



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

February 23, 2012

HEARING BEFORE THE
SENATE COMMITTEE ON WAYS AND MEANS

TESTIMONY ON SB 2692, SD1
RELATING TO AGRICULTURE

Room 211
9:00 AM

Chair Ige, Vice Chair Kidani, and Members of the Committee:

I am Brian Miyamoto, Chief Operating Officer and Government Affairs Liaison 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 2692, SD1, creating an agricultural development and food security program within the Department of Agriculture.

During the 2010 Legislative Session, HFBF did something we have never done before. Historically, the organization has advocated for reduction in taxes. Yet, we realized that change was needed. Investments in agriculture were lagging and critical infrastructure repairs were not happening. Consistent funding for expansion in source development for water and infrastructure for expansion of agricultural production was needed. We therefore supported the expansion of the Environmental Revolving Fund to include Agricultural development and Food Security.

This measure establishes a program in the HDOA to identify the use of these funds. The public desires transparency in use of public funds. This measure provides that process by listing the various activities that will fall under the scope of this fund.

We respectfully request your strong support of this measure.

I can be reached at (808) 848-2074 if you have any questions. Thank you for the opportunity to testify.

**TESTIMONY ON BEHALF OF KONA COFFEE FARMERS ASSOCIATION (KCFA)
ON SB 2692, SD 1 (RELATING TO AGRICULTURE)
BEFORE THE HAWAIIAN SENATE WAYS AND MEANS COMMITTEE
FEBRUARY 23, 2012 AT 9:00 AM**

CHAIRMAN IGE, VICE-CHAIR KIDANI, AND MEMBERS OF THE COMMITTEE:

KCFA HAS OVER 325 MEMBERS, REPRESENTING MORE THAN 200 GENERALLY SMALL FARMS IN THE HISTORIC KONA COFFEE DISTRICT OF WEST HAWAII. KCFA SUPPORTS THE INTENT OF SB2692, SD 1 SUBJECT TO CERTAIN AMENDMENTS WE ARE OFFERING FOR YOUR CONSIDERATION. AT KCFA'S REQUEST, GLENN MARTINEZ, PRESIDENT OF THE HAWAII FARMERS UNION UNITED, WILL BE PRESENT AT THE COMMITTEE'S MEETING ON FEBRUARY 23RD TO DELIVER KCFA'S TESTIMONY.

A. BACKGROUND

SB2692 IS POTENTIALLY HISTORIC LEGISLATION AS IT SEEKS TO REDEEM THE PROMISE TO "PROMOTE AGRICULTURAL DIVERSITY AND INCREASE AGRICULTURAL SELF-SUFFICIENCY" ENVISIONED IN ARTICLE XI, SECTION 3 OF HAWAII'S CONSTITUTION. IN FURTHERANCE OF THESE GOALS IT WOULD LODGE IN THE HAWAII DEPARTMENT OF AGRICULTURE (HDOA) THE "AGRICULTURAL DEVELOPMENT AND FOOD SECURITY PROGRAM TO ENCOMPASS ALL ASPECTS OF AGRICULTURE FROM FARM TO MARKET" (THE "HDOA PROGRAM").

THE BILL'S FIRST FEW LINES ACKNOWLEDGE THAT:

Hawaii's agriculture has transformed from sugar and pineapple to diversified agriculture and now faces such complexities as export markets, increased pest pressure, global competitiveness, sustainability, food safety, food security, and self-sufficiency.

B. PRIOR TESTIMONY (SSCR 2021)

IN PRIOR TESTIMONY BEFORE THE SENATE AGRICULTURE COMMITTEE, KCFA REQUESTED THAT SB2692 BE AMENDED TO INCLUDE PROTECTION OF HAWAII'S UNIQUE COFFEES AND OTHER "POINT OF ORIGIN" PRODUCTS AND TO PROVIDE ACTUAL NOTICE OF ANY RULE MAKING UNDER THE HDOA PROGRAM TO "AFFECTED INDUSTRY GROUPS" AS HDOA NOW DOES UNDER RECENTLY ADOPTED CHANGES TO HAWAII ADMINISTRATIVE RULES (HAR) §4-72-4.5(A)(4) RELATING TO NEW DESIGNATIONS OF PEST INFECTED AREAS.

