
A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF AGRICULTURE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that providing incentives
2 to produce food locally supports the State's goal to double
3 local food production and promote increased sustainability.

4 The purpose of this Act is to create a three-year pilot
5 program to determine if state incentives tied to state
6 agricultural land leases can increase local food production.

7 SECTION 2. (a) There is established within the department
8 of agriculture a three-year state land lease incentives pilot
9 program to determine if state incentives tied to state land
10 leases can increase Hawaii-based food production.

11 (b) The pilot program shall apply to:

12 (1) All leases of state land in the agricultural district
13 classified pursuant to chapter 205, Hawaii Revised
14 Statutes, including land managed by the department of
15 agriculture, department of land and natural resources,
16 department of Hawaiian home lands, and agribusiness
17 development corporation; and



1 (2) Any lease of state land within the urban district
2 classified pursuant to chapter 205, Hawaii Revised
3 Statutes, to an entity or a person who meets the
4 minimum requirements under subsection (c).

5 (c) Any entity or person may apply with the department of
6 agriculture to receive incentives under the pilot program if the
7 following minimum requirements are met:

8 (1) The applicant is the tenant under the master lease of
9 the state land and not a tenant sublessee;

10 (2) The state leased land produces food grown for
11 commercial sale; and

12 (3) At least forty per cent of the area leased is used for
13 the commercial sale of food or forty per cent of the
14 gross revenues from the state leased land is derived
15 from the commercial sale of food.

16 (d) Pilot program incentives shall include:

17 (1) Rent credit for the cost of obtaining a food safety
18 certification for the food grown for commercial sale;
19 and

20 (2) A preference in bids for state leases of agricultural
21 land; provided that the applicant self-certifies that



1 the applicant qualifies for the preference and
 2 indicates this preference on the expression of
 3 interest form filed with the department of
 4 agriculture's division of agricultural resource
 5 management, in the bid proposal, or on another
 6 official state application to lease state land.

7 (e) The state land lease incentives pilot program
 8 established pursuant to this Act shall supersede any conflicting
 9 administrative rules of the department of agriculture,
 10 department of land and natural resources, department of Hawaiian
 11 home lands, and agribusiness development corporation. The
 12 department of agriculture, department of land and natural
 13 resources, department of Hawaiian home lands, and agribusiness
 14 development corporation shall not be required to adopt rules
 15 under chapter 91, Hawaii Revised Statutes, to carry out the
 16 purposes of the pilot program.

17 (f) For the purposes of this section, "food" includes
 18 plants, aquaculture, poultry, livestock, and poultry and
 19 livestock products.

20 SECTION 3. The department of agriculture, in consultation
 21 with the department of business, economic development, and



1 tourism; department of land and natural resources; department of
 2 Hawaiian home lands; and agribusiness development corporation
 3 shall each prepare a report regarding the results of the three-
 4 year state land lease incentives pilot program, including any
 5 proposed legislation. The reports shall be combined and
 6 included within the department of agriculture's annual report to
 7 the legislature, due no later than twenty days prior to the
 8 convening of the regular sessions of 2020, 2021, and 2022.

9 SECTION 4. There is appropriated out of the general
 10 revenues of the State of Hawaii the sum of \$25,000 or so much
 11 thereof as may be necessary for fiscal year 2019-2020 and the
 12 same sum or so much thereof as may be necessary for fiscal year
 13 2020-2021 for administration of the pilot program pursuant to
 14 this Act.

15 The sums appropriated shall be expended by the department
 16 of agriculture for the purposes of this Act.

17 SECTION 5. There is appropriated out of the general
 18 revenues of the State of Hawaii the sum of \$25,000 or so much
 19 thereof as may be necessary for fiscal year 2019-2020 and the
 20 same sum or so much thereof as may be necessary for fiscal year



1 2020-2021 for the department of Hawaiian home lands to implement
2 this Act.

3 The sums appropriated shall be expended by the department
4 of Hawaiian home lands for the purposes of this Act.

5 SECTION 6. There is appropriated out of the general
6 revenues of the State of Hawaii the sum of \$25,000 or so much
7 thereof as may be necessary for fiscal year 2019-2020 and the
8 same sum or so much thereof as may be necessary for fiscal year
9 2020-2021 for the agribusiness development corporation to
10 implement this Act.

11 The sums appropriated shall be expended by the agribusiness
12 development corporation for the purposes of this Act.

13 SECTION 7. This Act shall take effect on July 1, 2019.

14



Report Title:

Department of Agriculture; Land Leases; Pilot Program; Report; Appropriation

Description:

Creates a three-year pilot program to determine if state incentives tied to agricultural land leases can increase local food production. Requires the departments of agriculture, land and natural resources, Hawaiian home lands, and agribusiness development corporation to report to the legislature annually. Appropriates funds. (SD1)

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