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Governor

DOUGLAS S. CHIN  
Lt. Governor



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Chairperson, Board of Agriculture

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State of Hawaii  
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**TESTIMONY OF SCOTT E. ENRIGHT  
CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE HOUSE COMMITTEE ON AGRICULTURE**

**MARCH 21, 2018  
8:45 A.M.  
CONFERENCE ROOM 312**

**HOUSE CONCURRENT RESOLUTION NO. 227/HOUSE RESOLUTION NO. 197  
URGING THE DEPARTMENT OF AGRICULTURE TO REJECT THE IMPORT PLANT  
AND QUARANTINE EXEMPTION REQUESTED BY KONA HILLS, LLC.**

Chairperson Creagan and Members of the Committee:

Thank you for the opportunity to testify on HCR 227/HR 197 that urges the Department of Agriculture to reject the import plan and quarantine exemption requested by Kona Hills LLC. The Department of Agriculture offers comments.

The Department of Agriculture's Plant Quarantine Branch is well aware of the agricultural importance of coffee to Hawaii's economy and as a result has strict requirements for the importation of coffee plants. As stated in the resolution, the Plant Quarantine Branch is the first line of defense against the introduction of invasive species and has a review process for specific requests, such as quarantine exemptions, designed to ensure the protection and enhancement of Hawaii's agricultural, horticultural and aquaculture industries; natural resources and environment and; animal and public health and safety. The process has three tiers of reviews, each designed to ensure that proposed introductions, including coffee plants, will have minimal to no risk to the State. The first review is by the Advisory Subcommittees, who are technical experts in their fields. They review proposals for their technical merit, such as adequate measures to prevent theft, escape, or introduction of diseases, and provide recommendations on permit conditions and to approve or disapprove a request based



on the proposal's technical merit. The Subcommittee responses are then compiled and presented to the Advisory Committee on Plants and Animals. The Advisory Committee members are made up of Ex Officio and Chairperson appointed members that are well versed in modern ecological principles and the problems involved in the adequate protection of Hawaii's natural resources and environment. They convene at publicly attended meetings and review the Subcommittee recommendations and also make a recommendation to the Board of Agriculture based on the potential impact of the request to Hawaii's environment and natural resources. The third step is to compile all recommendations and present them to the Board of Agriculture for final approval.

The Plant Quarantine Branch recognizes the risks with this request and could deny the request due to the administrative quarantine requirements, however, the applicant, Kona Hills, LLC, is proposing to utilize very specific procedures that they feel will eliminate the risks of introduction of pests into the State, including coffee rust, *Hemileia vastatrix*. Pursuant to Hawaii Administrative Rules, the Board of Agriculture may allow an exemption or reduction to a quarantine under certain conditions of importation or propagation procedure. As such, the Plant Quarantine Branch is giving Kona Hills, LLC an opportunity to present its proposal through the review process to ensure that the technical experts and the public have the opportunity to review the proposal and provide comments on the request. The Plant Quarantine Branch is confident in the review process and that this request will only be approved if what the applicant is proposing is scientifically sound and will not be of detriment to the State's coffee industry. Kona Hills, LLC is currently in the process of answering the Advisory Committee's questions.

The Plant Quarantine Branch only regulates commodities based on the risk for introducing pests, such as coffee rust. The Plant Quarantine Branch does not regulate farm size, varietal use, or flavor profiles of coffee plants. Additionally, there are other varieties of coffee plants already present within the State besides "Kona Typica." Kona Hills already has locally sourced "Kona Typica" and is proposing to utilize 500 acres for this variety, with 75 acres already planted.

Thank you for the opportunity to provide comments on these resolutions.

**HR-197**

Submitted on: 3/20/2018 10:28:14 AM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Darwin Inman	Kona Hills LLC	Comments	Yes

Comments:

Dear Committee on Agriculture,

Kona Hills, LLC. respectfully requests denial of the Resolution #197 based on the fact that it's information not being factual and up to date. The resolution is based on Kona Hills, LLC first application to the DOA in January 2018. Kona Hills has since spent a significant amount of time with DOA to address the issues raised by the community and we are no longer requesting an exemption to the quarantine period or housing a facility on our farms. Thus the resolution is not current and has no merit.

Kona Hills, LLC is an ecocentric agricultural company to produce and export quality Kona coffee to a global market, while enhancing the local Hawaiian culture and respect for the land.

