

TESTIMONY BY KALBERT K. YOUNG
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEE ON FINANCE
ON
SENATE BILL NO. 1142, S.D. 2, PROPOSED H.D. 1

March 30, 2012

RELATING TO AGRICULTURE

Senate Bill No. 1142, S.D. 2, Proposed H.D. 1, establishes an agricultural safety and security program to be funded by the newly created agricultural practices audit and certification revolving fund.

While the Department of Budget and Finance does not take any position on the policy of establishing an agricultural safety and security program, as a matter of general policy, the department does not support the creation of special funds which do not meet the requirements of Section 37-52.3, Hawaii Revised Statutes. Special or revolving funds should: 1) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries of the program; 2) provide an appropriate means of financing for the program or activity; and 3) demonstrate the capacity to be financially self-sustaining. In regards to Senate Bill No. 1142, S.D. 2, Proposed H.D. 1, it is difficult to determine whether the fund will be self-sustaining.

I encourage the Legislature to scrutinize the fiscal and operational plan for this program to ensure that it does conform to the requirements of Section 37-52.3, Hawaii Revised Statutes.



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Finance
Friday, March 30, 2012 at 4:00 p.m.

by
Dr. Lorna Tsutsumi
Professor, University of Hawai'i at Hilo

SB 1142 SD2 Proposed HD1 – RELATING TO AGRICULTURE

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

My name is Dr. Lorna Tsutsumi and I am a Professor of Entomology at the University of Hawai'i at Hilo, College of Agriculture, Forestry and Natural Resource Management. For over 20 years, UHH has offered the only credited catalogued beekeeping courses within the UH system. The two courses, beginning beekeeping and advanced beekeeping, provide UHH students with the opportunity to learn about honey bees and gain valuable hands-on experience in the maintenance and cultivation of honey bees.

Honey bees are responsible for the pollination of many important agricultural crops and their health and well-being is especially important as we strive to lessen our dependency on imports. There are several major pests of honey bees in Hawai'i such as the small hive beetle and the Varroa mite that are reducing colony numbers thus adversely affecting the beekeeping industry and crops that are dependent on honey bee pollination.

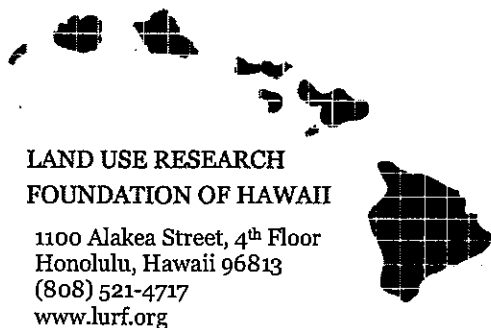
Recently, the University of Hawai'i at Hilo partnered with a local chef to promote honey bee awareness through a program, "Adopt a Beehive with Alan Wong". The program serves as a medium that bridges the public and private sector for a common good that generates resources for UHH beekeeping students and allows for public involvement through student communication and activities.

There are presently 25 bee hives at the UHH apiary located on the 110 acre Panaewa farm that are used for the hands-on beekeeping laboratories. The hives are assigned to students who learn manipulation skills and then send public "adopters" monthly updates on the status of their hives. In addition to these hives, the UHH farm has a one acre bee friendly educational garden, Mapuhonehone. The garden contains 1) a variety of plants that are used by honey bees and man, 2) plants that are tied into the history of beekeeping in Hawai'i, and 3) other requirements for honey bee needs such as water.

An additional need to complement the teaching apiary and the educational garden and advance honey bee awareness is another apiary that will be used primarily for research. The hives in this apiary will be used for applied research projects to develop control measures and devices to help maintain healthy honey bee colonies. An area on the UHH farm has already been designated for this apiary and this bill will provide moneys to support a functioning research apiary. Since the research will be conducted on the bee hives at the farm, researchers and students will have the opportunity to conduct meaningful, applicable experiments to improve honey bee wellness and productivity for Hawai'i.

Finally, we support section 10 of this bill provided that its passage does not replace or adversely impact priorities as indicated in our Board of Regents approved supplemental budget.

Thank you for providing this opportunity to testify on SB 1142 SD2 Proposed HD1.



