

**TESTIMONY**  
**HB1471, HD2**

**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 SENATE COMMITTEE ON  
WATER, LAND, AGRICULTURE AND HAWAIIAN AFFAIRS  
FRIDAY, MARCH 20, 2009  
3:00 P.M.  
ROOM 229**

**HOUSE BILL NO. 1471, HD2  
RELATING TO FARMS**

Chairperson Hee and Members of the Committee:

Thank you for this opportunity to provide testimony on House Bill 1471, HD 2, relating to the establishment of a food safety certification pilot program for Hawaii farmers. The Department cannot support this legislation, despite the merits of the idea, because it proposes to use State funds that are outside of the Executive Biennium Budget.

News reports over the past couple of years have highlighted the need for the agricultural industry, to improve food safety practices. Neither the agriculture, tourism, restaurant, or retail industries can afford to be caught up in a major food recall of our own making.

The Department of Agriculture has a long history of supporting the purchase of local fresh foods. The department also conducts third party food safety audits to certify farms under both the USDA standards and Primus standards. The department has been working on a pilot food traceability project using radio frequency identification (RFID) technology with some of our larger and smaller farms, Armstrong Produce and Foodland stores for the past year. The department has also established a small RFID laboratory to assist the farm community in training and traceability testing. Additionally, the department has established a website, the Hawaii Food Safety Center, to advertise and promote those food supply chain members participating in safe food production and processing practices. To date, this work has been supported with federal funds.



**March 18, 2009**

**Senator Clayton Hee  
Chairperson  
Water, Land, Agriculture and Hawaiian Affairs  
Senate  
State of Hawaii  
State Capitol  
Room 228  
Honolulu, Hawaii 96813**

**Senator Jill N. Tokuda  
Vice Chairperson  
Water, Land, Agriculture and Hawaiian Affairs  
Senate  
State of Hawaii  
State Capitol  
Room 218  
Honolulu, Hawaii 96813**

**RE: Senate Hearing – March 20, 2009 - HB 1471 – Food Safety  
Certification; Pilot Program**

**Aloha Chair Hee and Vice Chair Tokuda,**

**Kyo-ya Management Company Limited (Kyo-ya) wishes to testify  
in support and favor of House Bill 1471. We believe that this  
initiative will be beneficial to furthering the development of the  
Agricultural industry for the State of Hawaii and increase  
sustainability for Hawaii.**

**Background**

Currently, the hotel industry in Hawaii buys an estimated 28-32% of locally grown agricultural products, of which pineapple and papaya are major purchases. If pineapple

and papaya were to be removed from the total local purchasing percentage, then approximately 17-18% is specialty crop purchases by the hotel industry in Hawaii. The importation of agricultural product to service the hotel industry is 68%, and if pineapple and papaya were to be removed, the specialty crop purchases are estimated to be approximately 82% which are currently imported.

### **Objective**

Kyo-ya believes that the hotel industry in Hawaii can increase the amount of locally-grown agricultural products purchased annually from Hawaii farms. The hotel industry requires, however, that the farms have, or are in the process of, obtaining their third party food safety certifications and audit. Our new industry initiative "From the Farm to the Plate," provides the vehicle to expedite and increase locally grown agricultural products, enhance consumer awareness on food safety and provide the support for Hawaii agricultural growers.

### **Approach**

Key factors in increasing the amount of local produce sold to hotels are the increased coordination and communication among: 1) farmers with desired specialty crops; 2) packers/processors; 3) qualified distributors; and, 4) buyers. The hotel industry wishes to buy from the local farmers which are food safety certified. An on-farm food safety education program provides the "coaching" to the farmers in applying best food safety practices and disciplines in preparing the land, growing, harvesting, and processing the crops. The Hawaii Farm Bureau's Legislature-funded grant-in-aid program, titled "Enhancing On-farm Performance in Food Safety to Market the Highest Quality Produce," will expire March 31, 2009 with a success factor of 34 additional requests for the HDOA Quality Assurance Division Food Safety Audits conducted in 2008.

The purpose of this new hotel industry initiative, entitled "From the Farm to the Plate" is to encourage new and existing farmers to sell more locally-grown foods to hotels by having their farms meet or exceed best practices for safe food production. On-farm food safety certification will address a number of the safety concerns for our tourists and kamaaina guests. This will also be part of the solution to reduce the amount of fresh food we import.

### **Recent progress**

The focused campaign, "From the Farm to the Plate" is an incentive for local farmers to grow specific crops that are desired by some of Hawaii's best chefs in the hotel industry. It also increases the safety of locally-grown foods as the program requires that all suppliers pass a third party certification and audit, acknowledging that the farms know and use best farm practices and meet Good Agricultural Practices.