Kona Hills looks forward to working with the DOA to craft a solution that is acceptable to all.

Respectfully,

Darwin Inman

Kona Hill, LLC.

**HR-197**

Submitted on: 3/20/2018 10:44:01 AM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Ferrell Daste	Kona Hills, LLC	Oppose	Yes

Comments:

Dear Committee on Agriculture,

Kona Hills, LLC respectfully request DENIAL of the resolution as stated. The basis for this denial is that the resolution is based on incorrect and outdated information from the Kona Hills DOA application dated January 2018.

Since that time Kona Hills has listened to the community and worked tirelessly with the DOA to craft a solution that does not require a reduced quarantine period or the construction of a facility on the Kona Hills property.

Kona Hills is striving to develop an ecocentric agricultural company to produce and export high quality Kona coffee to a globalmarket while enhancing the local Hawaiian culture and respect for the land.

Kona Hills will continue to work with DOA on a solution in future.

Respectfully,

Ferrell Daste

Kona Hills

**HR-197**

Submitted on: 3/19/2018 2:18:11 AM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Shannon Rudolph	Individual	Support	No

Comments:

**Strongly Support!**

**HR-197**

Submitted on: 3/20/2018 9:54:02 AM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
JeannÃ© Kapela	Individual	Support	Yes

Comments:

Coffee farmers are the heartbeat of West Hawai'i's economy. I, myself, grew up on a small coffee farm in Captain Cook on the Big Island. From 2016 to 2017, according to the U.S. Department of Agriculture, Hawai'i produced more than 36,000,000 pounds of coffee cherry, nearly 2,000,000 pounds more than in the previous year. Moreover, according to the USDA's National Agricultural Statistics Association, the value of Hawai'i's coffee crop stands at more than \$62,000,000, with coffee cherry selling at \$1.71 per pound.

Yet, Kona Hills, LLC, financed by the Atlanta-based investment company Domain Capital Advisors, seeks to undermine our iconic Kona coffee community by establishing an almost 1,900-acre coffee farm in Kealahou on which to plant 2,000,000 trees, which would be the largest coffee farm in the Kona region. Kona Hills, LLC plans to grow at least six varieties of coffee, five of which are not currently farmed in the Kona coffee district and would produce different flavor profiles from the heritage Kona coffee profile that has been developed by generations of local Kona farmers. To do so, they are requesting an exemption to the Hawai'i State Department of Agriculture's mandatory one-year quarantine period to import 1,500,000 in-vitro coffee embryos from Costa Rica. Coffee rust is a prevalent agricultural disease found on Costa Rican coffee farms, however, an outbreak of which could cripple the Kona coffee industry.

We must protect our local farmers. It is the economically pono thing to do. Therefore, I strongly support this resolution urging the Hawai'i State Department of Agriculture to summarily reject the import plan and quarantine exemption requested by Kona Hills, LLC.

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**HR-197**

Submitted on: 3/20/2018 7:15:40 PM  
Testimony for AGR on 3/21/2018 8:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
bruce corker	Rancho Aloha	Support	No

Comments:

Dear Chair Creagan and Members of the Committee:

I am a Kona Coffee Farmer and a Board Member of the Kona Coffee Farmers Association.

I strongly SUPPORT HR197. My written testimony to the Hawaii Department of Agriculture in Opposition to the Kona Hills' Waiver Request is set forth below and states the principal reasons for my support of this Resolution.

I want to emphasize and specifically concur with the passage in the Resolution that states concern that Kona Hills' intent to introduce millions of non-Kona Typica coffee trees into the Kona Region will "produce different flavor profiles from the heritage Kona coffee flavor profile which has been developed by generations of Kona farmers." The State of Hawaii should be looking for ways to preserve and defend that heritage profile-- and should be encouraging Kona Hills to honor that heritage by planting Kona Typica trees and not exotic foreign varieties.

Respectfully submitted,

Bruce Corker

Rancho Aloha

Holualoa





The HDOA should be using the 1-year quarantine period to examine what steps should be taken by the State of Hawaii to prevent adverse effects the introduction of huge quantities of non-Kona Typica coffee trees by Kona Hills into the Kona Region will have on the heritage Kona coffee flavor profile and the worldwide reputation that more than 6 generations of Kona coffee farmers have built with coffee from Kona Typica trees.