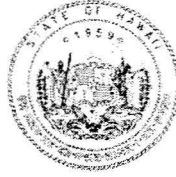


LINDA LINGLE
Governor



State of Hawaii
DEPARTMENT OF AGRICULTURE
1428 South King Street
Honolulu, Hawaii 96814-2512

SANDRA LEE KUNIMOTO
Chairperson, Board of Agriculture

DUANE K. OKAMOTO
Deputy to the Chairperson

TESTIMONY OF SANDRA LEE KUNIMOTO
CHAIRPERSON, BOARD OF AGRICULTURE

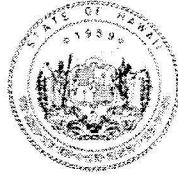
BEFORE THE HOUSE COMMITTEE ON FINANCE
THURSDAY, FEBRUARY 21, 2008
10:30 A.M.

HOUSE BILL NO. 3309, H.D. 1
RELATING TO THE UNIVERSITY OF HAWAII

Chairperson Oshiro and Members of the Committee:

Thank you for the opportunity to testify on House Bill No. 3309, H.D. 1. The purpose of this bill is to make an appropriation to the college of tropical agriculture and human resources to move the agribusiness incubator and Poamoho station projects and personnel to a site in Kunia. The Hawaii Department of Agriculture supports the intent of this bill; however, we have concerns about the possible adverse budgetary impact that this bill may have on the Executive Supplemental Budget request.

The co-location of the agribusiness incubator, Poamoho station projects and personnel in close proximity to the Hawaii Farm Bureau Federation, Hawaii Agriculture Research Center, the Agricultural Leadership Foundation of Hawaii, the Landscape Industry Council of Hawaii, and established and start-up agriculture based businesses will bring together a critical mass of organizations dedicated to the protection and improvement of agriculture in Hawaii. We believe the synergy created at the site will result in new ideas that are developed and implemented at a faster rate and look forward to the beginning of combined operations at the Kunia site.



STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION
235 S. Beretania Street, Room 205
Honolulu, HI 96813
Phone: (808) 586-0186 Fax: (808) 586-0189

**TESTIMONY OF ALFREDO LEE
EXECUTIVE DIRECTOR
AGRIBUSINESS DEVELOPMENT CORPORATION**

**BEFORE THE HOUSE
COMMITTEE ON FINANCE**

February 21, 2008
10:30 a.m.

**HOUSE BILL 3309, H.D. 1
RELATING TO THE UNIVERSITY OF HAWAII**

Chairperson Oshiro and Members of the Committee:

The Agribusiness Development Corporation (ADC) supports the intent of this bill; however, we have concerns about the budgetary impact this bill will have on the Executive Supplemental Budget request. This bill would allow the affected stakeholders affected by this bill to set up operations in proximity to each other, therefore creating mutual support and synergy.

The ADC operates the Waiahole Water System nearby and is very familiar with the Kunia area. The departure of Del Monte has created a great opportunity for leaders in the industry to work more closely together toward the future of diversified agriculture on this centrally located prime agricultural land on Hawaii's most populated island.

Thank you for your consideration of our comments on this bill.



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Finance
February 21, 2008 at 10:30 am

by
Virginia S. Hinshaw, Chancellor
Presented by
Andrew G. Hashimoto, Dean
College of Tropical Agriculture and Human Resources
University of Hawai'i at Mānoa

HB 3309 HD1 RELATING TO THE UNIVERSITY OF HAWAII

Chair Oshiro, Vice Chair Lee, and Members of the Committee:

The University of Hawai'i supports House Bill 3309, HD1, which makes an appropriation to the College of Tropical Agriculture and Human Resources (CTAHR) to move the Agribusiness Incubator Program and Poamoho Research Station projects and personnel to a site in Kunia.

Today we have a unique opportunity to support diversified agriculture on O'ahu. A land owner is willing to contribute to the Hawaii Agriculture Research Center (HARC) approximately 119 acres of land adjacent to Kunia Road plus worker housing and office facilities. HARC, the Hawaii Farm Bureau Federation, the Agricultural Leadership Foundation of Hawaii, and the Landscape Industry Council of Hawaii are interested in co-locating their operations at this site to share business-related resources and develop synergies and economies of scale. CTAHR is also interested in locating some of its programs at this site, including the Agribusiness Incubator Program currently housed at the Mānoa campus, the Poamoho Research Station, and some extension services. Large and small agribusinesses have also expressed interest in establishing long-term leases and locating and expanding their businesses at this location.

In the heart of Central O'ahu's agricultural lands, we can create a remarkable synergy by bringing together large and small agricultural businesses, public and private non-profit research programs, organizations that advocate for the agricultural community, and a business incubator dedicated to helping agribusiness ventures of all sizes establish and expand. Creating this agricultural business complex will facilitate close, sustained collaboration between researchers and outreach providers and the stakeholders they serve. Being closer and more accessible to our clients will promote greater interaction and more effective service, and developing demonstration plantings that are easy for our clients to visit will expand opportunities for hands-on training.

Locating the Agribusiness Incubator Program at this agricultural business complex will make it easier for start-ups and established businesses to benefit from consulting and product development services they might not otherwise be able to access. The National Business Incubator Association reports that 87 percent of enterprises developed in an incubator environment survive their first five years, compared with only 25 percent of those developed without the benefits of incubation.

The current site of the Poamoho Research Station is less suitable than the proposed new site for agricultural research activities. The disadvantages of the current site include vulnerability to fire and agricultural theft, each of which can destroy years of research in a few minutes. Much of the station's acreage was burned by brushfires in fall 2007, and the highway that bisects the station makes it easier for thieves to gain access. Irrigation costs at the current site are also high.

