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Chairperson, Board of Agriculture

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

**BEFORE THE SENATE COMMITTEE ON AGRICULTURE & ENVIRONMENT**

**MARCH 23, 2018  
1:30 P.M.  
CONFERENCE ROOM 224**

**SENATE CONCURRENT RESOLUTION NO. 165/SENATE RESOLUTION NO. 124  
REQUESTING THE STATE AUDITOR TO CONDUCT A PERFORMANCE AUDIT OF  
THE DEPARTMENT OF AGRICULTURE'S PROCEDURES RELATING TO  
AQUACULTURE IMPORTATION PERMIT APPLICATIONS.**

Chairperson Gabbard and Members of the Committee:

Thank you for the opportunity to testify on SCR 165/SR 124 that (1) requests the State Auditor to conduct a performance audit of the Department of Agriculture's procedures relating to aquaculture import permit applications and to submit a report to the Legislature; and (2) requests the Department of Agriculture to submit a report to the Legislature detailing the processing of all applications for aquaculture import permits received since 2011, relative to maximum time limits for application processing. The Department of Agriculture offers comments.

First, as to statements in SCR 165/SR 124 of reported failure to timely issue aquaculture import permits, to our knowledge, the Department has complied with the maximum time limit requirements for processing these applications. There may be a misunderstanding on the part of some applicants as to how the import review process works. However, the Department believes it has timely issued permits for completed applications that: (a) complied with applicable review procedures; (b) qualified for import of aquaculture species for purposes allowed by the Department's rules; (c) had appropriate permit conditions established by the Board of Agriculture; and (d) were



approved by the Board of Agriculture or at the administrative level, as applicable. Permits are not issued if the foregoing requirements are not met.

The Department's administrative rules for non-domestic animal import do set timeframes for permit issuance or disapproval relative to the date a completed application is accepted. Those timeframes were met as to applications for aquaculture import that complied with the requirements described above. For instance, for aquaculture import requests which otherwise qualify and for which permit conditions have already been approved by the Board review process, the timeframe requirement is within 90 days of acceptance of a completed application. The Department's Plant Quarantine Branch normally issues these kinds of permits within two to three weeks from acceptance of a completed application, if not sooner.

Although the review process can be lengthy, especially where scientific issues may be in dispute, the process is designed to protect Hawaii's environment and its affected industries, through conscientious scientific screening, from the potential risks of importing alien pest species. The Plant Quarantine Branch is aware that approving import of desired aquaculture species may result in potentially significant economic benefits to the State, and may represent an important step toward achieving the State's local food production and sustainability goals. However, unregulated or less than careful import of these aquaculture species would be a risky proposition for the aquaculture industry in terms of the disease threat, and for Hawaii's environment, native species, and natural resources in terms of the potential threat of invasive species.

We note that the Penaeid Shrimp industry has worked with the Department to develop, implement, and maintain appropriate permitting standards and to establish and maintain strict biosecurity protocols to ensure that the industry is protected from the introduction and intrastate spread of potentially devastating diseases. As a result, there are no delays to import permit issuance for Penaeid Shrimp, and the industry is able to safely and properly import the stock needed to maintain disease-free production.

The Department recognizes that there was concern over the length of time it took to process a rule amendment requested by some aquaculture businesses to allow import of the Nile Tilapia, *Oreochromis niloticus*, for commercial production. Much of the delay is attributed to the Reduction in Force (RIF) in 2010, which resulted in several

retirements and vacancies in key positions that were responsible for handling the requested Nile Tilapia rule amendment. These vacant positions were not permanently filled until December of 2016. Despite these challenges, the Nile Tilapia rule amendment is currently being prepared for the Governor's signature, and after the rule amendment takes effect, import permit applications for Nile Tilapia for commercial production can be received and processed. The Plant Quarantine Branch has made much needed strides toward filling vacancies throughout the Branch, especially in the Inspection and Compliance Section, which oversees import permit issuance.

If, as these Senate Resolutions request, the State Auditor will conduct a performance audit of the Department's procedures for aquaculture import applications, and the Department must analyze all permit applications for aquaculture import received since 2011 and submit a detailed report to the Legislature, these Senate Resolutions would take away much needed manpower from processing all other permit applications, as well as establishing the permit conditions needed for Nile Tilapia import for commercial production. The Plant Quarantine Branch has a single permitting specialist that handles the Aquatic and Invertebrate Biota permits, which include permits for aquaculture, live shellfish for consumption, and the commercial/pet trade of live tropical fishes. In calendar year 2017, there were 360 permits issued. Using that number, Plant Quarantine will have to review roughly 8 years of permit applications, with roughly 3000 applications to review. It is respectfully requested that the report not be mandated, so that the time that would be spent on the report could be better used to move forward with Nile tilapia permits/applications and to ensure timely processing of all other permit applications submitted. As stated earlier, it is expected that all existing requests for Nile Tilapia import will be in the Board review process as soon as the rule amendment are approved by the Governor and take effect.

Thank you for the opportunity to comment on these resolutions.

**SCR-165**

Submitted on: 3/21/2018 9:19:35 PM

Testimony for AEN on 3/23/2018 1:30:00 PM

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

Comments: