



OFFICE OF HAWAIIAN AFFAIRS

‘Ōlelo Hō‘ike ‘Aha Kau Kānāwai

**TESTIMONY OFFERING COMMENTS FOR SENATE BILL 2595 SD1 HD1**

RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION

Ke Kōmike Hale o ka ‘Oihana ‘Imi Kālā  
(House Committee on Finance)

Ke Kapikala o Hawai‘i  
(Hawai‘i State Capitol)

‘Apelila 2, 2026

2:00PM

Lumi 308

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Aloha e Chair Todd, Vice Chair Takenouchi, and Members of the House Committee on Finance:

The Office of Hawaiian Affairs (OHA) offers **COMMENTS** for **SB2595 SD1 HD1**, relating to the Agribusiness Development Corporation (ADC).

OHA supports policies that increase access to agricultural career pathways, grow Hawai‘i’s diversified agricultural economy and food self-sufficiency, and support small farmers with overcoming barriers to entering the farming industry. Agriculture is foundational to Hawai‘i’s economic resilience, food security, and cultural perpetuation. For Native Hawaiians, ‘āina-based livelihoods are inseparable from identity, health, and ‘ike kūpuna. One of the pathways to Native Hawaiian economic well-being that OHA has committed to advance is finding new markets for Native Hawaiian products, including farming products, that can provide families with a livable wage.<sup>1</sup> However, the viability of agriculture in Hawai‘i is constrained by the lack of training programs, startup costs and barriers to entry for new farmers, not least of which is the cost of farmable land.

OHA’s concern is this measure requiring market rate leases, with a limited exception for farmers supplying the Department of Education, will increase rather than

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<sup>1</sup> See Mana I Maui Ola: OHA’s Strategic Plan for 2020-2035, Strategy 8, <https://www.oha.org/about/mana-to-maui-ola/>.

decrease barriers to new farmers entering the market and accessing land for diversified agriculture. In addition to requiring market rate leases (with market rate undefined as noted by HCDA), this measure also requires potential lessees to pay for a land appraisal to determine the “market rate,” further raising the costs of land leasing from ADC for small farmers. This appears to be contrary to best practices for increasing access to land and capital for new farmers, and at worst could provide unfair advantages for large corporations oriented primarily towards external market export rather than local diversified farming for food security.

Consistent with other public comments, OHA respectfully requests that to ensure accessibility for small farmers this measure be amended to at minimum require yearly reporting on leasing. Alternatively, OHA suggests deferring this measure until better data is presented on the need for this amendment, and the consistency of the proposed amendments with the underlying purposes of Hawai‘i Revised Statutes (HRS) Chapter 163D:

“The purposes of the corporation shall be to **support the production of local agricultural products for local consumption** in a manner that is economically and environmentally sustainable while continuing to develop commercial exports of locally produced agricultural products. To further these purposes, the corporation shall coordinate and administer programs to assist agricultural enterprises to facilitate the transition of agricultural infrastructure from plantation operations into other agricultural enterprises, **increase local production of agricultural products for local consumption, reduce the State’s reliance on imported agricultural products, and increase access to farmland and related infrastructure for small local farmers and cooperatives.**”

HRS § 163 D-1 (emphasis added).

OHA respectfully offers these **COMMENTS** for your consideration. Mahalo nui for the opportunity to testify on this critical issue.

JOSH GREEN, M.D.  
GOVERNOR

SYLVIA LUKE  
LT. GOVERNOR



WENDY GADY  
EXECUTIVE DIRECTOR

STATE OF HAWAII  
**AGRIBUSINESS DEVELOPMENT CORPORATION**  
HUI HO'OU LU AINA MAHIAI

TESTIMONY OF WENDY L. GADY  
EXECUTIVE DIRECTOR  
AGRIBUSINESS DEVELOPMENT CORPORATION

BEFORE THE HOUSE COMMITTEE ON  
FINANCE  
April 2, 2026  
2:00 p.m.  
Conference Room 308 & Videoconference

SENATE BILL NO. 2595 SD1 HD1  
RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION

Chairperson Todd, Vice Chair Takenouchi, and Members of the Committee:

Thank you for the opportunity to submit testimony in support of SB 2595, SD1 HD1.

This measure requires that payments to the Agribusiness Development Corporation (ADC) for the letting, licensing, or renting of its properties be set at market rates or higher, while appropriately exempting lessees, licensees, and tenants who produce fresh, locally grown agricultural products for the Department of Education or who are partner members of the Food Product Innovation Network (FPIN).

We support the intent of this measure to ensure that State lands are managed in a fiscally responsible manner and that ADC can generate appropriate returns to sustain its operations and reinvest in agricultural infrastructure.

At the same time, we note that many existing ADC licenses are long-term agreements, typically ranging from 20 to 35 years, with cost-of-living adjustments built into lease terms. These agreements generally do not include frequent or comprehensive rent reopenings tied to market rates. As such, the practical effect of this measure will primarily apply to new licenses and future agreements, rather than significantly altering existing contracts.

