this measure supports bona fide agriculture while preventing unintended misuse of agricultural lands.

Thank you for the opportunity to provide testimony.

April 9, 2026, 10:01 a.m.
Hawaii State Capitol
Conference Room 016 and Videoconference

To: Senate Committee on Judiciary
Sen. Karl Rhoads, Chair
Sen. Mike Gabbard, Vice Chair

From: Grassroot Institute of Hawaii
Ted Kefalas, Director of Strategic Campaigns

RE: TESTIMONY IN SUPPORT OF HB1737 HD3 SD1 — RELATING TO FARM EMPLOYEE HOUSING

Aloha Chair, Vice Chair and other Committee Members,

The Grassroot Institute of Hawaii **supports** — and **offers amendments** to — [HB1737 HD3 SD1](#), which would add a definition of the term “farm employee housing” to state law.

Under the bill, farm employee housing would be defined as “one or more residential dwelling units accessory to the farm operation that may be attached or detached from the primary farm dwelling.” The bill would also limit such housing to 800 square feet of habitable space per unit and limit the unit’s occupancy to “agricultural employees and their immediate family members who are actively engaged in the farm operation.”

Grassroot pointed out in its January 2026 policy brief “[How to facilitate more housing for Hawaii farm and ranch workers](#)” that a lack of affordable housing has consistently been cited as a barrier to expanding agricultural production in Hawaii. The report also made clear that there is no statewide standard for how and where farm employee housing can be built.

Regarding the proposed amendment, Grassroot believes that this measure should give farmers, ranchers and the counties greater predictability regarding the approval process for farm employee housing. Research indicates that requiring public hearings can complicate approvals and slow down reviews for applicants.¹

¹ Michael Manville, Paavo Monkkonen and Nolan Gray et al., “[Does Discretion Delay Development?](#)” Journal of the American Planning Association, Vol. 89, Issue 23, 2023.

Thus, Grassroot recommends adding the following underlined language to the bill:

provided further that no fee owner of the farm dwelling shall submit any portion thereof to a condominium property regime to separate the ownership of the farm employee housing units from the farm dwelling pursuant to chapter 514B; provided further that agricultural tourism or related activities under paragraph (14) may occur on the same parcel as a farm dwelling when those activities are secondary and incidental to a bona fide agricultural operation, do not occur within farm employee housing units, and comply with county ordinances adopted pursuant to section 205-5; provided further that the county planning director shall have the authority to approve plans for farm employee housing without a public hearing;

Allowing more housing on farms and ranches, especially for temporary and seasonal workers, would be a win for farm and ranch owners, a win for their employees and a win for everyone who enjoys local food.

Consider the following information:

>> Hawaii imports 85-90% of its food supply.²

>> A 2020 U.S. Department of Agriculture survey found that 41% of the state's farmers and ranchers cited a lack of labor as a barrier to expanding their operations.³

>> More than 9,500 people in Hawaii were employed as "hired farm labor" in 2023.⁴

>> More than half of those people worked on farms and ranches on Hawaii Island alone,⁵ but only one-quarter of Hawaii Island farmers reported hiring labor.

Approving this bill with the suggested amendment could help farmers and ranchers attract and retain workers, because living on the land could minimize commute times and transportation expenses.

Thank you for the opportunity to testify.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

² Hannah Leto, Jordan Mitkowski and Katie Hogan et al., "[Agricultural Labor on Hawai'i Island](#)," Swette Center for Sustainable Food Systems at Arizona State University, May 2025, p. 1.

³ "[Labor Shortage as a Barrier to Agricultural Expansion 2020](#)," Hawaii Department of Agriculture in cooperation with the U.S. Department of Agriculture, April 2022.

⁴ "[Hawaii PYs 2024-2027](#)," Hawaii Department of Labor and Industrial Relations, p. 70.

⁵ Hannah Leto, Jordan Mitkowski and Katie Hogan et al., "[Agricultural Labor on Hawai'i Island](#)," Swette Center for Sustainable Food Systems at Arizona State University, May 2025, pp. 4-5.

April 9, 2026

TO: Chair Rhoads and Members of the Senate Committee on Judiciary
RE: HB 1737 HD3 SD1, Relating to Farm Employee Housing

Dear Chair Rhoads and Committee Members,

Housing Hawai'i's Future is a nonprofit dedicated to creating opportunities for Hawai'i's next generation by ending the workforce housing shortage.

We support House Bill 1737 HD3 SD1. Subject to certain restrictions, this measure clarifies that a farm dwelling in agricultural districts may include an accessory employee housing structure. This clarification addresses an important intersection between agricultural productivity and the need for workforce housing in rural areas.