An initial orientation to the farmers took place on Tuesday, January 13, 2009, with a workshop with representatives of the United States Department of Agriculture, the

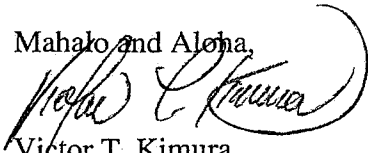
University of Hawaii, Hawaii State Department of Agriculture, and Hawaii Farm Bureau with the private sector on hand to let the farmers/growers know of the support and resources that are available if a grower chooses to transform their farm to a food safety certified farm. The hotel industry is willing to be flexible with, 1) crop rotation and seasonality, 2) increased supply/harvest from the farmers to assist them in buying their excess supply when possible, 3) monthly promotions of the specialty crops in each hotel's food and beverage outlets and in banquets, and 4) developing unique menu offerings utilizing the farmer's specialty crops.

**Requested support**

Support for the HB 1471 on Food Safe Certification is requested in the amount of \_\_\_\$160,000 from September 2009 – September 2010 for two consecutive fiscal years in order to “Coach” 100 farmers over the 12 month period for food safety certification. These funds will pay for the coaching (preparation) part of the program. Currently, RETAH, the federally funded contributor to this project, will provide funds to help farmers buy sinks, toilets, tables, and other supplies needed to pass their third party audit. The RETAH funds will also pay for 100 farm audits (one per farm only) performed by the HDOA. The goal is to increase the number of food safety certified farms from the current estimate of 32 to 132 farmers by September 2010.

Chair Hee and Vice Chair Tokuda, please feel free to contact us should any questions or clarifications be required. We sincerely thank you for the opportunity to develop and provide increased opportunities for the hotel industry with this Agricultural Initiative.

Mahalo and Aloha,



Victor T. Kimura  
Director of Operations Support

cc: Mr. Ernest Nishizaki – Executive Vice President & COO – Kyo-ya Management Company, Ltd.  
Mr. Murray Towill – President, Hawaii Hotel & Lodging Association.  
Mr. Dean Okimoto – Hawaii State Farm Bureau

**Senator Clayton Hee**  
**Chairperson**  
**Water, Land, Agriculture and Hawaiian Affairs**  
**Senate**  
**State of Hawaii**  
**State Capitol**  
**Room 228**  
**Honolulu, Hawaii 96813**

**Senator Jill N. Tokuda**  
**Vice Chairperson**  
**Water, Land, Agriculture and Hawaiian Affairs**  
**Senate**  
**State of Hawaii**  
**State Capitol**  
**Room 218**  
**Honolulu, Hawaii 96813**

**RE: Senate Hearing - March 20, 2009 - HB 1471 - Food Safety Certification; Pilot Program**

**Aloha Chair Hee and Vice Chair Tokuda,**  
I wish to testify in favor of House Bill 1471.

On a daily basis we try to fulfill our guest's needs by providing new and interesting experiences that truly say Hawaii. With the advent of Pacific Rim cuisine and new media sources, like the Food Network and the Travel Channel, guests are more knowledgeable and demand that the quality of the products that we serve are fresh and locally grown. Many visitors are interested in all of the facets of our Hawaiian/local culture including food. Currently, our challenge is that local produce is not regularly available and most are not food safety certified. Having more products that are food safety certified would be to the benefit of the visitors, businesses, farmers and the entire state of Hawaii. It would allow us with a more consistent base for ordering and the ability to provide patrons with fresh, safe, local produce. With all of the recent challenges within the produce industry it is not a matter of "if" a food safety certification program is in place; it is a matter of "when".

Mahalo,

Dodi M Preese  
Director of Outlets

Sheraton Princess Kaiulani Hotel



March 18, 2009, 2009

Senator Clayton Hee, Chairman

Senator Jill Tokuda, Vice-Chair

Committee on Water, Land, Agriculture, and Hawaiian Affairs

**RE: House Bill 1471: Food Safety Certification Trainers funds**

Hearing: March 20, 2009      3:00 Room 229

Aloha Chair Hee and Vice-Chair Tokuda:

This bill is a collaborative effort of the Visitor and the Agricultural Industries joining hands for the safety of foods that the citizens of Hawaii and the visitors who come to our state consume. Good Agricultural Practices or GAP has been part of the mandate of the USDA food safety program but no enforcement has been in place. The recent peanut butter recalls, the jalapeños, the spinach, tomato, and strawberry recall all place food safety as a priority issue for the people in the United States. This new administration will be placing enforcement of food safety practices within the next two years.

