

LINDA LINGLE
Governor



SANDRA LEE KUNIMOTO
Chairperson, Board of Agriculture

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TESTIMONY OF SANDRA LEE KUNIMOTO
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEE ON JUDICIARY AND LABOR
MONDAY, FEBRUARY 25, 2008
10:00 A.M.

SENATE BILL NO. 2955, S.D. 1
RELATING TO AGRICULTURAL INSPECTIONS

Chairperson Taniguchi and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill No. 2955, S.D. 1 which is an Administration bill. The purpose of this bill is to provide the department with the authority to require advance notification of transported commodities into the State or from one island to another. It also expands inspection and quarantine authority to non-agricultural commodities. The department strongly supports this measure.

Invasive species is threatening our economy, agriculture industry and environment. Preventing entry of invasive species is a primary mission of the Hawaii Department of Agriculture. The department is filling in the gaps in invasive species prevention systems by implementing our Biosecurity Program. Key to the implementation is the notification of the movement of goods and expansion of our authority. The department needs to know what is coming into the State in order to make good decisions in determining what requires inspection and to be able to take action on pests regardless of whether they appear on agricultural commodities or on other types of cargo.

Last year, the Legislature provided funds through the Department of Transportation to develop the manifest system. This system will provide a more comprehensive understanding of port activity throughout the State. It will improve workflow management and allow for more efficient scheduling of resources through advance notification of a shipment arriving and

determination of the risk of that cargo ahead of time. With 500,000 containers moving into the State each year and another 500,000 containers moving from one island to another, every container cannot be inspected. However, due to the increased concern about health, environment, and economic impacts of invasive species, the department must be able to inspect the high-risk shipments and treat or destroy the pest before the pest becomes established in farms, homes, and forests.

Transportation infrastructure is critical to an island state but there must be provisions for safeguards to prevent the introduction of invasive species into the state or between islands. The passage of this measure is an importation mitigation step and key to the success of the Biosecurity Program.

This past year, imported rocks from China carried spiders, and dried reeds from Africa for home construction carried weed seeds and insect pests. This experience emphasized the need for the expansion of HDOA's authority from agricultural commodities to all commodities. As the threats from Brown Tree Snake and red imported fire ant increases, we must be able to respond effectively and efficiently. Household goods from Guam are high risk for the brown tree snake. Frozen chicken and soil-moving equipment are high risk for red imported fire ant. These articles are not covered under our current authority, and therefore, that authority must be expanded to provide adequate protection.

Thank you for your continued support of our Biosecurity Program and allowing us the opportunity to testify on this very important measure.

LINDA LINGLE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

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KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

**TESTIMONY OF THE CHAIRPERSON
OF THE BOARD OF LAND AND NATURAL RESOURCES**

on Senate Bill 2955, Senate Draft 1 – RELATING TO AGRICULTURAL INSPECTIONS

**BEFORE THE SENATE COMMITTEE
ON
JUDICIARY AND LABOR**

February 25, 2008

Senate Bill 2955, Senate Draft 1 grants the Department of Agriculture (DOA) authority to require advance written notification of arrival of articles transported to the State or from one island within the State to another as freight, air freight, baggage, or otherwise, for the purpose of debarkation. This measure broadens the range of articles subject to advance notification and possible inspection to include non-agricultural articles capable of harboring pests. It corrects an error that occurred in Act 64, Session Laws of Hawaii (SLH) 2005, regarding import of restricted articles so as to be consistent with other parts of the statute. The Department of Land and Natural Resources (Department) supports this measure and defers to the DOA as to the specific language required to provide interisland inspection authority and improve import quarantine efforts.

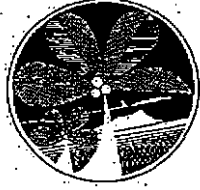
Preventing new invasive species from establishing in Hawaii provides the greatest long term protection for Hawaii and the Department supports stronger import quarantine measures. Fortunately, the Hawaii's islands provide a natural barrier and advantage that helps slow the interisland movement of invasive species. The increase in interisland transportation without adequate inspection and quarantine has resulted in the spread of invasive species across the state once they become established on a single island. Some of the most recent and costly examples of this are the introduction of several coqui frogs each year to the islands of Maui, Molokai, Oahu and Kauai and the spread of stinging nettle caterpillar from the Big Island to Maui and Oahu.

DOA has developed and implemented key initiatives of their expanded Biosecurity Strategy to reduce the import and spread of invasive species such as coqui and nettle caterpillar. The increase in permanent inspector positions and the establishment of the user fee under Act 9, SLH 2007, has been an important incremental step in the process of supporting a modernized and functional quarantine system to protect Hawaii from invasive species that threaten agriculture, the economy, our environment and way of life.