March 29, 2012

Representative Marcus R. Oshiro, Chair
Representative Marilyn B. Lee, Vice Chair
House Committee on Finance

Support of SB 1142, S.D. 2, Proposed H.D. 1, Relating to Agriculture (Authorizes the State Department of Agriculture [“DOA”] to establish an Agricultural Safety and Security Program; requires the DOA to conduct audit and certification services; requires charge of fees and expenses; establishes an Agricultural Practices Audit and Certification Revolving Fund for the Program; appropriates funds to the DOA and counties for statewide bee hive research.)

Friday, March 30, 2012, 4:00 p.m., in Conference Room 308

My name is Dave Arakawa, and I am the Executive Director of the Land Use Research Foundation of Hawaii (LURF), a private, non-profit research and trade association whose members include major Hawaii landowners, developers and a utility company. One of LURF's missions is to advocate for reasonable, rational and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources and public health and safety.

LURF appreciates the opportunity to express its **support of SB 1142, S.D. 2, Proposed H.D. 1**, and of the various agricultural stakeholder groups who defend the goals of viable agricultural operations, and the conservation and protection of agriculture, including important agricultural lands (IAL) in Hawaii. This bill articulates the need for establishing guidelines to assure farmers and ranchers that they will have the tools needed to grow crops and livestock to improve the economic viability of the State's agricultural industry.

SB 1142, S.D. 2, Proposed H.D. 1. This bill authorizes the DOA to establish an agricultural safety and security program under which the DOA shall conduct audit and certification services which indicate producers' compliance with good agricultural practices, and food security and traceability requirements. The bill also specifies that the program is voluntary for producers; requires the charge of fees and expenses; and establishes a good agricultural practices audit and certification revolving fund for the program; and appropriates funds to the DOA and the counties for statewide bee hive research.

LURF's Position. Agricultural safety is vital for the safe and secure production, processing, sale, distribution, importation and consumption of food products and agricultural commodities in Hawaii. This bill will result in the establishment of an agricultural safety and security program which is needed to help the State's agricultural industry meet food safety objectives and standards, and effectively comply with applicable governmental rules, regulations and guidelines.

LURF understands that such a program and the audit and certification services established thereunder are necessary on a local level in order that the State may, amongst other things, ensure that local food safety regulations and certifications conform to governmental and other uniform requirements and standards. Pursuant to this measure, good agricultural practices shall be adopted by the DOA after giving due consideration to available information of the department, as well as written recommendations from the University of Hawaii college of tropical agriculture and human resources, the department of health, and other governmental and private organizations.

This development of uniform practices and acceptable standards of agricultural safety transparent to all is needed in Hawaii. When such standards are adopted, members of the agricultural industry may voluntarily request certification by the DOA, thereby verifying compliance with the standards. Adoption of such standards and policies will provide a practical means for the State to support agriculture and is necessary for the State to attain increased self-sufficiency and sustainability.

Based on the above, LURF **supports SB 1142, S.D. 2, Proposed H.D. 1**, and respectfully urges your favorable consideration of the bill.

Thank you for the opportunity to express support regarding this measure.



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

2343 Rose Street • Honolulu, Hawaii 96819
Phone: (808) 848-2074 • Neighbor-Islands: (800) 482-1272
Fax: (808) 848-1921 • Email: info@hfbf.org
www.hfbf.org

March 30, 2012

HEARING BEFORE THE
HOUSE COMMITTEE ON FINANCE

TESTIMONY ON HB SB 1142, SD2, PROPOSED HD1
RELATING TO AGRICULTURE

Room 308
4:00 PM

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

I am Dean Okimoto, President for the Hawaii Farm Bureau Federation (HFBF). Organized since 1948, the HFBF is comprised of 1,800 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interest of our diverse agricultural community.

HFBF is in strong support of SB 114, SD2, Proposed HD1, creating the Agricultural Safety and Security Program within the Hawaii Department of Agriculture (HDOA).

During this legislative session and around the year, there is much talk about increased self-sufficiency and sustainability. As Farm Bureau we realize you cannot have that without a strong agricultural industry. I am a middle aged farmer soon to be a senior farmer and leader of Hawaii's general Ag organization. Therefore, my top priority is to identify ways to help the next generation.

