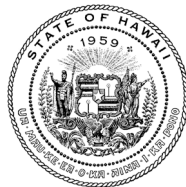


**JOSH GREEN M.D.**  
GOVERNOR

**SYLVIA LUKE**  
LT. GOVERNOR



**GARY S. SUGANUMA**  
DIRECTOR

**KRISTEN M.R. SAKAMOTO**  
DEPUTY DIRECTOR

STATE OF HAWAII  
**DEPARTMENT OF TAXATION**

Ka 'Oihana 'Auhau  
P.O. BOX 259

HONOLULU, HAWAII 96809  
PHONE NO: (808) 587-1540  
FAX NO: (808) 587-1560

**TESTIMONY OF**  
**GARY S. SUGANUMA, DIRECTOR OF TAXATION**

**TESTIMONY ON THE FOLLOWING MEASURE:**

H.B. No. 1828, Relating to Agricultural Lands.

**BEFORE THE:**

House Committee on Agriculture & Food Systems

**DATE:** Friday, January 30, 2026

**TIME:** 9:30 a.m.

**LOCATION:** State Capitol, Room 325

Chair Chun, Vice-Chair Kusch, and Members of the Committee:

The Department of Taxation (DOTAX) offers the following comments regarding H.B. 1828 for your consideration.

H.B. 1828 amends section 205-4.5, Hawaii Revised Statutes (HRS), by:

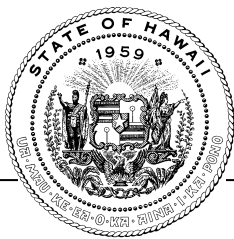
- (1) expanding the definition of a "farm dwelling" to require that such single-family accessory farm dwellings, including clusters of such dwellings permitted within agricultural parks developed by the state, meet the definition of a farming operation under section 165-2, HRS, and are conducted on more than 50% of the entire lot; or
- (2) setting minimum income requirements for occupying families where the:
  - a. agricultural activity provides income to the family occupying the dwelling of not less than \$30,000 in income per year, as determined by the family's state general excise tax (GET) return, or by agricultural dedication by the county in which the lot is located; or
  - b. agricultural activity provides income to the family occupying the dwelling of not less than 20% of the family's total gross income based on the family's state income tax return.

The bill further provides that the “tax filer” for the family consents to disclose the return per section 237-34(b).

The bill takes effect upon approval.

DOTAX recommends that in lieu of requiring the taxpayer provide a consent for disclosure, that the bill be amended to require the taxpayer provide a copy of the filed tax returns. This will ease administrative and recordkeeping burdens and reduce potential delays in confirming that the income thresholds have been met.

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



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

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

**SYLVIA LUKE**  
LT. GOVERNOR

**MARY ALICE EVANS**  
DIRECTOR

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, Director**

before the  
**HOUSE COMMITTEE ON AGRICULTURE AND FOOD SERVICES**  
Friday, January 30, 2026  
9:30 AM  
State Capitol, Conference Room 325

in consideration of  
**HB 1828**  
**RELATING TO AGRICULTURAL LANDS.**

Chair Chun, Vice Chair Kusch, and Members of the House Committee on Agriculture and Food Systems.

The Office of Planning and Sustainable Development (OPSD) offers comments with concerns on HB 1828, which defines agricultural activity under HRS §205.4.5(a)(4) by adding a minimum lot coverage requirement or a minimum income requirement for the family occupying the farm dwelling. OPSD supports the intent of the bill to protect State Agriculture District lands and legitimate commercial farmers from the encroachment of non-agricultural residential uses.

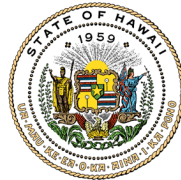
However, OPSD has a concern that the requirement that the agricultural activity encompass more than fifty per cent of the entire lot would be impossible to enforce and does not account for farm lands left fallow for crop rotation or conservation purposes.

In addition, OPSD is concerned that the minimum income requirement of \$30,000 per year or 20 per cent of the family's total gross household income may be too onerous for small farmers making a good faith effort to establish their operations to meet and does not account for periods where uncertainties such as bad weather or crop failure may reduce income significantly.