In Hawaii, over 432,000 - 20' equivalent containers are imported annually according to 2005 numbers recorded by the Department of Transportation. A similar number of containers are transported interisland each year. Allowing DOA to review detailed descriptions of the contents

of the containers and prioritize them for inspection will allow the highest risk goods to be inspected for invasive species as the current DOA capacity allows while allowing the rest to move on to their destinations. Requiring detailed manifests will improve the State's response to future risk posed by new commodities such as increased importation of building materials that may harbor invasive plants, insects or even larger animals such as snakes. Providing DOA with the authority to improve interisland and import quarantine for Hawaii, protects the State's agriculture, tourism economy and environment.

AIRLINES COMMITTEE OF HAWAII



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**AIRLINES COMMITTEE OF HAWAII
TESTIMONY SUBMITTED BEFORE THE SENATE COMMITTEE ON
JUDICIARY AND LABOR
HAWAII STATE CAPITOL ROOM 016
February 25, 2008**

SB 2955 SD1 - Relating to Agricultural Inspections

Chair Taniguchi, Vice Chair Hee and Members of the Committee:

My name is Rodrick Aoki. I am with the Hawaii Airline Liaison Office testifying on behalf of the Airlines Committee of Hawaii (ACH), which is comprised of 24 signatory airlines that underwrite Hawaii's 15-airport system.

While we agree that preventing the introduction of new invasive species is critical to protecting Hawaii's unique environment, agricultural industry and economy, we have serious concerns with SB 2955 SD1 in its current form. **ACH respectfully requests that the bill be amended to hold consignors—those individuals, companies or corporations—that are sending the airfreight responsible for providing the manifest information, instead of the airlines.**

When a consignor contracts to airfreight goods, the airlines are simply acting as the middle-man carrier, providing a service to the consignor and to the consignee of the goods. The consignor often uses multiple carriers in the transport of the goods, that can potentially further complicate the notification process for the airline. Going directly to the consignor source eliminates the paperwork transfer from one carrier to another. As a penalty for failing the state's notification procedure, a consignor ought to face a delay in the transportation, quarantine and/or destruction of their airfreight.

Furthermore, the bill specifies that the carriers are required to notify the Department of Agriculture of all items being transported, including baggage. This requirement is particularly onerous, especially if the passenger willingly or unwittingly places additional items in their luggage not previously outlined on the manifest. In addition, it is extremely difficult for inter-island carriers to provide this notification four hours prior to arrival of an inter-island flight when passengers only check in with the carrier two to three hours before they actually arrive at their inter-island destination.

For these reasons, the ACH believes that holding the consignor responsible is the most efficient and equitable method to obtain the manifest information to provide the Department of Agriculture the means to identify the high-risk commodities in a timely manner to prevent the introduction of invasive species that could be potentially found in Hawaii.

As always, we appreciate the opportunity to share our concerns regarding SB 2955 SD1.

Respectfully Submitted,

Rodrick Aoki

**ALOHA AIRLINES
P.O. Box 30028
Honolulu, HI 96820**

February 25, 2008

Senator Brian Taniguchi, Chair
Senator Clayton Hee, Vice-chair
Committee on Judiciary and Labor

RE: SB 2955 Relating to Agricultural Inspections

Chair Taniguchi, Vice-Chair Hee and Members of the Committee:

My name is Stephanie Ackerman and I am Senior Vice President, Public Relations and Government Affairs, for Aloha Airlines. Thank you for this opportunity to offer comments on SB 2955.

As currently written, SB2955 will place a tremendous and difficult burden on Hawaii's interisland carriers. It would impose the same notification requirements on the interisland movement of the articles listed in the law as now exists for overseas and foreign carriers. In addition, it would require interisland airlines to give four hours' notice prior to the arrival of an aircraft carrying air freight or baggage between islands.

When it comes to baggage carried by air, four-hour notice is impossible. In the case of interisland air freight, most bookings are made in the morning of the day of the flight, and carriers often do not know the contents of the shipment until the booking is made.

We recognize that issues involving invasive species have arisen because of the Hawaii Superferry.

To make this work for air freight, the requirement for notification should be put on the importer, consignor, or person making the shipment. At the time of booking, the shipper can be required to submit in writing or by electronic means, the information required by the Department of Agriculture for its quarantine purposes.

SB 2955 should be amended to require the person making the shipment to report the information required by the Department.

We respectfully ask that you consider amending the bill to reflect these concerns and to maintain the smooth flow of interisland air shipments. Thank you for the opportunity to offer these comments.



LATE

UNITED AIRLINES

Honorable Brian Taniguchi, Chairman
Honorable Clayton Hee, Vice Chairman
Senate Committee on Judiciary and Labor

UNITED AIRLINES
TESTIMONY SUBMITTED BEFORE THE
SENATE COMMITTEE ON JUDICIARY AND LABOR
February 25, 2008

SB 2955 Relating to Agricultural Inspections

Chairman Taniguchi, Vice Chairman Hee and Members of the Committee:

My name is Mike Navares. I am the General Manager of Hawaii for United Airlines. United Airlines has over 1,400 employees throughout the State of Hawaii and we are the largest overseas carrier in the State. Thank you for the opportunity to offer comments on SB 2955.

