



TESTIMONY IN SUPPORT OF SENATE BILL

2595 SD1

RELATING TO THE AGRIBUSINESS DEVELOPMENT
CORPORATION

Ke Kōmike Hale o ka ‘Oihana Mahi‘ai a me ka ‘Ōnaehana Mea‘ai
(House Committee on Agriculture & Food Systems)
Ke Kapitala ‘o Hawai‘i
(Hawai‘i State Capitol)

March 20, 2026

9:30 AM

Lumi 325

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

The Office of Hawaiian Affairs (“OHA”) submits **COMMENTS** on **SB 2595 SD 1**, 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.¹ 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 decrease barriers to new farmers entering the market and accessing land for diversified agricultural. 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

¹ See [Mana I Maui Ola: OHA’s Strategic Plan for 2020-2035](#), Strategy 8, [Mana i Maui Ola - The Office of Hawaiian Affairs \(OHA\)](#).

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 § 163D-1 (emphasis added).

OHA respectfully offers these **comments** for your consideration. Mahalo for the opportunity to testify.



March 12, 2026

To: Chair Cory M. Chun, Vice Chair Matthias Kusch, and Members of the House Committee on Agriculture and Food Systems

Subject: Testimony in Support of SB2595 SD1 – Relating to the Agribusiness Development Corporation

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

My name is Carlin McFadden, writing on behalf of the Hawai'i Food+ Policy team in strong support of **SB2595 SD1**.

This measure strengthens the responsible management of state agricultural lands by requiring that payments to the Agribusiness Development Corporation (ADC) for the leasing, licensing, or renting of its properties be set at market rates or higher. At the same time, the bill maintains an important exemption for lessees and tenants who grow fresh local agricultural products for the Department of Education or who are partner members of the Food and Product Innovation Network.

This approach helps ensure that public agricultural lands are managed responsibly while still prioritizing local food production. Requiring fair or market-rate payments promotes transparency and accountability in the use of public resources, while the targeted exemptions recognize the importance of supporting farmers who directly contribute to Hawai'i's food system.

Programs like the Food and Product Innovation Network help connect farmers, value-added producers, and institutional buyers in ways that strengthen the local agricultural economy. Similarly, farmers producing for the Department of Education play a direct role in feeding Hawai'i's students while supporting local agriculture. Providing flexibility for these producers helps ensure that farms engaged in local food production can remain viable and continue contributing to Hawai'i's food supply.

Hawai'i continues to face significant challenges related to food security and agricultural sustainability. Measures like SB2595 SD1 help align land management policies with the broader goal of expanding local food production. By encouraging responsible use of state agricultural lands while supporting farmers who grow food locally, this bill contributes to a more resilient agricultural sector.

For these reasons, Hawai'i Food+ Policy respectfully urges the Committee to pass **SB2595 SD1**.

Mahalo for your time and consideration.

Respectfully,

Carlin McFadden

Hawai'i Food+ Policy #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.



HAWAI'I FOOD+ POLICY

Honolulu, HI 96813
food@purplemaia.org

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.



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

March 20, 2026

HEARING BEFORE THE
HOUSE COMMITTEE ON AGRICULTURE & FOOD SYSTEMS

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

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 SB 2595, SD1, which requires the Agribusiness Development Corporation to lease, license, or rent its properties at market rates or higher, 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.

Requiring leases, licenses, or rentals to be set at market rate or higher as a default standard may reduce ADC's flexibility to structure agreements that support agricultural development objectives. 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.



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 Urminska
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 offers comments on SB2595.**

HFU supports the intent of this bill to increase the supply of local food to the Department of Education (DOE) and the Food and Product Innovation Network. However, SB2595 poses the risk of inadvertently directing state land subsidies towards larger, well-capitalized operations by exempting lessees involved in certain programs from market rate leasing conditions. This could disproportionately benefit larger entities capable of meeting the requirements to supply the Department of Education or participate in the Food and Product Innovation Network, potentially squeezing out smaller family farms that are pivotal for a resilient and diversified local food system.

To address these concerns, we propose an amendment to cap on the size or revenue of entities eligible for reduced rent rates to balance these subsidies with measures that support smaller-scale farmers and prevent consolidation of state benefits and procurement. In Section 1, amend Section 163D-4(a)(6)(C), by inserting the following language after the phrase "under section 163D-20,":

provided further that to qualify for reduced rates, lessees or tenants must not exceed a threshold of gross annual agricultural revenue as defined by the board, ensuring preference for small to medium-sized farming entities.

This amendment aims to balance support between maintaining competitive advantages for larger producers capable of fulfilling DOE requirements and ensuring smaller, diversified farms receive adequate access to state-subsidized resources. By establishing clear guardrails and promoting transparency, Hawaii can move toward its local food goals and build a food system that supports a diverse range of agricultural producers.

Mahalo for the opportunity to testify.

Hunter Heavilin
Advocacy Director
Hawai'i Farmers Union