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  
1428 South King Street  
Honolulu, Hawai'i 96814-2512  
Phone: (808) 973-9560 FAX: (808) 973-9613

**SHARON HURD**  
Chairperson  
Board of Agriculture & Biosecurity

**DEAN M. MATSUKAWA**  
Deputy to the Chairperson

**TESTIMONY OF SHARON HURD  
CHAIRPERSON, BOARD OF AGRICULTURE AND BIOSECURITY**

**BEFORE THE HOUSE COMMITTEE ON AGRICULTURE AND FOOD SYSTEMS**

**FRIDAY, JANUARY 30, 2026  
9:30 AM  
CONFERENCE ROOM 325**

**HOUSE BILL NO.1828  
RELATING TO AGRICULTURAL LANDS**

Chair Chun, Vice Chair Kusch and Members of the Committee:

Thank you for the opportunity to testify on House Bill No. 1828 that seeks to objectively define a satisfactory relationship between farm dwellings and a farm or agricultural activity. This measure amends Section 205-4.5(a)(4) by establishing three alternatives for a farm dwelling to meet the requirement that it "... be located and accessory to a farm," or where agricultural activity provides income or a contractual commitment to undertake agricultural activity by the family occupying the farm dwelling. The Department of Agriculture and Biosecurity (Department) offers comments.

We presume the purpose of this measure is to reduce the proliferation of "fake farms" on agricultural land.

The Department cautions linking "agricultural activity" (Bill, page 2, line 5) to the definition of "farming operation" in Section 165-2 (Bill, page 2, lines 5-6) which is a "...commercial agricultural. . . facility or pursuit. . .including. . .livestock. . .poultry. . .apiary. . .plant and animal production for nonfood uses. . .crops; and (aquaculture)." Our concerns are twofold.

First, the term "commercial agricultural" is not operationally defined in Section 165-2.

Second, the definition of "farming operation" in Section 165-2 includes "agricultural-based commercial operations as described in section [205-2(d)(15)]." The permissible operations include roadside stands, retail activities, retail food establishments, farmers' markets, and food hubs. Additionally, the "commercial agricultural" activity of the "farming operation" is to be conducted on more than 50

percent of the “entire lot” (Bill, page 2, lines 6-7). Here, the general intent is clear, however the term “entire lot” is not defined.

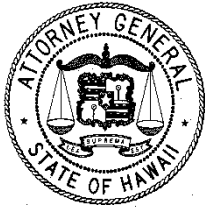
In addressing income to the family occupying the farm dwelling from agricultural activity, the bill provides two alternatives to meet this requirement (Bill, page 2, line 7 to page 3, line 3).

First, the family occupying the farm dwelling is required to earn not less than \$30,000 in income annually from what we presume to be sales of agricultural products grown or raised by the family as evidenced by the family’s State general excise tax return. Alternatively, the family can be approved by the county for agricultural dedication for the parcel or lot on which the farm dwelling and agricultural activity are located (Bill, page 2, lines 10-16). The \$30,000 threshold will exclude numerous low-income operations throughout the State, so the possession of a valid agricultural dedication contract appears to be a reasonable option. We also note that agricultural dedication could provide evidence for the over 50% occupation of the “lot area” of the “farming operation” requirement discussed earlier.

Second, and as an alternative to the \$30,000 in annual income from agricultural activity or agricultural dedication, not less than 20 percent of the total gross household income of the family occupying the farm dwelling is to be sourced from agricultural activity (Bill, page 2, line 17 to page 3, line 3). The Department does not know how many agricultural operators would be affected by this alternative.

If we understand the mechanisms provided for in this bill, the agricultural dedication covering more than 50 percent of the tax parcel will be the most popular choice among families occupying farm dwelling. For this measure to be effective at reducing the proliferation of “fake farms”, the counties’ agricultural dedication programs may need to be evaluated and synched with this measure.

Thank you for the opportunity to testify on this measure.



**TESTIMONY OF  
THE DEPARTMENT OF THE ATTORNEY GENERAL  
KA 'OIHANA O KA LOIO KUHINA  
THIRTY-THIRD LEGISLATURE, 2026**

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**ON THE FOLLOWING MEASURE:**

H.B. NO. 1828, RELATING TO AGRICULTURAL LANDS.

**BEFORE THE:**

HOUSE COMMITTEE ON AGRICULTURE & FOOD SYSTEMS

**DATE:** Friday, January 30, 2026

**TIME:** 9:30 a.m.

**LOCATION:** State Capitol, Room 325

**TESTIFIER(S):** Anne E. Lopez, Attorney General, or  
Miranda C. Steed, Deputy Attorney General, and  
Mary B. Yokota, Deputy Attorney General

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Chair Chun and Members of the Committee:

The Department of the Attorney General has concerns regarding this bill and provides the following comments.

