

DAVID Y. IGE  
Governor

DOUGLAS S. CHIN  
Lt. Governor



State of Hawaii  
**DEPARTMENT OF AGRICULTURE**  
1428 South King Street  
Honolulu, Hawaii 96814-2512  
Phone: (808) 973-9600 FAX: (808) 973-9613

SCOTT E. ENRIGHT  
Chairperson, Board of Agriculture

PHYLLIS SHIMABUKURO-GEISER  
Deputy to the Chairperson

**TESTIMONY OF SCOTT E. ENRIGHT  
CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE HOUSE COMMITTEE ON AGRICULTURE**

**MARCH 21, 2018  
8:30 A.M.  
CONFERENCE ROOM 312**

**SENATE BILL NO. 2116 SD1  
RELATING TO BIOSECURITY**

Chairperson Creagan and Members of the Committee:

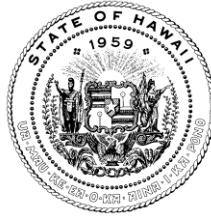
Thank you for the opportunity to present testimony on Senate Bill No. 2116 SD1. This bill provides funding for rapid response to new invasive pest species. The Department of Agriculture supports this bill provided it does not impact the department's priorities listed in the Executive Budget and offers a comment.

The passage of SB 2116 SD1 will be useful in trying to address eradication of a new invasive pest species at a time when establishment has limited range and dispersion. Some of our most serious invasive pest species, such as coqui frog and little fire ant, would be minimized by rapid response to new invasive pest species detection. A dedicated fund will ensure resources for a quick and effective response. The Department would like to note the support for SB2399, relating to the creation of the Hawaii Invasive Species Authority, which would repeal Chapter 194 and create a new authority to carry out the duties of biosecurity and invasive species. The Department would like to see this rapid response fund carry over to the Hawaii Invasive Species Authority should one of those measures pass.

Thank you for the opportunity to testify on this measure.



DAVID Y. IGE  
GOVERNOR OF  
HAWAII



**STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

**Testimony of  
SUZANNE D. CASE  
Chairperson**

**Before the House Committee on  
AGRICULTURE**

**Wednesday, March 21, 2018  
8:30 AM  
State Capitol, Conference Room 312**

**In consideration of  
SENATE BILL 2116, SENATE DRAFT 1  
RELATING TO BIOSECURITY**

Senate Bill 2116, Senate Draft 1 proposes to establish a biosecurity emergency response fund under Chapter 150A, Hawaii Revised Statutes, and would appropriate monies into this fund. **The Department of Land and Natural Resources (Department) supports this measure provided that its passage does not replace or adversely impact priorities indicated in the Executive Supplemental Budget request.**

The Department is a collaborator on biosecurity issues with the Hawaii Department of Agriculture, as described in the Hawaii Interagency Biosecurity Plan. There is currently no source of funds designed to support biosecurity or invasive species emergencies. Rapid response to new detections is a key component of biosecurity work, and delaying response due to lack of available funding greatly increases the overall cost of a response or eradication effort.

Establishing such a fund is one of the key goals of the Biosecurity Plan, described in border policy action item BorPol1.3. Appropriating money into this fund on a yearly (or as needed) basis is described in border funding action item BorTifs1.4. Passing this measure would directly support implementation of the Hawaii Interagency Biosecurity Plan. The full Biosecurity Plan is available for review at <http://dlnr.hawaii.gov/hisc/plans/hibp/>.

Thank you for the opportunity to comment on this measure.

**SUZANNE D. CASE**  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE MANAGEMENT

**ROBERT K. MASUDA**  
FIRST DEPUTY

**JEFFREY T. PEARSON, P.E.**  
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES  
BOATING AND OCEAN RECREATION  
BUREAU OF CONVEYANCES  
COMMISSION ON WATER RESOURCE MANAGEMENT  
CONSERVATION AND COASTAL LANDS  
CONSERVATION AND RESOURCES ENFORCEMENT  
ENGINEERING  
FORESTRY AND WILDLIFE  
HISTORIC PRESERVATION  
KAHOOLAWE ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS

DAVID Y. IGE  
GOVERNOR



LAUREL A. JOHNSTON  
DIRECTOR

KEN N. KITAMURA  
ACTING DEPUTY DIRECTOR

**STATE OF HAWAII**  
**DEPARTMENT OF BUDGET AND FINANCE**  
P.O. BOX 150  
HONOLULU, HAWAII 96810-0150

EMPLOYEES' RETIREMENT SYSTEM  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
OFFICE OF THE PUBLIC DEFENDER

ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND  
MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

**WRITTEN ONLY**  
TESTIMONY BY LAUREL A. JOHNSTON  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE HOUSE COMMITTEE ON AGRICULTURE  
ON  
SENATE BILL NO. 2116, S.D. 1

**March 21, 2018**  
**8:30 a.m.**  
**Room 312**

RELATING TO BIOSECURITY

Senate Bill No. 2116, S.D. 1, proposes to expedite the response to newly detected invasive species in the State of Hawai'i by establishing procedures for biosecurity emergency declarations and expenditures and creating the Biosecurity Emergency Response Special Fund to be used to mitigate or eradicate newly detected terrestrial or aquatic biosecurity threats. This bill also appropriates an unspecified amount in general funds in FY 19 for deposit into the new fund. The Department of Agriculture would administer and expend moneys from the special fund.