Given this context, we respectfully request that some degree of flexibility be maintained in the implementation of market rate requirements. As the State works to aggressively advance its food security and institutional purchasing mandates, including expanded production for Department of Education meal programs and the development of FPIN, ADC must retain the ability to structure agreements that support agricultural viability and participation.

In certain cases, strict adherence to market-rate rents may present barriers for agricultural producers, particularly those engaged in food system development, value-added processing, or supplying local institutional markets. Strategic flexibility can help ensure that these priority uses are not unintentionally constrained.

We appreciate the inclusion of exemptions for Department of Education suppliers and FPIN partners, as these are critical components of Hawai'i's evolving food system. Ensuring that ADC has both the financial sustainability and the programmatic flexibility to support these efforts will be key to long-term success.

For these reasons, we respectfully support SB 2595, SD1, HD1 and encourage consideration of implementation approaches that preserve flexibility while advancing the measure's intent. Please note that the ADC testimony may be further refined following the ADC Board of Directors meeting April 7, 2026.

Thank you for the opportunity to submit testimony.



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April 2, 2026

HEARING BEFORE THE  
HOUSE COMMITTEE ON FINANCE

**TESTIMONY ON SB 2595, SD1, HD1**  
RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION

Conference Room 308 & Videoconference  
2:00 PM

Aloha Chair Todd, Vice-Chair Takenouchi, 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 SB 2595, SD1, HD1**, which requires the Agribusiness Development Corporation to lease, license, or rent its properties at market rates, while providing limited exceptions for lessees who grow, raise, and harvest fresh local agricultural products for the Department of Education and for partner members of the Food and Product Innovation Network.

HFB understands and appreciates the broader policy objective of strengthening agricultural supply chains, increasing participation in Farm to School initiatives, and supporting the Food and Product Innovation Network. Expanding market pathways for Hawai'i-grown products is critical to the long-term sustainability of our agricultural sector.

At the same time, the Agribusiness Development Corporation was established with a clear agricultural development mission. ADC lands have historically provided access and opportunity for a diverse range of agricultural operations, including beginning farmers, diversified producers, nursery operations, livestock operations, specialty crop producers, and others whose products may not align directly with Department of Education procurement needs or value-added innovation networks.

Hawai'i agriculture is diverse, and not all producers are positioned to participate in Regional Kitchens, DOE procurement programs, or FPIN-related initiatives. It is important that lease policies do not unintentionally disadvantage viable agricultural operations that contribute to local food production, export markets, or other sectors of the agricultural economy.

HFB supports the concept of incentivizing participation in priority programs and strengthening alignment between public land policy and food system goals. However, we encourage consideration of approaches that preserve ADC's ability to exercise reasonable flexibility in furtherance of its development mission. Incentive-based mechanisms may provide a more balanced pathway than uniform market-rate requirements.

HFB looks forward to continued dialogue to ensure that ADC policies support a strong, diverse, and resilient agricultural sector across Hawai'i.

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



**HAWAI'I  
FOOD+  
POLICY**

Honolulu, HI 96813  
food@purplemaia.org

March, 2026

To: Chair Chris Todd, Vice Chair Jenna Takenouchi, and the House Committee on Finance.

Subject: **SB 2595 SD1**

Aloha,

As a member of the Food + Policy Team, I am writing in strong support of Senate Bill 2595. I support this bill because it helps ensure that Hawai'i's agricultural lands are used efficiently to promote local food production in Hawai'i. This bill aims to increase local food production by managing lands through the Agribusiness Development Corporation (ADC).

ADC lands will be leased, licensed, or rented at fair market value, while exempting tenants who grow local agriculture and are part of the Food and Product Innovation Network by lowering their price of rent. This promotes responsible land management while increasing state revenue. The benefits of this bill will be seen economically and environmentally. Amendments to the bill state that tenants who grow fresh local food for the Department of Education (DOE) are exempt from market share prices and can pay lower prices for rent or lease. Amendments also reinforce keeping the financial accountability goal of market pricing of public lands and add flexibility for public-benefiting agriculture.

This bill gives flexibility to those feeding our communities in Hawai'i and gives local sustainable farming a real chance in Hawai'i. This aligns with the state's larger goal of food security and increasing local agriculture. This bill will help the state grow and reach these goals.

Mahalo,

Carlin McFadden & the Food+ Policy Team

#fixourfoodsystem

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**The Food+ Policy internship** develops student advocates who learn work skills while increasing civic engagement to become emerging leaders. We focus on good food systems policy because we see the importance and potential of the food system in combating climate change and increasing the health, equity, and resiliency of Hawai'i communities.

In 2026, the cohort of interns are undergraduate and graduate students and young professionals working in the food system. They are a mix of traditional and nontraditional students, including parents and veterans, who have backgrounds in education, farming, public health, nutrition, and Hawaiian culture.