The bill amends section 205-4.5, Hawaii Revised Statutes (HRS), to establish income requirements for farm dwellings on agricultural lands, ensuring that agricultural activity provides income to the family occupying the dwelling.

To accomplish this, the bill in the definition of "farm dwelling" requires income verification through tax returns. Page 2, lines 10-19. Specifically, in the definition of "farm dwelling" in section 205-4.5(a)(4)(A), on page 2, line 12, the bill refers to the **"family's"** state general excise tax return," and on page 2, line 19, the bill refers to the **"family's"** state income tax return filing," and in section 205-4.5(a)(4)(B), on page 2, line 20, through page 3, line 3, the bill requires the tax filer for the **family** to consent "to disclosure requirements under section 237-34(b)." However, chapters 235 and 237, HRS, do not recognize **"family"** as an income tax or general excise tax filing status or category, and section 237-34(b), HRS, is a nondisclosure statute and does not provide for disclosure requirements. Section 237-34(b), HRS, also relates to general excise tax returns and not income tax returns.

To correct these issues, we recommend that the amendments to section 205-4.5(a)(4), HRS, in the bill be revised on page 2, line 10, through page 3, line 3, as follows:

- (A) Not less than \$30,000 in income per year as reported in the:
    - (i) State general excise tax return filed for the farming operation on the property for the most recent tax year for which the return must have been filed; or
    - (ii) Agricultural dedication for the parcel or lot approved by the county in which the dwelling and agricultural activity are located; or
  - (B) Not less than twenty per cent of the total gross income as reported in the state individual income tax return or returns of all the individual(s) occupying the dwelling for the most recent tax year for which the return or returns must have been filed;
- provided that the tax filer(s) provide copies of the general excise tax return or income tax return to the commission upon request; . . . .

Thank you for the opportunity to provide comments.

Jan. 30, 2026, 9:30 a.m.  
Hawaii State Capitol  
Conference Room 325 and Videoconference

**To: House Committee on Agriculture & Food Systems**  
**Rep. Cory Chun, Chair**  
**Rep. Matthias Kusch, Vice Chair**

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

Re: HB1828 — RELATING TO AGRICULTURAL LANDS

Aloha Chair, Vice Chair and other members of the Committee,

The Grassroot Institute of Hawaii **opposes** [HB1828](#), which would require families living in farm dwellings to make either at least \$30,000 a year in agricultural income or at least 20% of their total household income from agriculture activities.

The state's goal of having more local food production cannot be met by top-down mandates such as the income rules proposed in this bill.

For families with small agricultural lots — such as the many one- or two-acre lots across the state — earning a certain amount of income from agricultural activities would be incredibly difficult. Some families might not have the time or expertise to sell their produce; others might simply want to grow food for only themselves.

Likewise, many retired farmers and ranchers might have once made income from their land but are now leasing it to others while still living on it — a scenario that this bill fails to recognize.

Thank you for the opportunity to testify.

Ted Kefalas  
Director of Strategic Campaigns  
Grassroot Institute of Hawaii





P.O. Box 253, Kunia, Hawai'i 96759  
Phone: (808) 848-2074; Fax: (808) 848-1921  
e-mail [info@hfbf.org](mailto:info@hfbf.org); [www.hfbf.org](http://www.hfbf.org)

January 30, 2026

HEARING BEFORE THE  
HOUSE COMMITTEE ON AGRICULTURE & FOOD SYSTEMS

**TESTIMONY ON HB 1828**  
RELATING TO AGRICULTURAL LANDS

Conference Room 325 & Videoconference  
9:30 AM

Aloha Chair Chun, Vice-Chair Kusch, 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 1828.** We appreciate the Legislature's efforts to address concerns related to the misuse of agricultural lands and support the intent to reinforce that the primary purpose of the Agricultural District is production agriculture. HFB agrees that agricultural lands should be actively farmed and that accessory uses, including farm dwellings, should remain secondary to bona fide agricultural activity.

HFB has long supported farm dwellings as a legitimate and necessary component of many agricultural operations, particularly for labor availability, security, animal care, and day-to-day farm management. At the same time, HFB shares concerns about "gentleman farms" and other instances in which agricultural land is used primarily for residential purposes, with little to no agricultural production.

As the committee considers this measure, HFB encourages careful attention to how proposed thresholds are applied in practice. Many agricultural parcels in Hawai'i contain areas that are not suitable or legally available for cultivation, such as steep or rocky terrain, wetlands, streams, or conservation areas. Rigid land-use percentage requirements based on total lot area may unintentionally disadvantage bona fide farmers who are actively farming all usable portions of their land.