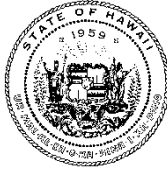
While we recognize the importance of timely responses to biosecurity emergencies, the Department of Budget and Finance has major policy concerns with the significant and broad exemptions provided to the fund from Chapters 36 (Management of State Funds), 37 (Budget), 89 (Collective Bargaining in Public Employment) and 103D (Hawai'i Public Procurement Code) of the HRS, and that expenditures could be made from the fund without legislative approval. These cash management, budgetary and procurement statutes provide the underlying guidance to ensure that State funds are properly managed and expended. We are especially unclear about the exemption from Chapter 89, Collective Bargaining in Public Employment, and are uncertain about what this exemption would provide.

Additionally, as a matter of general policy, this department does not support the creation of any special fund which does not meet the requirements of Section 37-52.3, HRS. Special funds should: 1) serve a need as demonstrated by the purpose, scope of work and an explanation why the program cannot be implemented successfully under the general fund appropriation process; 2) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries or a clear link between the program and the sources of revenue; 3) provide an appropriate means of financing for the program or activity; and 4) demonstrate the capacity to be financially self-sustaining. The proposed Biosecurity Emergency Response Special Fund specifies no source of revenue and, as such, the proposed fund would not be self-sustaining.

Further, present statutes and budgetary provisos allow the Governor to declare a state of emergency to address biosecurity-related or other emergency situations. This authorizes funds from existing appropriations to be used immediately to address these emergencies. If necessary, an emergency appropriation could be requested during a special session or a regular legislative session. In addition, the existing Pest Inspection, Quarantine and Eradication Fund could potentially be used to address some biosecurity emergencies, as well.

Thank you for your consideration of our comments.

DAVID Y. IGE  
GOVERNOR



SARAH ALLEN  
ADMINISTRATOR  
MARA SMITH  
ASSISTANT ADMINISTRATOR

**STATE OF HAWAII  
STATE PROCUREMENT OFFICE**

P.O. Box 119  
Honolulu, Hawaii 96810-0119  
Tel: (808) 586-0554  
email: [state.procurement.office@hawaii.gov](mailto:state.procurement.office@hawaii.gov)  
<http://spo.hawaii.gov>  
Twitter: [@hawaiispo](https://twitter.com/hawaiispo)

TESTIMONY  
OF  
SARAH ALLEN, ADMINISTRATOR  
STATE PROCUREMENT OFFICE

TO THE HOUSE COMMITTEE  
ON  
AGRICULTURE  
Wednesday, March 21, 2018 8:30 a.m.

SENATE BILL 2116, SD 1  
RELATING TO BIOSECURITY

Chair Creagan and Vice-Chair DeCoite, and members of the committee, thank you for the opportunity to submit testimony on Senate Bill 2116, SD 1. The State Procurement Office supports the intent of the bill, but opposes the exemption language on page 3, SECTION 2, lines 1 to 5 set forth below.

*(c) Upon declaration by the governor pursuant to subsection (b) that there exists a biosecurity emergency, the department may take action in response to the emergency and make expenditures from the fund without legislative approval and without regard to chapters 36, 37, 89, and 103D.*

This bills request for the exemption from HRS 103D is not necessary because HRS § 127A-12 Emergency management powers, in general, (a) (1) indicate that the governor or mayor, may exercise their powers pertaining to emergency management: (1) Prepare comprehensive plans and programs for the protection of the State or county against all hazards... and section (b) (8) state that, "Chapter 103D and ... shall not apply to any emergency management functions of the governor to the extent that the governor finds... impede or tend to impede the expeditious discharge of the those functions...".

In addition, HRS 103D-307, Emergency procurements, (b) state that emergency procurement shall be made with such competition as is practicable under the circumstances and, where practicable, approval from the chief procurement officer shall be obtained prior to the procurement. The State Procurement Office's SPO-002, Emergency Procurement form in box #2 accounts for the situation in which the department has acted upon the emergency and is reporting the incident as after-the-fact to the SPO.

Exemptions from the Procurement Code is not to take lightly. The code is the single source of public procurement policy to be applied equally and uniformly, while providing fairness, open competition, a level playing field, government disclosure and transparency in the procurement and contracting process vital to good government.

Public procurement's primary objective is to provide everyone equal opportunity to compete for government contracts, to prevent favoritism, collusion, or fraud in awarding of contracts. To legislate that any one entity should be exempt from compliance with both HRS chapter 103D and 103F conveys a sense of disproportionate equality in the law's application.

Exemptions to the code mean that all procurements made with taxpayer monies and airport fees will not have the same oversight, accountability and transparency requirements mandated by those procurements processes provided in the code. It means that there is no requirement for due diligence, proper planning or consideration of protections for the state in contract terms and conditions, nor are there any set requirements to conduct cost and price analysis and market research or post-award contract management. As such, Agencies can choose whether to compete any procurement or go directly to one contractor. As a result, leveraging economies of scale and cost savings efficiencies found in the consistent application of the procurement code are lost. It also means Agencies are not required to adhere to the code's procurement integrity laws.

The National Association of State Procurement Officials state: "Businesses suffer when there is inconsistency in procurement laws and regulations. Complex, arcane procurement rules of numerous jurisdictions discourage competition by raising the costs to businesses to understand and comply with these different rules. Higher costs are recovered through the prices offered by a smaller pool of competitors, resulting in unnecessarily inflated costs to state and local governments."

When public bodies, are removed from the state's procurement code it results in the harm described above. As these entities create their own procurement rules, businesses are forced to track their various practices. Moreover, a public body often can no longer achieve the benefits of aggregation by using another public body's contract because different state laws and regulations may apply to the various public bodies making compliance more difficult.

Each year new procurement laws are applied to state agencies causing state agency contracts to become more complex and costly, while other public bodies, such as agencies with strong legislative influence, are exempted. Relieving some public bodies from some laws by exempting or excluding them from compliance with a common set of legal requirements creates an imbalance wherein the competitive environment becomes different among the various jurisdictions and the entire procurement process becomes less efficient and costlier for the state and vendors.

Thank you.



P.O. Box 253, Kunia, Hawai'i 96759  
Phone: (808) 848-2074; Fax: (808) 848-1921  
e-mail [info@hfbf.org](mailto:info@hfbf.org); [www.hfbf.org](http://www.hfbf.org)

March 21, 2018

HEARING BEFORE THE  
HOUSE COMMITTEE ON AGRICULTURE

**TESTIMONY ON SB 2116, SD1**  
RELATING TO BIOSECURITY

Room 312  
8:30 AM

Aloha Chair Creagan, Vice Chair DeCoite, and Members of the Committee:

I am Randy Cabral, President of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,900 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.

**The Hawaii Farm Bureau strongly supports of SB 2116, SD1**, which establishes a biosecurity emergency response fund within the Department of Agriculture and establishes procedures for emergency declarations and expenditures.

The existing Biosecurity Program includes a rapid response segment, but its' procedures are not clearly defined. The intent of this measure to clearly articulate the procedures so timely response to discoveries of new invasive species is needed. We have had numerous new outbreaks, the ohia wilt, semi slugs carrying the rat lungworm disease, and on Kauai a virus currently isolated but that has the potential of great harm to flowering gingers across the state. At a higher level the Rose-ringed parakeet's explosive population growth will take untold amounts of money to bring it under control.

We respectfully urge your support of this measure, clarifying its place within the existing biosecurity program and articulating the procedures that shall be put into place and identify State, County and private parties responsible for the procedural steps.

Thank you for this opportunity to provide our opinion on this important matter.

**SB-2116-SD-1**

Submitted on: 3/19/2018 9:28:38 PM

Testimony for AGR on 3/21/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i	Support	No

Comments:

To the Honorable Richard P. Creagan, Chair; the Honorable Lynn DeCoite, Vice-Chair, and Members of the House Committee on Agriculture:

Good morning, my name is Melodie Aduja. I serve as Chair of the Oahu County Committee ("OCC") on Legislative Priorities of the Democratic Party of Hawaii. Thank you for the opportunity to provide written testimony on **SB2116 SD1**, relating to the DOA; Biosecurity Emergency Response; Mitigation and Eradication; Special Fund; and an appropriation.

The OCC Legislative Priorities Committee is in favor of **SB2116 SD1** and supports its passage.

**SB2116 SD1**, is in accord with the Platform of the Democratic Party of Hawai'i ("DPH"), 2016, as it establishes the biosecurity emergency response special fund within the Department of Agriculture; establishes procedures for emergency declarations and expenditures; appropriates moneys into the special fund; and appropriates moneys to the Department of Agriculture, effective 7/1/2050.

Specifically, the DPH Platform states, "Agriculture in our state must be preserved and its future strengthened. Sufficient prime agricultural lands must be maintained for the health, economic well-being and sustenance of the people.

