



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

ON THE FOLLOWING MEASURE:

S.B. NO. 2407, RELATING TO AGRICULTURAL LAND.

BEFORE THE:

SENATE COMMITTEES ON ECONOMIC DEVELOPMENT AND TOURISM AND ON
AGRICULTURE AND ENVIRONMENT

DATE: Friday, February 6, 2026

TIME: 3:00 p.m.

LOCATION: State Capitol, Room 224

TESTIFIER(S): Anne E. Lopez, Attorney General, or
Ian Robertson, Deputy Attorney General

Chairs DeCoite and Gabbard and Members of the Committees:

The Department of the Attorney General provides the following comments.

The purpose of this bill is to authorize the Agribusiness Development Corporation to purchase an agricultural parcel in North Kohala and to authorize issuance of general obligation bonds and make an appropriation for that purpose.

This bill lacks a statement of public purpose. Therefore, the appropriations and authorization of general obligation bonds in this bill may be subject to challenge under article VII, section 4, of the Hawaii Constitution, which provides in relevant part: "No tax shall be levied or appropriation of public money or property made, nor shall the public credit be used, directly or indirectly, **except for a public purpose.**" (Emphasis added).

To avoid this issue, we respectfully suggest that the Committee amend this bill by clarifying that the bill is for a public purpose. The Committee may consider including in section 1: "The legislature further finds that this Act serves a public purpose."

Additionally, section 4 on page 3, lines 4-8, of the bill provides an extended lapse date for the appropriation made by section 2 on page 2, lines 14-20, that would subject this bill to challenge under article VII, section 11, of the Hawaii Constitution, which states in part that "All appropriations for which the source is general obligation bond funds or general funds shall be for specified periods, and no such appropriation shall be for a period exceeding three years." Our Department has interpreted this constitutional

provision to permit "the expenditure of an appropriation, if so specified in the act making the appropriation, up to **one year beyond the biennial period** covered by the appropriation." Attorney General Opinion No. 81-2 (1981).

Section 2 appropriates \$1,000,000 of general obligation bond funds for fiscal year 2026-2027 and section 4 states that "all moneys from the appropriation unencumbered as of June 30, **2029**, shall lapse as of that date." (Emphasis added). Accordingly, because this appropriation would cover the current fiscal biennial period, July 1, 2025, to June 30, 2027, the lapse date of this appropriation may not extend beyond June 30, **2028**. Accordingly, we respectfully suggest changing "2029" to "2028" on page 3, line 8.

We respectfully ask the Committee to consider our comments.

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 SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT and the
SENATE COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM

February 6, 2026

3:00 p.m.

Conference Room 224 & Videoconference

SENATE BILL NO. 2407
RELATING TO AGRICULTURE

Chairperson Gabbard and DeCoite, Vice Chair Richards and Wakai, and Members of the Committees:

Thank you for the opportunity to submit testimony in **support** of SB 2407, which authorizes the purchase of agricultural land in North Kohala.

This measure represents a strategic public investment that advances Hawai'i's state food security mandates, institutional purchasing goals, economic diversification, and agricultural export potential, while ensuring that productive agricultural lands remain dedicated to farming over the long term.

I. Advancing State Food Mandates and Institutional Purchasing

The acquisition of agricultural land in North Kohala directly supports Hawai'i's statutory and policy mandates to strengthen local food production and increase the use of Hawai'i-grown products by public institutions.

By expanding the base available for diversified agriculture, the State improves its ability to:

- Increase the supply of locally produced food for public institutions, including schools and other state facilities.
- Support the Hawai'i Department of Education's school meal programs with reliable, Hawai'i-grown products that meet volume, consistency, and quality requirements; and

- Align agricultural production with predictable, long-term institutional demand, enabling farmers to plan, invest, and scale with greater certainty.

North Kohala's climate, soil, and growing conditions make it well-suited for diversified crop production that can meaningfully contribute to these statewide food system objectives.

