

Honolulu, Hawaii

MAR 23 2012

RE: H.B. No. 1947  
H.D. 2  
S.D. 1

Honorable Shan S. Tsutsui  
President of the Senate  
Twenty-Sixth State Legislature  
Regular Session of 2012  
State of Hawaii

Sir:

Your Committee on Agriculture, to which was referred H.B. No. 1947, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose and intent of this measure is to strengthen the Department of Agriculture's safety and security program by, among other things:

- (1) Requiring the Department of Agriculture to adopt generally accepted agricultural and management practices;
- (2) Authorizing the Department of Agriculture to establish a program to audit and certify that producers are following the generally accepted agricultural and management practices; and
- (3) Establishing the agricultural practices audit and certification revolving fund to establish and maintain the generally accepted agricultural and management practices program.

Your Committee received testimony in support of this measure from the Hawaii Farm Bureau Federation; Big Island Farm Bureau; Maui County Farm Bureau; Mikilua Farm Bureau Center; Hawaii Crop Improvement Association; Hawaii Cattlemen's Council, Inc.; Land



Use Research Foundation of Hawaii; Hawaii Aquaculture and Aquaponics Association; Maui Cattlemen's Association; Hamakua Farm Bureau; Ulupalakua Ranch; and seven individuals. Your Committee received testimony in opposition to this measure from Hawaii Farmers Union United, Kokuakats Farm, Kanalani Ohana Farm, Hawaii Tropical Fruit Growers, and twenty-eight individuals. Your Committee received comments on this measure from the Department of Agriculture and Department of Budget and Finance.

Your Committee finds that increased globalization and changes in food management have introduced a number of new risks to the food supply system that occur at all levels of food production and management. Your Committee is aware of the United States Food and Drug Administration's current efforts to implement the Food Safety Modernization Act of 2010 and recognizes the State's need to prepared to meet federal food safety standards. Your Committee further recognizes the concern that having numerous private food safety certification programs in place hinders local farmers and understands the desire for a uniform standard for food safety certification.

While some individuals and organizations may view the audit and certification program established by this measure as premature and differ in opinion as to which food safety standards should be followed, this measure will provide a first step in establishing uniform, statewide standards for good agricultural practices.

As this measure progresses through the legislative process, your Committee requests that the funding for this program be further examined. While this measure creates a new special fund, this special fund is supported by fees from audits and certifications and any funds provided by other governmental agencies and nonprofit organizations. Your Committee understands the need to refrain from relying on general funds to support this program; however, since the program is voluntary there are concerns that the limited funds will be insufficient to support the audit and certification program.

Your Committee has amended this measure by:

- (1) Amending the preamble by removing specific references to incidences of risks in the food supply system;
- (2) Adding language to the preamble to better reflect the intent of this measure;



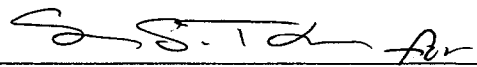
- (3) Changing all references to "generally accepted agricultural and management practices" to "good agricultural practices";
- (4) Adding language to allow the Department of Agriculture to receive additional funds from other governmental agencies and other nonprofit organizations and requiring these funds to be deposited into the agricultural practices audit and certification revolving fund;
- (5) Adding a definition for the term "producer";
- (6) Authorizing, rather than mandating, the Department of Agriculture to adopt good agriculture practices;
- (7) Reinstating the authorization of the Department of Agriculture to designate any employee to conduct audits and certifications at the request of persons having a financial interest in the business or product;
- (8) Removing the amendment to section 147-115, Hawaii Revised Statutes, stating that a certificate issued by the Department of Agriculture under its agricultural safety and security program or under the authority of the Congress of the United States for matters relating to agricultural safety and security shall indicate that a producer has complied with generally accepted agricultural and management practices for purposes of chapter 165, Hawaii Revised Statutes;
- (9) Adding language to exempt producers of raw unprocessed or processed honey who do not have access to municipal water supplies or infrastructure from processing the honey in a food processing establishment certified by the Department of Health if the producers:
  - (A) Comply with rules adopted by the Department of Health to protect the health and safety of the public;
  - (B) Use water that has been treated to meet or exceed state and federal drinking water standards;



- (C) Test the water used for processing honey no less than once a month, maintain water quality records for a period of no less than two years, and make those records available to the Department of Health upon request; and
- (D) Prepare the honey adjacent to hand-washing facilities;
- (10) Adding language to exempt home-based agricultural producers of less than five hundred gallons of honey a year from the requirement that honey be processed in a certified honey house or food processing establishment, or be required to obtain a permit from the Department of Health, if the producer sells the honey directly to consumers or to a retail store that in turn sells the honey directly to consumers, and meets certain labeling requirements; and
- (11) Changing the effective date to July 1, 2025, and adding language to repeal the good agricultural practices audit and certification program and the agricultural practices audit and certification revolving fund on June 30, 2015.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1947, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1947, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

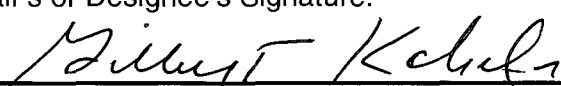
Respectfully submitted on  
behalf of the members of the  
Committee on Agriculture,

  
CLARENCE K. NISHIHARA, Chair



The Senate  
Twenty-Sixth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Agriculture**  
**AGL**

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1947, HD 2	AGL, WAM	3/22/12		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
NISHIHARA, Clarence K. (C)	✓			
KAHELE, Gilbert (VC)	✓			
CHUN OAKLAND, Suzanne				✓
DELA CRUZ, Donovan M.	✓			
KOUCHI, Ronald D.	✓			
SHIMABUKURO, Maile	✓			
TOKUDA, Jill N.				✓
WAKAI, Glenn				✓
SLOM, Sam				✓
<b>TOTAL</b>	5			4
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
<b>Distribution:</b> Original             Yellow             Pink             Goldenrod				
File with Committee Report             Clerk's Office             Drafting Agency             Committee File Copy				

\*Only one measure per Record of Votes