We believe in an integrated approach to agricultural innovation and sustainability. . . . This could also include development of economic, land and ocean use policies that foster sustainable crops both for local consumption and for export, policies to foster agriculture-related infrastructure at shipping points, and increased inspection to protect against invasive species and to encourage reduced holding times.

As an island state, securing affordable food for all is a priority. We support healthy, sustainable, and diversified local food production, and "Buy Local" strategies to assure greater food security and food safety.

We support adequate resources to address the various invasive species on this island beginning at the point of entry." (Platform of the DPH, P. 2, Lines 76-78, 82-86, 101-99, 112-113 (2016)).

Given that **SB2116 SD1** establishes the biosecurity emergency response special fund within the Department of Agriculture; establishes procedures for emergency declarations and expenditures; appropriates moneys into the special fund;



and appropriates moneys to the Department of Agriculture, effective 7/1/2050, it is the position of the OCC Legislative Committee to support this measure.

Thank you very much for your kind consideration.

Sincerely yours,

/s/ Melodie Aduja

Melodie Aduja, Chair, OCC Legislative Priorities Committee

Email: legislativepriorities@gmail.com, Text/Tel.: (808) 258-8889

**SB-2116-SD-1**

Submitted on: 3/12/2018 4:57:05 PM

Testimony for AGR on 3/21/2018 8:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Una Greenaway	Individual	Support	No

Comments:

Aloha Chair Creagan and Vice Chair De Coite

Please pass this very important bill to appropriate funds to the much needed biosecurity plan. the onslaught of invasive species could be the end of agriculture as we know it.  
thank you

Una Greenaway

**SB-2116-SD-1**

Submitted on: 3/12/2018 6:19:56 PM

Testimony for AGR on 3/21/2018 8:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Benton Kealii Pang, Ph.D.	Individual	Support	No

Comments:

**SB-2116-SD-1**

Submitted on: 3/13/2018 5:33:02 PM

Testimony for AGR on 3/21/2018 8:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Adrienne Hale	Individual	Support	No

Comments:

In supporting this bill, you are supporting a brighter future for our island home. Putting in place measures to control and eliminate the threat of invasive species will help sustain our economy and native species, and sustain a quality of life we wish for, for our families, farmers, communities, and visitors who come to share in the beauty of Hawai'i.

**SB-2116-SD-1**

Submitted on: 3/14/2018 11:12:08 AM

Testimony for AGR on 3/21/2018 8:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Maki Morinoue	Individual	Support	No

Comments:

*By Executive Order 13112 the definition for Invasive Species means it harms Native Species, Human Health and/or our Economy. Little Fire Ants is just one great example in my farm and community that harms all three. What will come in next? We need Biosecurity and a comprehensive emergency plan today.*

**SB-2116-SD-1**

Submitted on: 3/14/2018 8:49:23 PM

Testimony for AGR on 3/21/2018 8:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Miho Aoki	Individual	Support	No

Comments:

**SB-2116-SD-1**

Submitted on: 3/15/2018 2:13:48 PM

Testimony for AGR on 3/21/2018 8:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Elizabeth Pine	Individual	Support	No

Comments:

The invasive species that our community is battling could potentially change our way of life and that of our keiki. We need a well-funded invasive species authority to battle these impacts!

**SB-2116-SD-1**

Submitted on: 3/16/2018 10:23:52 AM

Testimony for AGR on 3/21/2018 8:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
deborah ozaki	Individual	Support	No

Comments:

By Executive Order 13112 the definition for *Invasive Species* , means it harms *Native Species, Human Health and/or our Economy*. Little fire ants is just one great example in our farms and my community that harms all three. What will come in next? We need *Biosecurity and a comprehensive emergency plan today*.

*Mahalo, Deborah Ozaki*



**SB-2116-SD-1**

Submitted on: 3/17/2018 9:28:01 AM

Testimony for AGR on 3/21/2018 8:30:00 AM

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

Comments:

By Executive Order 13112 the definition for Invasive Species means it harms Native Species, Human Health and/or our Economy. It is hard enough to manage the invasive species that are already present in and negatively affecting our communities, without introducing more. It is crucial that we not only stop spreading these species but that a comprehensive emergency plan be put in place.

**SB-2116-SD-1**

Submitted on: 3/18/2018 12:05:12 PM

Testimony for AGR on 3/21/2018 8:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Gil Solomon	Individual	Support	No

Comments:

Please approve this measure, as when a new threat occurs, it is critical that funding and resources are immediately available to counter any major threat to the environment

**SB-2116-SD-1**

Submitted on: 3/19/2018 2:02:32 PM

Testimony for AGR on 3/21/2018 8:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Cydnee Yamamoto	Individual	Support	No

Comments:

By Executive Order 13112, the definition for Invasive Species means it harms Native Species, Human Health and/or our Economy. Little Fire Ants is one example that harms all three. Hawaii needs Biosecurity and a comprehensive emergency plan today.