II. Strengthening Food Security and System Resilience

Public ownership of agricultural land allows the State to plan and manage production in a way that strengthens food system's resilience, including:

- Reducing reliance on imported food.
- Maintaining productive agricultural capacity for emergencies and supply disruptions; and
- Supporting coordinated production models that serve both everyday institutional demand and broader food security needs.

This approach ensures that agricultural land remains available for food production rather than being lost to non-agricultural uses.

III. Supporting Economic Diversification and Rural Stability

Hawai'i's economy remains highly concentrated in tourism and construction. Investment in agricultural land supports economic diversification by:

- Creating stable, rural jobs in farming, processing, distribution, and related services.
- Supporting small and mid-sized agricultural enterprises; and
- Encouraging value-added agricultural activities that retain more economic benefit within the State.

Maintaining land in active agricultural use protects long-term economic capacity and supports rural communities.

IV. Creating Opportunities for Agricultural Exports

In addition to serving local and institutional markets, North Kohala offers opportunities for export-oriented agriculture. With sufficient land base and coordinated management, the region can support:

- Scaled production of high value crops.

- Development of branded Hawai'i agricultural products; and
- Linkages between on-farm production, processing, and off-island markets.

Export agriculture complements local food production by strengthening farm viability and overall sector resilience.

V. Agricultural Suitability of the North Kohala Lands

Available soil and crop suitability data indicates that the subject lands are appropriate for diversified agricultural production:

- **Soil Class:** C
- **Estimated Crop Suitability:** Citrus, avocado, coffee, dryland taro, sweet potato, cucumber, melons, zucchini, eggplant, peppers, and tomato

This range of crops supports both institutional food supply needs and higher-value specialty and export markets, reinforcing the public benefit of acquisition.

Conclusion

SB 2407 is a forward-looking investment in Hawai'i's future. By acquiring agricultural land in North Kohala, the State strengthens its ability to:

- Meet state food security and institutional purchasing mandates.
- Support school meal programs with Hawai'i-grown food.
- Diversify the economy beyond tourism; and
- Develop new agricultural and export opportunities.

For these reasons, we respectfully urge your favorable consideration of SB 2407.

Thank you for the opportunity to submit testimony.

Respectfully submitted,



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February 6, 2026

HEARING BEFORE THE
SENATE COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM
SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

TESTIMONY ON SB 2407
RELATING TO AGRICULTURAL LAND

Conference Room 224 & Videoconference
3:00 PM

Aloha Chairs DeCoite and Gabbard, Vice-Chairs Wakai and Richards, and Members of the Committees:

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 2407, which authorizes the issuance of general obligation bonds to the Agribusiness Development Corporation to purchase an agricultural parcel in North Kohala for agricultural development and establishes a Hawai'i Island property manager position within ADC.

Access to affordable, long-term agricultural land remains one of the most significant barriers facing farmers and ranchers in Hawai'i. Strategic acquisition of private agricultural lands by the State, through ADC, is an important tool to ensure these lands remain dedicated to agricultural use and are protected from conversion to non-agricultural purposes. State acquisition can also help prevent speculative use of agricultural lands that undermines bona fide farming and ranching.

ADC was created to help transition Hawai'i's agricultural industry following the decline of plantation agriculture and has played a critical role in managing agricultural lands, developing infrastructure, and supporting diversified agriculture statewide. ADC is uniquely positioned to oversee the acquisition, management, and responsible development of agricultural lands in a manner that supports active production and long-term agricultural viability.

SB 2407 appropriately recognizes that land acquisition alone is not sufficient without the capacity to manage and steward those lands effectively. Establishing a Hawai'i Island property manager position will help ensure that ADC-managed lands are properly maintained, leased, and developed for productive agricultural use. Dedicated on-the-ground management is essential to supporting farmers, addressing operational challenges, and maximizing the agricultural potential of State-owned lands.

The North Kohala region offers significant potential for agricultural production and rural economic development. Investment in this land, coupled with adequate management capacity, can support small and family-run farming operations, strengthen local food production, and align with the State's broader goals of food security, agricultural sustainability, and rural community resilience.

Thank you for the opportunity to provide testimony.