CTAHR researchers and extension faculty, their colleagues at HARC, and their cooperators in industry all stand to gain from co-locating. The resulting agricultural advances and the development of new entrepreneurial businesses will also help our economy and environment. As our state's most populous island, O'ahu faces considerable demographic pressure to build housing on usable, undeveloped land. High land values coupled with the decline of the sugarcane and pineapple industries have put many thousands of acres of O'ahu's important agricultural lands at risk. Keeping these lands in farming will encourage the continued growth of a diverse agriculture in Hawaii. By producing food near our state's largest market for agricultural products and minimizing the fuel needed to transport that food to consumers, Hawai'i agriculture—and O'ahu agriculture in particular—contributes to greater food security and sustainability. The development of bioenergy resources holds promise for decreasing our reliance on costly imported petroleum and lessening our greenhouse gas emissions. I believe that the scientific and commercial opportunities made possible by HB 3309, HD1 will benefit not only O'ahu but all of Hawai'i.

Thank you for the opportunity to testify.



Hawaii Farm Bureau
F E D E R A T I O N

2343 Rose Street, Honolulu, HI 96819
PH: (808)848-2074; Fax: (808) 848-1921
e-mail hfbf@hfbf.org

February 21, 2008

TESTIMONY BEFORE THE
HOUSE COMMITTEE ON FINANCE

HB 3309

RELATING TO UNIVERSITY OF HAWAII

Chair Oshiro and Members of the Committees:

My name is Alan Takemoto and I am the Executive Director of the Hawaii Farm Bureau Federation.

The Farm Bureau supports HB 3309, which makes an appropriation to CTAHR to move its agricultural business incubator, its Poamoho field station, and other needs. The HARC is planning to purchase or lease the land that is the former Delmonte worker and industrial site in Kunia, Oahu. The discussion is that HARC will partner with several organizations including CTAHR to accommodate their needs. Farm Bureau also is seriously looking at moving its offices to this area as well. This area has great potential to satisfy a large portion of our office space, ag worker housing, processing facilities and industrial needs. The infrastructure is invaluable as we can utilize the existing structures and housing for agricultural operations in the area.

Thank you for allowing us to testify in support of this measure.

Hawaii
Crop
Improvement
Association

Sarah Styan, President
P.O. Box 609
Waimea, Hawaii 96796
Phone: 808- 338-8300 ext 113

Testimony by: Sarah Styan
HB 3309hd1, University of Hawaii
House FIN Committee
Thursday, Feb. 21, 2008
Room 308: 10:30 am

Position: Strong Support

Chair Oshiro, and Members of the House FIN Committee:

My name is Sarah Styan. I am a Kauai resident, President of HCIA and research scientist of Pioneer Hi-Bred International, Waimea Research Station. The HCIA represents seed production and research facilities operating in Hawaii for nearly 40 years. The HCIA is comprised of five member companies that farm an estimated 8,000 acres on four islands, valued at \$97.6 million in operating budget (2006/2007 HASS). We are proud members of Hawaii's diversified agriculture and life sciences industries.

HCIA strongly supports this measure that recognizes the rare opportunity for multiple agencies (HFBF, HARC, ALFH, UH-CTAHR and Landscape Industry Council of Hawaii) to not only work together, but co-locate their operations at the proposed site. This synergy will assist, and create new opportunities for the growth of Hawaii agriculture. The co-location of CTAHR's field support functions for the agricultural incubator and moving its Poamoho station to that area makes sense, as the former Del Monte lands are the most fertile agricultural lands on Oahu. The support of this endeavor does much to preserve agricultural lands on Oahu.

Please seize the opportunity and support this measure. Thank you for the opportunity to present testimony.



Food Company Hawaii

1116 Whitmore Avenue Wahiawa, Hawaii 96786

LATE TESTIMONY

February 21, 2008

Honorable Marcus Oshiro, Committee on Finance
Hawai'i State Capitol, Conference Room 308
415 South Beretania Street
Honolulu, HI 96813

RE: HB 3309, HD1, RELATING TO THE UNIVERSITY OF HAWAII—SUPPORT

Aloha Chair Oshiro and Members of the Committees:

I am Dan Nellis, Operations Director of Dole Food Company Hawaii ("Dole"). Thank you for the opportunity to offer testimony in support HB 3309, HD1, Relating to the University of Hawaii.

The purpose of this bill is to establish an agriculture and business complex to co-locate Hawaii College of Tropical Agriculture and Human Resources (UH-CTAHR) operations into one area.

Although we have enjoyed having UH-CTAHR as a neighbor to Dole at their Poamoho facility, we support this move to consolidate its operations along with the Hawaii Agriculture Research Center, Hawaii Farm Bureau Federation, the Agricultural Leadership Foundations of Hawaii, and the Landscape Industry Council of Hawaii at the Kunia location. The move is expected to better support diversified agriculture on Oahu, which we support.

Dole is fortunate to enjoy continuous agricultural operations in Hawai'i for more than 100 years. At one point in our history, we were one of the largest sugar growers in the state. Today, Dole is one of this state's largest pineapple growers. We also farm coffee and cacao on our properties and lease much of our land to diversified agriculture farmers. We know the importance of supporting more diversified agriculture in this state.

For these reasons, we respectfully urge your passage of HB 3309, HD1. As always, we are grateful for the opportunity to share our views with you.

Sincerely,

Dan Nellis
Operations Manager, Dole Food Company Hawaii