Life was simpler during our time but today, there are mazes of regulations and consumer choice. How is a farmer to farm? It is our responsibility to lay the groundwork so these new farmers and ranchers have a helping hand to be successful and increase Hawaii's level of self-sufficiency and sustainability.

There is a term that is often used ... The buck stops here. In this case, a framework so the State can say "we stand behind these farmers and ranchers because we know they are doing the right thing" is important. This will provide farmers and ranchers

confidence that they are not solely responsible for identifying what is needed but there is a helping hand to provide guidance and when done, someone is there to stand by them to say "this is right".

So how do we get there? Everybody needs to play a part in the areas they are experts. Department of Agriculture are the experts of on farm. Department of Health knows how to make sure Ag products are processed correctly and provided to the consumer safely. CTAHR can provide choices for farmers and ranchers of how things can be done. Industry groups can speak to what makes sense on behalf of their commodities. To make it work it all needs to come together. The day in which one entity can do it all is gone. Resources are scarce. We need to all work together and make sure every step from farm to fork is understood. Currently there are grey areas ... we need to clear them so everyone understands what is needed.

Can we wait? First, we have many new farmers and ranchers entering the industry. To protect them from unnecessary hardship, we should provide them the guidance of what is out there. What rules already exist and what they require. What is good, science and risk based practices. For example what is important is that water is contaminant free – how you get there can be different – chlorination, solarization or other treatments. Each farmer should have the freedom of choice but they need to understand the goal.

The proposed rules for the FSMA will be released soon. FDA has completed them and it is currently sitting in OMB for final review. As these proposed rules emerge it is the opportunity for farmers and the State to comment. There will be areas under the jurisdiction of HDOH. Similarly there will be areas that are best addressed by HDOA since they refer to growing and harvesting practices. The law specifically requires consultation with State Departments of Agriculture in this area. The law also provides a mechanism for variances based on specific growing conditions. The rule will provide the framework for the variance process. For Hawaii this is critical. What other state in the country has growing conditions like ours? May be a few counties but definitely not the entire State. This is why we must be ready. Only States can apply for variances. HDOA must be ready to speak on our behalf to make sure that the processes will be workable for us.

Does this bill make it mandatory? No. As the department identifies the guidance which is a compilation of existing laws and rules and information about what are considered good science and risk based practices, farmers and ranchers can voluntarily request that they be certified that they are following these practices. It is like the "good housekeeping seal of approval". Every product is not required to have the seal. Similarly the lack of the seal does not imply that it is less safe. It is a marketing tool and a risk management tool to show people that the product has undergone the specified level of testing. Farmers and ranchers are not required to undergo the certification. But, if their insurance agent or buyer requests it this process provides the mechanism to provide this certification.

How will it work? Why must we pay? We see the process as voluntary. There is an existing model that can be used and this is for nursery exports. Those who want to export undergo certification by HDOA and pay for the services. Those who choose not to, do not.

In summary, why are we doing this? We want to clear the road for farmers and ranchers so they can focus on farming vs. crawling through pages of regulations. This provides a one stop shop for people to come and see what criteria are important to be good farmers and ranchers. It does not tell them how to do it. It guides them into things that must be considered and what the end goal must be.

HFBF strongly requests your support of this measure. It may not be perfect but we request you understand the intent and pass it to encourage further discussion as a means to increase our self-sufficiency and sustainability.



Big Island Farm Bureau

Phone: 808-885-8015

E-mail: bifb@hawaiiintel.net

P.O. Box 1630

Kamuela, HI. 96743

TESTIMONY on SB 1142

RELATING TO AGRICULTURE

Hearing: Friday March 29th @ 4:00 PM

Aloha Chair Rep. Oshiro and Committee Members

We **STRONGLY SUPPORT SB 1142** Relating to Agriculture

My name is Lorie Farrell; I am the Executive Director for the Big Island Farm Bureau (BIFB); We are the largest general agriculture organization on Hawaii Island; striving to be the Voice of Agriculture and represent over 600 agricultural members & producers on the Island of Hawaii. The Big Island Farm Bureau is directly related to the Hawaii Farm Bureau Federation and affiliated with the American Farm Bureau Federation.