United Airlines recognizes that preventing the introduction of new invasive species in Hawaii is a critical issue. Our unique environment, agriculture industry and economy could be jeopardized if left unmitigated. Thus, while United Airlines supports the intent of the bill, United also suggests that the bill be revised to hold the shippers' responsible for providing the manifest information, instead of the airlines.

When a shipper ships a product, the airline is simply acting as the middle-man carrier, providing a service to the shipper and the receiver of the goods. The shipper often uses multiple carriers in the transport of the goods, that can potentially further complicate the notification process for the airline. Instead, going directly to the shipper source eliminates the paperwork transfer from one carrier to another. Failures in notification by the shipper would result in quarantine or shipment destruction, a penalty that the shipper should bare for their failure.

Furthermore, the bill specifies that the carriers are required to notify the Department of Agriculture of all items being transported, including baggage. This requirement is particularly onerous, especially if the passenger willingly or unwittingly places additional items in their luggage not previously outlined on the manifest. In addition, it is extremely difficult for inter-island carriers to provide this notification four hours prior to arrival of an inter-island flight when



UNITED AIRLINES

passengers only check in with the carrier two to three hours before they actually arrive at their inter-island destination.

United believes that holding the shipper responsible is the most efficient and equitable method to obtain the manifest information, and will provide the Department of Agriculture the means to identify the high-risk commodities in a timely manner to prevent the introduction of invasive species that could potentially be found in Hawaii. Thank you for the opportunity to comment on SB 2955.

Respectfully Submitted,

Mike Navares

SENATE COMMITTEE ON JUDICIARY AND LABOR

**THE HONORABLE BRIAN T. TANIGUCHI, CHAIR
THE HONORABLE CLAYTON HEE, VICE CHAIR**

SENATE BILL NO. 2955, SD 1, scheduled for hearing on February 25, 2008

**Testimony of Roy Catalani,
Vice President of Strategic Planning and Government Affairs,
Young Brothers, Limited**

Chair Taniguchi, Vice Chair Hee, and Members of the Senate Judiciary and Labor Committee:

Thank you for the opportunity to testify on Senate Bill No. 2955, Senate Draft 1 (**SB 2955, SD 1**).

Young Brothers, Limited (*Young Brothers*) supports the intent of the bill, which we view as the State's continuing efforts to ensure that Hawaii is protected from invasive species (pests) regardless of their point of origin or means of transportation.

The bill proposes to expand the Department of Agriculture's current inspection and quarantine authority over certain agricultural articles to include non-agricultural articles that may harbor pests. The bill requires transporters of freight to provide the Department of Agriculture (the **Department**), prior to arrival of the transporting marine vessel, a minimum of 24-hour advance notification of the identification and point of origin of these articles, whether agricultural or non-agricultural. The bill further proposes to extend these conditions, and others currently required by law, on the *interisland* movement of such articles.

The bill poses certain operational and practical issues. Young Brothers offers an interisland carrier's perspective on these issues:

- The 24-hour advance notification requirement would change the way that small shippers deliver to Young Brothers less-than-container-load (**LCL**) cargo, such as farm produce and specialty goods. Traditionally, LCL cargo is not booked—that is, Young Brothers does not take reservations for LCL cargo. Rather, shippers drop off such cargo usually on the scheduled day of, and often only hours before, sailings. The proposed notification could affect the timely departure of LCL cargo, and may well affect the freshness of farm produce—the competitive selling point of many growers. Switching to a booking system for LCL cargo would likely impose a hardship on shippers whose businesses rely on quick turnaround of orders.

- Booked cargo may pose a similar problem. The need for 24-hour advance notification may not be obvious at booking. If, at delivery of booked cargo to our pier, the notification requirement appears in order, the shipment will likely miss its appointed sailing.
- A container holding consolidated cargo (that is, cargo from multiple shippers) would come to Young Brothers' pier under one bill of lading, which would not set forth a description of each item within the container.
- The language of SB 2955, SD 1, does not clearly identify the "person" who is responsible for notifying the Department about cargo that may be infested or infected with or contain any pest.
- Without standards or guidelines, Young Brothers would not know how to and would have difficulty training its employees to identify a "non-agricultural article capable of harboring pests, including but not limited to, rocks, building material, or furniture."
- The requirement to identify point-of-origin of articles in interisland movement may be virtually impossible for Young Brothers' customers to fulfill. This requirement, unless better clarified, may stymie many of our customers in shipping goods from one island to another.

Young Brothers fully supports the prevention of the introduction and spread of invasive species in our island state. However, as an alternative to this bill, we believe that the operational and practical problems associated with the bill could best be addressed by giving the Department broad authority to inspect and quarantine cargo with high risk of carrying pests and leaving the specific details of implementation to rule-making by the Department so that the complex problems associated with implementation can be worked out. Young Brothers would be very willing to work with the Department and other cargo carriers to accomplish this and then work to hammer out administrative rules that are both effective and workable.

Thank you for the opportunity to testify.