The restaurants in the visitor industry and the Commissary system that serves the military community have mandatory GAP requirements for all produce coming into their doors. This means that any produce that is delivered by a food distribution company to any food service in hotels and the Commissary, must be GAP certified. This requirement has limited the procurement of locally grown fruits and vegetable for these two major markets.

Local chefs want to use foods grown within our State but have been limited because only 32 farms are GAP certified. The Commissary officers likewise want locally grown produce but cannot allow non-GAP products into their stores.



The realization of this important issue has been addressed with limited funding from a Federally funded program named Rural Economic Transition of Agriculture in Hawaii (RETAH), the Hawaii Department of Agriculture (HDOA), the College of Tropical Agriculture and Human Resources (CTAHR), the Hawaii Farm Bureau Federation (HFBF), and the Agricultural Development Corporation (ADC). The consortia are trying to MAKE THIS HAPPEN for 100 new farms. However, the limiting factor has been funding for pre-audit trainers to expedite the process.

The other costs will be taken care of by the mentioned entities. Increasing industry pre-audit personnel will assist in getting the 100 new farmers certified by December 2010.

We ask the committee for Water, Land, Agriculture, and Hawaiian Affairs to work with us in getting the job done for the safety of the people within the State of Hawaii.

My farming operation is on the North Shore of Oahu. All of us at Alluvion support HB 1471 and hope that all within you Committees will do so also.

With appreciation for what the Legislature is trying to do to make Hawaii more self-sufficient with fresh, safe food from Hawaii farms.

Mahalo,

Susan Matsushima, CEO      P.O. Box 820 Haleiwa, HI 96712      808-637-8835



**TESTIMONY BEFORE THE SENATE COMMITTEE ON  
WATER, LAND, AGRICULTURE AND HAWAIIAN AFFAIRS**

**FRIDAY, MARCH 20, 2009**

**3:00 P.M.**

**HOUSE BILL NO. 1471 HD2**

**RELATING TO FARMS**

**CHAIR HEE AND MEMBERS OF THE COMMITTEE:**

My name is Mark Teruya, CEO of Armstrong Produce. We are a wholesale produce distributor with operations here in Honolulu, Maui, and Kona.

I am here to testify on HB 1471 HD2, Relating to Farms. We have been in the distribution business for three generations and in that time, a lot has changed. As a distributor of produce, we are constantly being challenged to comply with new and stricter laws and rules governing food security, food safety and traceability. You are all aware of the many episodes involving commodities such as green onions, spinach, and just a few weeks ago, peanut butter. In Hawaii, the issue with the lungworm problem on the Big Island where people ate home grown produce, which they thought were safe, have done some serious and permanent damage to several individuals. Countless thousands of people have become ill, with hundreds dying as a result of these nationwide recalls. Using good agricultural practices all the way from the farm to the plate is not just a good idea, it is crucial and often becomes a life or death matter, or a major liability issue.

About five years ago, we became the first wholesale produce company in Hawaii to be food safety certified and two years ago, we became the first to be HAACP (Hazard Analysis Critical Control Points) certified. We firmly believe that food safety measures must be taken seriously by farmers, distributors and end users such as the hotels.

When we began our food safety certification process 5 years ago, every one laughed at us, saying that it wasn't a requirement so they were not going to do it. We believe that it was the right thing to do and many of our customers were asking for certification. That told us that this was important and something that was not going to go away. The demand came not as a regulation but from our customers. Today, when companies are looking for a new distributor, certification is a critical issue, because if their suppliers are not certified and the farmers that supply them are not, there is a lot of liability that hangs on the end users.

Hawaii is very dependant on tourism as our major source of revenues. If even one incident were to take place here where tourists got sick eating food from any of the many restaurants or hotels that service our tourists, Hawaii would have a black eye forever. With tourism suffering as it is now, we do not want to give tourists any reason to stay away from Hawaii.

Our testimony on this measure focuses on the point that this bill makes to provide funding to help our farmers become food safety certified. Of the over two thousand farms that we have in Hawaii, approximately 35-40 are certified. We need to increase that number dramatically.

Many chefs and many of the hotels, restaurants and stores that we service want to buy as much local produce as they can, which is a good thing, but we also need to have the confidence that buyers like the Sheraton will be assured that all the farmers they receive product from, practice good agricultural practices in their fields and packing operations.

