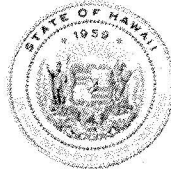


LINDA LINGLE
Governor



SANDRA LEE KUNIMOTO
Chairperson, Board of Agriculture

DUANE OKAMOTO
Deputy to the Chairperson

State of Hawaii
DEPARTMENT OF AGRICULTURE
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**TESTIMONY OF SANDRA LEE KUNIMOTO
CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE HOUSE COMMITTEES ON
ECONOMIC DEVELOPMENT AND BUSINESS CONCERNS
AND
AGRICULTURE
TUESDAY, MARCH 25, 2008
9:00 A.M.
ROOM 325**

**HOUSE CONCURRENT RESOLUTION NO. 356
HOUSE RESOLUTION NO. 293
REQUESTING THE DEPARTMENT OF AGRICULTURE TO CONSULT WITH OTHER
PUBLIC AND PRIVATE ENTITIES TO DEVELOP A PLAN TO OPTIMIZE THE USE OF THE
KULA VACUUM COOLING PLANT**

Chairperson Yamashita, Chairperson Tsuji, and Members of the Committees:

Thank you for the opportunity to comment on House Concurrent Resolution No. 356 and House Resolution No. 293. The purpose of these resolutions is to request the Hawaii Department of Agriculture (HDOA) to develop a plan to optimize the use of the Kula Vacuum Cooling Plant, in collaboration with the Department of Land and Natural Resources (DLNR), Hawaii Farm Bureau Federation (HFBB), Maui County Farm Bureau (MCFB) and the County of Maui. The HDOA offers the following comments.

Agriculture in upcountry Maui, like the rest of the state, is undergoing a transformation from commodity based production to specialty niche market production. The Kula Vacuum Cooling Plant can assist in consolidating and storing less-than-container-load (LCL) cargo for these products. However, the Plant is in need of urgent capital improvement to maintain its physical structure. Additionally, producers in the area must reach agreement on how best to use the Plant to further their economic interests.



Maui County Farm Bureau

*An Affiliate of the American Farm Bureau Federation and Hawaii Farm Bureau Federation
Serving Maui's Farmers and Ranchers*

TESTIMONY

HCR 356/HR293

HEARING BEFORE THE COMMITTEE ON ECONOMIC DEVELOPMENT & BUSINESS CONCERNS AND COMMITTEE ON AGRICULTURE

Chair Yamashita, Chair Tsuji and Members of the Committees

My name is Warren Watanabe, Executive Director of the Maui County Farm Bureau, a non-profit general agriculture organization and an affiliate of the Hawaii Farm Bureau Federation.

MCFB on behalf of our member farmers, ranchers and agricultural organizations, supports the intent with comment, HCR 356/HR293 seeking to optimize the usage of the Kula Vacuum Cooling Plant.

During its' prime, the Kula Vacuum Cooling Plant was not only a processing facility but a consolidation point at which leafy greens, as well as cole crops such as Chinese cabbage and head lettuce were vacuum cooled and loaded into containers for shipment to Oahu. Spotted wilt disease and diamondback moth infestations coupled with market competition, resulted in a major decline in production. Farming in Upcountry Maui is in transition. High value niche crops are on the rise while commodity scale production is in the decline. Flowers and nursery crops are seeing some increase. The County of Maui has allocated funding to improve as well as expand the use of this facility. Growers must come to an agreement of what is needed to best serve the future of agriculture in the area.

The concept of a plan for optimization is good. However, the plant is currently in serious disrepair and efforts to go ahead with existing funding to address the immediate problems are in place. Our major concern regarding this Resolution is that it represents an unfunded mandate to the Department of Agriculture. This means the Department will do what it can with existing resources ...will such an effort be enough to take us beyond what we know today? There have been several concepts developed over the years of what needs to be done ...however, lack of funding has resulted in non-implementation and the studies end up being out of date. Plans are good if it is coupled with a definite plan for implementation.

Requirements for a processing/storage facility have changed since its' initial construction. Current food safety and security requirements are much more rigorous including features not currently in place. Renovations will need to include these features and must be implemented as soon as possible

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Kula Produce and Processing Facility

to positively contribute to the viability of our farmers. There are discussions about the need for consolidation/deconsolidation facilities to address harbor congestion as well as rising transportation costs associated with LCL cargo. Does this facility provide an opportunity? Planning to explore these requirements and to develop cost effective solutions will be timely.

We respectfully urge passage of this bill contingent upon funding to the Department of Agriculture to complete the planning that will positively contribute to the future of this facility. The report should also identify funding needed to implement the proposals.

Thank you for this opportunity to provide our opinion on this matter.

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