BIFB Strongly Supports SB 1142 and believe it will help support agriculture in the State of Hawaii. Food safety and security is of the utmost importance to agriculture. Farmers and ranchers want to deliver safe and affordable food and other agricultural products. However the producers are hesitant to adopt new regulations this is normal; we have seen this before they need facilitation, support and most importantly they **NEED** to be part of the process. No outsider knows a farm or business like the producer themselves, each farm is unique as such should be able to develop their own critical points and food safety plan. We need 1 set of rules to avoid confusion; a set of guidelines such as the HAACP program could be implemented successfully. This protects consumers and producers and bring in-line the delivery points and restaurants....Every critical point is a potential source of contamination; each must be in control of their farm or facilities!; they also need to control how the plan works for them. I have spoken at great length to producers and they need input, they need to have a say in how they will address their critical points; we have the chance to help them do this now.

We remain open to improving what we do and how we do it, when the input comes from professionals familiar with our farms and ranches. If and when good management practices are questioned by outsiders, this GAAMP certification can be used to demonstrate that farmers and ranchers are following sound practices.

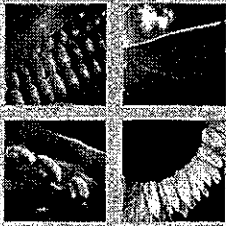
When food safety concerns or food borne illness occurs it does not matter to public how large or small the farm was or by what means the crop was grown. Generally accepted agricultural and management practices (or GAAMPS) are intended to provide uniform, statewide standards and acceptable management practices based on sound science.

These practices can serve farmers in the various commodity groups to compare or improve their own managerial routines.

GAAMPS are based on the core principle of stewardship, and regardless of the growing methodology chosen by the individual farmer — from organic to biotech —we have common ground: the economic, social and environmental sustainability of Hawaii's agricultural community. To achieve those mutual goals, we need a variety of tools and a level of continuity that provides farmers with the peace of mind that their years of hard work and investment will be protected.

Thank you for this opportunity to address this important issue. If there are any questions, Please contact me via email or phone at (808) 885-8015.

Mahalo,
Lorie Farrell



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Hawaii Crop Improvement Association

Growing the Future of Worldwide Agriculture in Hawaii

Testimony by Alicia Maluafiti
SB 1142 SD 2 – Relating to Agriculture
The House Committee on Finance
Friday, March 30, 2012
4:00 p.m., Room 3089

Position: Strong Support

Aloha Chair Oshiro, Vice Chair Lee, and members of the Committees:

My name is Alicia Maluafiti, Executive Director of the Hawaii Crop Improvement Association, a nonprofit trade association representing Hawaii's seed farmers. HCIA strongly supports SB 1142 SD 2 which would authorize the State Dept. of Agriculture to establish an Agricultural Safety and Security Program

"Generally Accepted Agricultural Management Practices" (GAAMPS) developed by the agricultural industry will articulate what is currently required by law as what are generally accepted to be sound agricultural practices. These agricultural management practices are important to protecting the environment, caring for livestock, and protecting workers while providing quality agricultural products. The practices are traditionally developed by state universities through their college of agriculture and natural resources extension; the agricultural experiment station in cooperation with the U.S. Department of Agriculture's natural resources conservation service; and the consolidated farm service agency, along with other professional and industry organizations.

IT DOES NOT create new requirements. Farmers and ranchers (large and small) can be certified (voluntarily) that they are following the practices which is vital for the safe and secure production, processing, sale, distribution, importation and consumption of food products and agricultural commodities in Hawaii. In other states, certificates are issued that can be used as part of their promotion to show they are committed and responsible stewards of the land. Establishment of an agricultural safety and security program is needed to help the State's agricultural industry meet food safety objectives and standards, and subsequently comply with and conform to applicable governmental rules, regulations and guidelines.

Please pass SB 1142 SD 2. Mahalo for the opportunity to testify.

91-1012 Kahi'uka Street
Ewa Beach, HI 96706
Tel: (808) 224-3648
director@hciaonline.com
www.hciaonline.com

Watanabe Vegetable Processing LLC

March 30, 2012

HEARING BEFORE THE
HOUSE COMMITTEE ON FINANCE

TESTIMONY ON SB1142 HD1 (PROPOSED)
RELATING TO AGRICULTURE

Room 308
4:00PM

Chair Oshiro and Members of the Committee:

My name is Heidi Watanabe and I am the manager of Watanabe Vegetable Processing LLC. I strongly support HB1947 authorizing the Department of Agriculture to adopt Generally Accepted Agricultural Management Practices for the State of Hawaii.