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Honolulu, O'ahu

Natalie Urminska
Kaua'i

Aloha Chairs DeCoite & Gabbard, Vice Chairs Wakai & Richards, and Committee Members,

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 SB2407.**

Authorizing the issuance of general obligation bonds to the Agribusiness Development Corporation (ADC) for purchasing agricultural parcels promotes both the expansion and protection of valuable agricultural lands in Hawaii. The acquisition of these lands will enable the development of vital agricultural projects, fostering innovation and growth in the agricultural sector.

Furthermore, the establishment of a full-time Hawaii Island Property Manager position within the ADC is a strategic move to ensure effective management and oversight of these agricultural assets. With dedicated personnel overseeing property activities, there will be enhanced intra-agency coordination and improved support for local farmers.

Combining financial investment in land acquisition with strategic management underscores a comprehensive approach to agricultural development.

Mahalo for the opportunity to testify.

Hunter Heavilin
Advocacy Director
Hawai'i Farmers Union

SB-2407

Submitted on: 2/5/2026 12:35:48 PM

Testimony for EDT on 2/6/2026 3:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Beth Robinson	Testifying for Kohala Community Land Trust/Kohala Community Plan	Support	Remotely Via Zoom

Comments:

Chair Gabbard, Vice Chair Richards, Chair DeCoite, Vice Chair Wakai, and Committee Members:

Kohala Community Land Trust is a 501(c)(3) corporation that has as one of its purposes: **Combat Community Deterioration and Contribute to the Well-being, Vitality, and Economic Resilience of the Community.** The Corporation shall promote the rehabilitation and maintenance of North Kohala commercial structures in order to provide economic opportunities for residents and shall make land and facilities available for projects and activities that improve the quality of life in North Kohala.

We **STRONGLY SUPPORT** acquisition of this parcel and the adjacent TMK in Halaula, North Kohala by the Agribusiness Development Corporation. These parcels are the only properties in Kohala that have the zoning and infrastructure desperately needed for the future of sustaining and increasing local food production in Kohala, providing jobs and reducing food insecurity for our State. We also support the creation of a Hawai‘i Island Property Manager position within ADC.

This acquisition is consistent with our 2008 North Kohala Community Development Plan as recently updated by the community-driven Kohala Community Plan effort and is supported by agricultural producers in Kohala.

Thank you for the opportunity to testify in support.

6 February, 2026

To: Chair Lynn DeCoite, Vice Chair Glenn Wakai and the Senate Committee on Economic Development and Tourism and Chair Mike Gabbard, Vice Chair Herbert M. Richards, III, and the Senate Committee on Agriculture and Environment

Subject: **SB2407**, Relating to Agricultural Land

Aloha,

We are interested in reading the community testimony positions, reviewing other organization's comments, and listening to the joint committees discuss their thoughts and mana'o with respect to the proposal within this bill. We at Hawai'i Food+ Policy offer **comments**.

Section 2 authorizes the director of finance to issue general obligation bonds in the specified sums in fiscal year 2026-2027. Section 3 describes who shall be authorized to expend the appropriated amounts. Section 5 outlines the appropriation from the general revenues for the establishment of one full time-equivalent (1.0 FTE) position. A comment/question we have is if we have outlined the approved types of business and operations that the land purchased under this fee-simple pursuit may be leased to and the intended lease-terms to be established on these lands purchased.

The possibilities of the land are mentioned but, are there policy guidelines to ensure that the purchased land will be utilized to "stimulate economic growth, support community initiatives, and revitalize the rural economy in north Kohala"? Will the cultivation that occurs on this land be exclusively, predominately, or primarily used to 1) increase local food production; 2) increase space and production area for cultural practitioners and practices; and 3) for the active practice of food cultivation and holistic stewardship practices in favour of accessory industry uses such as commodity crop research for seed/commodity exportation and/or biochemical research related to food production which are still legally permissible on agricultural lands?

We appreciate having the space to pose these questions and hope to see these questions addressed directly or through other conversations as they occur in committee deliberations.

Mahalo,
Brandon Kinard & the Food+ Policy Team
#fixourfoodsystem

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.