WHILE THE AGRICULTURE COMMITTEE DID NOT ADOPT KCFA'S PROPOSED AMENDMENTS, ITS REPORT SSCR 2021 NOTED THAT:

[F]rom the testimony of the Kona Coffee Farmers Association ("KCFA") that consideration should be given to help protect "Point of Origin" agricultural products. The Committee also recognizes KCFA's concern that industry groups affected by decisions made by the Department of Agriculture as part of the agricultural development and food security program be given adequate notice of the proposed changes.

KCFA REQUESTS THAT THE WAYS AND MEANS COMMITTEE INCORPORATE THESE AMENDMENTS INTO SB2692, SD 1

C. “POINT OF ORIGIN” COFFEES AND OTHER PRODUCTS

KCFA AND ITS MEMBERS, TOGETHER WITH FARMERS OF ALL KINDS THROUGHOUT HAWAII, ARE AT THE CENTER OF THE ACKNOWLEDGED TRANSFORMATION OF HAWAIIAN AGRICULTURE. HAWAII NEEDS AN EFFECTIVE PROGRAM THAT FOCUSES ON THEIR RAPIDLY GROWING AND DIVERSE NEEDS. AMONG THOSE ARE THE NEED TO PROTECT AND PROMOTE HAWAII’S UNIQUE “ORIGIN” AGRICULTURAL PRODUCTS, INCLUDING SPECIFICALLY ITS UNIQUE COFFEES GROWN NOWHERE ELSE IN THE WORLD.

A 2004 REPORT BY THE HAWAII DEPT OF AGRICULTURE NOTED:

Quality maintenance and product differentiation are the major factors determining long-term success of Hawaii coffee industry. Product differentiation based on point of origin is critical because bean quality is partially determined by natural factors (soil composition, rain, temperature, and sunlight), which are location-specific, in addition to cultural practices and cherry processing.* (Emphasis added.)

IT IS PAST TIME TO TAKE EFFECTIVE STEPS TO PROTECT HAWAII’S UNIQUE “POINT OF ORIGIN” COFFEES AND OTHER AGRICULTURAL PRODUCTS BEFORE THEY ARE SO COMBINED WITH COMMON “COMMODITY” PRODUCTS AS TO BE INDISTINGUISHABLE. TO THAT END, KCFA PROPOSES THAT SB2692, SD 1 BE AMENDED AT PAGE 5, LINE 15 TO ADD A NEW OBJECTIVE TO THE HDOA PROGRAM AS SUBPARAGRAPH (11), RENUMBERING EXISTING PARAGRAPH (11) AS (12), DELETING THE “AND” AT THE END OF SUBPARAGRAPH (10), LINE 15 AND ADDING A NEW PARAGRAPH (11) AS FOLLOWS:

(11) Ensure the product integrity of Hawaiian coffees and other agricultural products by protecting the unique product differentiation of those coffees and other products based on their point of origin; and

D. NOTICE

ADEQUATE NOTICE OF PROPOSED HDOA ACTION ON ANY MATTER HAS BEEN A PERENNIAL PROBLEM FOR KCFA AND WE SUSPECT MANY OTHER SMALL HAWAIIAN FARMERS, ISOLATED ON THEIR ISLANDS WITH LIMITED RESOURCES. HDOA HAS BEGUN TO ADDRESS THIS ISSUE WITH MORE EFFECTIVE NOTICE REQUIREMENTS TO “INDUSTRY GROUPS” THAT MIGHT BE AFFECTED BY ITS DECISIONS TO DESIGNATE AREAS AFFECTED BY COFFEE BORER BEETLE INVESTATION. SEE HAWAII ADMINISTRATIVE RULES (“HAR”) §4-72-4.5(3), APPROVED JANUARY 30, 2012. KCFA BELIEVES THAT THIS SORT OF NOTICE SHOULD

* Southchuck, 2004 <http://hawaii.gov/hdoa/add/research-and-outlookreports/Coffee%20Outlook%202004.pdf>; cited and quoted in: Feldman, Marvin, “Economic Effects of Blending Kona Coffee—A Preliminary Analysis” (Resource Decisions, Feb. 10, 2010).

EXETNED TO ANY RULES ADOPTED UNDER THE PROPOSED HDOA PROGRAM AS WELL.