HFB also notes that agricultural income can fluctuate due to factors beyond a farmer's control, including extreme weather events, pest and disease outbreaks, water availability, and other force majeure circumstances. While some level of agricultural production is a

reasonable expectation, flexibility in how income thresholds are evaluated may be necessary to reflect agricultural realities and avoid unintended impacts on legitimate farming operations.

Finally, HFB emphasizes that effective enforcement will be critical to achieving the bill's objectives if enacted. Clear guidance regarding agency roles and responsibilities—whether through the Department of Agriculture and Biosecurity, county planning departments, or coordination between agencies—will be essential to ensure consistent and fair implementation.

HFB looks forward to continuing to work with the Legislature, agencies, and stakeholders to ensure that HB 1828 addresses misuse of agricultural lands while remaining workable for bona fide farmers and ranchers across the State.

Thank you for the opportunity to testify.

## Officers

Kaipo Kekona  
State President



Christian Zuckerman  
Vice-President

Maureen Datta  
Secretary

Reba Lopez  
Treasurer

## Chapter Presidents

Kelii Gannet  
Kohala, Hawai'i

East Hawai'i

Puna, Hawai'i

Ka'u, Hawai'i

Maureen Datta  
Kona, Hawai'i

Gina Lind  
Hāna, Maui

Mason Scharer  
Haleakalā, Maui

Kaiea Medeiros  
Mauna Kahālāwai,  
Maui

Kaipo Kekona  
Lahaina, Maui

Kilia Avelino-Purdy  
Moloka'i

Negus Manna  
Lāna'i

India Clark  
North Shore, O'ahu

Christian Zuckerman  
Wai'anae, O'ahu

Rachel LaDrig  
Waimānalo, O'ahu

Vincent Kimura  
Honolulu, O'ahu

Natalie Urminka  
Kaua'i

Aloha Chair Chun, Vice Chair Kusch, and Members of the House Agriculture & Food Systems Committee,

The Hawai'i 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 the intent of HB1828.**

HB1828 seeks to address the critical need to ensure that agricultural lands in Hawaii are actively used for farming by tying the occupancy of farm dwellings to income generated from legitimate agricultural activities. By establishing a minimum income threshold for families living on farm dwellings, the bill can prevent misuse of agricultural lands for non-agricultural purposes, thereby safeguarding Hawaii's vital agricultural resources for future generations.

However, the bill does not address inconsistencies in agricultural zoning and lot-size requirements across the counties. This legislation proposes a uniform approach by applying consistent agricultural income thresholds to determine eligibility for farm dwellings, regardless of the variations in county zoning laws and lot sizes. Such uniformity may not align well with the viability of farming on all lots within the agricultural district.

While the bill lays a strong foundation, it is crucial to consider the mechanisms for enforcement. The proposal should include clear guidelines on who will be responsible for monitoring and ensuring compliance with these income requirements, thus ensuring the bill's successful implementation and the protection of Hawaii's agricultural lands.

Mahalo for the opportunity to testify.

Hunter Heavilin  
Advocacy Director  
Hawai'i Farmers Union

**HB-1828**

Submitted on: 1/27/2026 4:24:36 PM

Testimony for AGR on 1/30/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
B.A. McClintock	Individual	Support	Written Testimony Only

Comments:

Please support this important bill. Mahalo.

**HB-1828**

Submitted on: 1/27/2026 5:52:00 PM

Testimony for AGR on 1/30/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Robert Bence	Individual	Support	Remotely Via Zoom

Comments:

Aloha,

As an with generation farmer from Kula, I have seen firsthand the massive damage, that the failure to enforce the Agricultural use of Agricultural lands has caused. The problem is from those that at best consider themselves "gentlemen farmers" while they are neither. The land values in my area have skyrocketed due mansions built on small agricultural lots since I graduated from high school many of my neighbors there for generations moved away.

The fake farmers violating state law also are often quick to complain about commercial farming and even try to sue farmers for doing legitimate farming. This illegal use of ag land for residential purposes has threatened farming and conservation programs with the usda nrcs that bring federal funding to help local soil and water resource management with a lawsuit based on CC&Rs designed as if it were a residential neighborhood with a HOA instead of a farm on ag land.

Please pass this bill, it will be one of the biggest things to help local farmers if it's passed and properly enforced.

Mahalo,

Rob

Robert Lawrence Bence II

Hawai'i Sustainable Farms

Kula, Maui, HI 96790