On our farm, and in the processing plant we have implemented many Good Manufacturing Practices, but we have trouble meeting all the criteria. It is expensive, time consuming, and there are constant changing rules.

Currently, our company is getting ready for a recertification with Primus Labs. The trouble is many buyers are requiring different certification documentation. A single standard would help myself and other fellow farmers from multiple audits.

On our farm, we produce about 1,200 pounds of green onions a week, as well as 120 cases of baby and regular pak choy. We also have a processing plant in which we cut vegetables for the schools, airlines, and restaurants. We employ 9 full time workers. Our hope for the future is to grow in our field of farming and processing and providing and excellence of product and service to our consumers. My brother and I believe the future lies in us as young farmers and the most important help we need from the State is to relieve us from excessive regulatory burdens. We know rules are needed but when the complexity gets in the way of our ability to operate, there is no winner. There are many like us out there. Please pass this bill to support farmers and ranchers increase local production at competitive prices while protecting our environment and workers.

Thank you.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, March 29, 2012 8:19 AM
To: FINTestimony
Cc: kcfb@hawaiiantel.net
Subject: Testimony for SB1142 on 3/30/2012 4:00:00 PM

Testimony for FIN 3/30/2012 4:00:00 PM SB1142

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Roy Oyama
Organization: Kauai County Farm Bureau
E-mail: kcfb@hawaiiantel.net
Submitted on: 3/29/2012

Comments:

Aloha,

Please support this voluntary proactive effort by farmers to help ensure food safety and best practices for our community, in conjunction with the Department of Agriculture.

Mahalo for the opportunity to provide testimony.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, March 29, 2012 11:21 PM
To: FINTestimony
Cc: PSGMikilua@aol.com
Subject: Testimony for SB1142 on 3/30/2012 4:00:00 PM

Testimony for FIN 3/30/2012 4:00:00 PM SB1142

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Phyllis Shimabukuro-Geiser
Organization: Mikilua Farm Bureau Center
E-mail: PSGMikilua@aol.com
Submitted on: 3/29/2012

Comments:

We support the bill because the certification is a voluntary program.

FINTestimony

m: mailinglist@capitol.hawaii.gov
Sent: Friday, March 30, 2012 4:49 AM
To: FINTestimony
Cc: gottlieb@hawaii.rr.com
Subject: Testimony for SB1142 on 3/30/2012 4:00:00 PM

Testimony for FIN 3/30/2012 4:00:00 PM SB1142

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Alan Gottlieb
Organization: Hawaii Cattlemen's Council
E-mail: gottlieb@hawaii.rr.com
Submitted on: 3/30/2012

Comments:

FINTestimony

From: mailinglist@capitol.hawaii.gov
ent: Thursday, March 29, 2012 6:16 AM
To: FINTestimony
Cc: warrenmcfb@hotmail.com
Subject: Testimony for SB1142 on 3/30/2012 4:00:00 PM

Testimony for FIN 3/30/2012 4:00:00 PM SB1142

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Warren Watanabe
Organization: MCFB
E-mail: warrenmcfb@hotmail.com
Submitted on: 3/29/2012

Comments:

FINTestimony

From: mailinglist@capitol.hawaii.gov
ent: Thursday, March 29, 2012 6:17 AM
To: FINTestimony
Cc: mnakahata@gmail.com
Subject: Testimony for SB1142 on 3/30/2012 4:00:00 PM

Testimony for FIN 3/30/2012 4:00:00 PM SB1142

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Mae Nakahata
Organization: Individual
E-mail: mnakahata@gmail.com
Submitted on: 3/29/2012

Comments:

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, March 29, 2012 11:52 PM
To: FINTestimony
Cc: bifb@hawaiiantel.net
Subject: Testimony for SB1142 on 3/30/2012 4:00:00 PM

Testimony for FIN 3/30/2012 4:00:00 PM SB1142

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Jill Andrade-Mattos
Organization: Individual
E-mail: bifb@hawaiiantel.net
Submitted on: 3/29/2012

Comments:

Please see my earlier testimony on HB 1947 regarding this issue.