Allowing accessory employee housing within agricultural districts supports both the agricultural sector and the broader community by enabling farm operators to provide on-site accommodations for their employees. This can help alleviate workforce shortages, reduce commuting barriers, and support the economic vitality of Hawai'i's farms. By providing clear statutory language, this measure can reduce regulatory uncertainty for farmers and landowners, supporting responsible development without undermining the integrity of agricultural districts.

We are grateful for your careful consideration of House Bill 1737 HD3 SD1.

Thank you,



Lee Wang
Executive Director
Housing Hawai'i's Future
lee@hawaiisfuture.org



Perry Arrasmith
Director of Policy
Housing Hawai'i's Future
perry@hawaiisfuture.org

HB-1737-SD-1

Submitted on: 4/2/2026 7:42:28 PM

Testimony for JDC on 4/9/2026 10:01:00 AM

Submitted By	Organization	Testifier Position	Testify
Nicholas Zehr	Individual	Support	Written Testimony Only

Comments:

Aloha Chair, Vice Chair, and Members of the Committee,

I write in support of HB1737.

Hawai‘i’s agricultural sector faces a practical barrier that is often overlooked: the ability for farmers to house the very workers who sustain local food production. By clarifying and modernizing the allowance for farm employee housing within agricultural districts, this measure addresses a real workforce constraint while maintaining appropriate guardrails. The bill ensures that housing remains clearly tied to bona fide agricultural activity, limits unit size, and restricts occupancy to active agricultural workers and their families, helping prevent misuse while supporting legitimate farm operations.

For many farms, especially on O‘ahu where housing costs are among the highest in the nation, proximity between workers and the land is essential. Allowing modest, clearly defined employee housing improves farm viability, reduces transportation burdens, and strengthens resilience in our local food system. It also supports workforce stability by making agricultural employment more feasible and dignified.

Importantly, HB1737 maintains the integrity of agricultural land by prohibiting subdivision or conversion of these units into separate ownership and preserving county authority over zoning and land use standards. This balanced approach supports agriculture without opening the door to speculative development.

Strengthening local agriculture requires not only access to land and water, but also practical solutions for the people who work that land. HB1737 is a measured step that aligns land use

policy with on-the-ground realities, supports local food production, and reinforces Hawai'i's long-term sustainability goals.

Mahalo for your consideration.

Officers

Kaipo Kekona
State President



LATE

Christian Zuckerman
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Kelii Gannet
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Maureen Datta
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Gina Lind
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Mason Scharer
Haleakala, Maui

Kaiea Medeiros
Mauna Kahalawai,
Maui

Kaipo Kekona
Lahaina, Maui

Kilia Avelino-Purdy
Molokai

Negus Manna
Lana'i

India Clark
North Shore, O'ahu

Christian Zuckerman
Wai'anae, O'ahu

Rachel LaDrig
Waimanalo, O'ahu

Vincent Kimura
Honolulu, O'ahu

Natalie Urminska
Kauai

Aloha Chair Rhoads, Vice Chair Gabbard, and Members of the Senate Judiciary Committee,

The Hawaii Farmers Union is a 501(c)(5) agricultural advocacy nonprofit representing a network of over 2,500 family farmers and their supporters across the Hawaiian Islands. **HFU supports and seeks to amend HB1737.**

Hawaii's farmers cannot compete with the tourism and service sectors for labor when workers are forced to commute long distances or pay market-rate rents that exceed agricultural wages. On-site housing is an effective incentive to increase the agricultural workforce, and HB1737 provides the regulatory clarity needed to make it an allowable use within agricultural districts. The bill's safeguards like size limits, occupancy requirements, and CPR prohibition, ensure that employee housing remains tied to farming rather than becoming a pathway to subdivision or short-term rental conversion.

We recommend that eligibility for farm employee housing be conditioned on the property maintaining an active agricultural dedication with the county. Counties already administer ag use dedications that require demonstrated agricultural production, and tying employee housing to that existing framework would verify bona fide agricultural activity without creating a new administrative process. We propose the following amendment to Section 205-4.5(a)(4)(B), inserting a new "provided further" clause after the condominium property regime prohibition:

provided further that the property shall maintain an active agricultural use dedication with the county, and the authorization for farm employee housing shall cease upon lapse or withdrawal of the dedication;

We suggest a clear definition of affordable as it applies to agricultural workers to prevent misuse or speculative conversion of these units. While the 30% of income (HUD affordability standard), and 80% AMI (HUD low-income threshold) standards offer baselines, those metrics reflect the broader economy and do not accurately represent agricultural wages. A stronger approach would base affordability on actual agricultural wage data, such as the median annual wage for agricultural workers. Grounding the definition in real farmworker earnings would ensure these units remain genuinely affordable to the workforce they are intended to serve, rather than nominally affordable under standards that exceed typical agricultural incomes.

Mahalo for the opportunity to testify.

Hunter Heavilin
Advocacy Director
Hawaii Farmers Union