ACCORDINGLY KCFA ASKS THAT THE COMMITTEE ADD THE FOLLOWING LANGUAGE TO SECTION 3 OF THE BILL AT LINE 19 AT THE BOTTOM OF PAGE 8 AND CONTINUING OVER TO PAGE 9 FOLLOWING THE SENTENCE THAT READS, " ALL RULES ADOPTED UNDER THIS SECTION SHALL HAVE THE FORCE AND EFFECT OF LAW." ADD BEGINNING IN THE MIDDLE OF LINE 19:

In addition to any other notice required by law, notice of rules to be adopted under this section shall include written notice at least thirty (30) days in advance of the adoption of the proposed rule to affected industry groups that have provided the Department with advice that they wish to receive notice under this section. From time to time the Department may require all industry groups as a class to reaffirm their desire to continue to receive such notice. Notice under this section may be delivered either by electronic means, paper copy or both.

E. CONCLUSION

THANK YOU, MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE. KCFA APPRECIATES THE OPPORTUNITY TO ADDRESS THESE ISSUES BEFORE YOUR COMMITTEE

David S. Case, Member
KCFA Legislative Committee
P.O. Box 0668
Keauhou, HI 96739-0668
E-Mail: casedavids@gmail.com
Phone: (808) 322-5007
Cell: (907) 351-3559

KCFA'S PROPOSED AMENDMENTS TO SB2693, HD 1
WAM COMMITTEE MEETING 2/23/2012 9 AM

AMEND SB2992, SD 1 AT PAGE 5, LINE 15 TO ADD A NEW OBJECTIVE TO THE HDOA PROGRAM AS SUBPARAGRAPH (11), RENUMBERING EXISTING PARAGRAPH (11) AS (12), DELETING THE "AND" AT THE END OF SUBPARAGRAPH (10), LINE 15 AND ADDING A NEW PARAGRAPH (11) AS FOLLOWS:

(11) Ensure the product integrity of Hawaiian coffees and other agricultural products by protecting the unique product differentiation of those coffees and other products based on their point of origin; and

AMEND SB 2692, SD 1 TO ADD THE FOLLOWING LANGUAGE TO SECTION 3 OF THE BILL AT LINE 19 AT THE BOTTOM OF PAGE 8 AND CONTINUING OVER TO PAGE 9 FOLLOWING THE SENTENCE THAT READS, " ALL RULES ADOPTED UNDER THIS SECTION SHALL HAVE THE FORCE AND EFFECT OF LAW." ADD BEGINNING IN THE MIDDLE OF LINE 19:

In addition to any other notice required by law, notice of rules to be adopted under this section shall include written notice at least thirty (30) days in advance of the adoption of the proposed rule to affected industry groups that have provided the Department with advice that they wish to receive notice under this section. From time to time the Department may require all industry groups as a class to reaffirm their desire to continue to receive such notice. Notice under this section may be delivered either by electronic means, paper copy or both.

David S. Case, Member
KCFA Legislative Committee
P.O. Box 0668
Keauhou, HI 96739-0668
E-Mail: casedavids@gmail.com
Phone: (808) 322-5007
Cell: (907) 351-3559

From: [Bruce Corker](#)
To: [WAM Testimony](#)
Cc: Russell.S.Kokubun@hawaii.gov
Subject: SB2692
Date: Wednesday, February 22, 2012 1:26:44 PM

To: Sen Ige and Members of the Ways and Means Committee
Re: SB2692--Hearing Date 2/34/12

I am a coffee and avocado farmer in Holualoa in Hawaii County and support SB2692/SD1, if the amendments suggested by the Kona Coffee Farmers Association are incorporated into the bill.

I am pleased that SB2692/SD1 seeks to promote agricultural diversity and increase agricultural self-sufficiency in Hawaii. I believe that these goals will be furthered by including the following provisions in the bill:

1—That in the bill the objectives of the HDOA Program include “to ensure the product integrity of Hawaii-grown coffees and other agricultural products by protecting the unique product differentiation of those coffees and other products based on their point of origin.”

2—That the bill include the requirement that “in addition to any other notice required by law, notice of rules to be adopted under [Section 3] shall include written notice at least thirty (30) days in advance of the adoption of the proposed rule to affected industry groups that have provided the Department with advice that they wish to receive notice under this section. From time to time the Department may require all industry groups as a class to reaffirm their desire to continue to receive such notice. Notice under this section may be delivered either by electronic means, paper copy or both.”

Please amend the bill to include these provisions.

--
--

Bruce Corker
bruce.corker@gmail.com
808.322.9562