HOUSE CONCURRENT RESOLUTION

REQUESTING THE DEPARTMENT OF AGRICULTURE TO COLLABORATE WITH THE UNITED STATES DEPARTMENT OF AGRICULTURE TO DEVELOP A TREE CROP INSURANCE PROGRAM FOR TREE FARMS IN HAWAII.

1 WHEREAS, tree farming can provide many long-term, social, 2 environmental, and economic benefits for the state; and 3 4 WHEREAS, forests can mitigate the effects of global warming; and 5 6 WHEREAS, tree farms can protect island watersheds, prevent 7 8 soil erosion, and provide habitats for wildlife; and 9 WHEREAS, further development of the tree farm industry in 10 Hawaii may reduce the unfavorable practice of cutting down and 11 destroying native trees and forests because wood produced from 12 13 tree farms may be purchased at retail markets; and 14 WHEREAS, tree farms are a growing industry in Hawaii, 15 producing \$30,700,000 in revenues in 2001, and has experienced a 17 6.2 percent increase since 1991; and 18 19 WHEREAS, expanding the tree farm industry has the potential 20 of: 21 Increasing lumber processing; 22 (1)23 24 (2) Creating more furniture-making and other wood carpentry 25 jobs; and 26 27 (3) Promoting an export product, 28 29 which all may contribute to diversifying and strengthening the State's economy; and 30

WHEREAS, a natural disaster may easily destroy decades of physical work, financial investment, and all its associated economic benefits; and

WHEREAS, tree crop insurance may provide economic stability to investors, managers, and employees in the tree farm business; and

WHEREAS, although private insurance policies for tree crops are not available, private insurance policies are available for other types of agricultural products, including macadamia nuts, mango trees, tobacco plants, and avocado trees; and

WHEREAS, private insurance policies for tree crops may become an economically viable and feasible option if the financial risk could be spread out among the many farms in Hawaii and on the mainland; now, therefore,

 BE IT RESOLVED by the House of Representatives of the Twenty-fourth Legislature of the State of Hawaii, Regular Session of 2007, the Senate concurring, that the Department of Agriculture (DOA) is requested to collaborate with the United States Department of Agriculture to develop a tree crop insurance program for Hawaii; and

BE IT FURTHER RESOLVED that DOA is requested to submit a written report of its findings and recommendations, including any proposed legislation, to the Legislature no later than 20 days prior to the convening of the 2008 Regular Session; and

 BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Secretary of Agriculture of the United States Department of Agriculture; Administrator of the United States Department of Agriculture Risk Management Agency; Chairperson of the Board of Agriculture; President of the Hawaii Farm Bureau Federation; and the President of the Hawaii Forest Industry Association.