Most of the farms in Hawaii are small, less than 10 acres. Many of the farmers feel that going through the certification process will be cumbersome and costly. The coaching will make the farmers realize this is not so. There are federal grant monies to help pay for equipment that may be needed to pay for the initial audit. No question that getting certified will mean cleaning up and practicing good sanitation practices in the fields and in packing areas, but we feel it is a matter of pride for farmers to offer the safest produce they can to customers.

We think it is imperative that we work to encourage farmers to not only produce more fruits and vegetables but also safe produce.

We ask for your support of this measure. Thank you very much.



Mark Teruya  
President, CEO



**HAWAII HOTEL & LODGING  
ASSOCIATION**

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31<sup>st</sup> Anniversary  
Are You Walking???  
May 16, 2009  
(Always the 3<sup>rd</sup> Saturday in May)  
[www.charitywalkhawaii.org](http://www.charitywalkhawaii.org)

**TESTIMONY OF MURRAY TOWILL  
PRESIDENT  
HAWAII HOTEL & LODGING ASSOCIATION**

**March 20, 2009**

**RE: HB 1471 HD2 Relating to Farms**

Good afternoon Chairman Hee, and members of the Senate Committee on Water, Land, Agriculture & Hawaiian Affairs. I am Murray Towill, President of the Hawai'i Hotel & Lodging Association.

The Hawai'i Hotel & Lodging Association is a statewide association of hotels, condominiums, timeshare companies, management firms, suppliers, and other related firms and individuals. Our membership includes over 170 hotels representing over 47,300 rooms. Our hotel members range from the 2,523 rooms of the Hilton Hawaiian Village to the 4 rooms of the Bougainvillea Bed & Breakfast on the Big Island.

The Hawai'i Hotel & Lodging Association supports HB 1471 HD2 Relating to Farms. We believe this concept will be very valuable in assisting local farms become certified for safe food handling practices. The "safe" food certification pilot project will help create a process where hotels and restaurants and local farmers can effectively partner in increasing the use of local produce.

One of the critical components of sustainability in Hawaii is being able to obtain our food locally. It is essential that farmers have reliable markets and buyers, and customers have safe and consistent products. This program provides a valuable tool to help accomplish these objectives for all involved.

We believe this is a valuable measure and urge you to move it forward. Again, mahalo for this opportunity to testify.

Personal Testimony Presented Before the  
Senate Committee on Water, Land, Agriculture, and Hawaiian Affairs  
Friday, March 20, 2009 at 3:00 p.m.

by  
Andrew G. Hashimoto

HB 1471, HD2 – RELATING TO FARMS

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

My name is Andrew Hashimoto, and I serve as Dean and Director of the College of Tropical Agriculture and Human Resources (CTAHR) at the University of Hawaii at Mānoa. I am pleased to provide personal testimony on HB 1471, HD2. This testimony does not represent the position of the University of Hawaii or CTAHR.

The purpose of HB 1471, HD2 is to establish a pilot program within the Department of Agriculture to encourage farmers to form agricultural cooperatives, coordinate purchasing agreements between agricultural cooperatives and hotels, restaurants, and other buyers in the visitor and hospitality industries, and to develop and implement safe food certification for products under the program. The bill establishes the Food Certification Pilot Program Special Fund to be used by the Department of Agriculture for purposes of the Act.

I support of the intent of the bill, which supports the local agricultural community and promotes safe, fresh, high-quality, locally-grown produce, as long as the appropriation does not negatively affect the Department of Agriculture's budget. Safety of the food we consume and the health of our citizens and visitors are of utmost importance not only for our personal well-being, but to our State's economy and image as a safe, tropical destination in which to live and visit.

The Departments of Agriculture (DOA) and Health (DOH) have been good stewards in overseeing the safety of food in the islands. The DOA conducts third party food safety audits to certify farms under both USDA and Primus standards. In addition, the DOA implemented a pilot food traceability program using radio frequency identification (RFID) technology, among other food safety initiatives. Additional funding for the pilot program will support and help to expand food safety programs and education for farmers and food handlers, and explore and promote markets for local produce.

CTAHR has conducted an on-farm food safety coaching program to provide training to those working on farms, greenhouses, packing houses, and processing facilities to assist in addressing safety issues found in the audits conducted by the DOA.

The bill is in keeping with the State's initiative to increase Hawaii's food safety and self-sufficiency from the current reality of importing to Hawaii upwards of 85% of all food we

HB 1471, HD 2 Testimony  
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consume, and relates to CTAHR's vision to actively help Hawaii diversify its economy, ensure a sustainable environment, and strengthen its communities.

Thank you for the opportunity to provide comments on this measure.

**TESTIMONY**  
**HB1471, HD2,**  
**(END)**