

**DAVID Y. IGE**  
Governor

**DOUGLAS S. CHIN**  
Lt. Governor



**SCOTT E. ENRIGHT**  
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 21, 2018  
1:50 P.M.  
CONFERENCE ROOM 224**

**SENATE CONCURRENT RESOLUTION NO. 57/SENATE RESOLUTION NO. 28  
URGING THE BOARD OF AGRICULTURE TO REVIEW PROCEDURES RELATING  
TO AQUACULTURE IMPORTATION PERMIT APPLICATIONS AND TO SUBMIT A  
REPORT TO THE LEGISLATURE.**

Chairperson Gabbard and Members of the Committee:

Thank you for the opportunity to testify SCR 57/SR 28 that requests the Board of Agriculture to review procedures relating to aquaculture importation permit applications and to submit a report to the Legislature. The Department of Agriculture offers comments and a recommendation.

The Board of Agriculture review process is designed to protect and enhance 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 of non-domestic animals will present minimal to no risk to the State. The first review is done by the Advisory Subcommittees, made up of technical experts in their fields. 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 difficulties involved in adequately protecting Hawaii's natural resources and environment. The Advisory Committee convenes at monthly public meetings, where it reviews recommendations by the Advisory Subcommittee and Plant Quarantine Branch, and also submits a recommendation to the Board of Agriculture, based upon the potential impact of the request to Hawaii's environment and natural resources. The third step is to compile and present all recommendations to the Board of Agriculture for final approval.

While the process can be lengthy, it is designed to protect Hawaii from the potential risks of importing alien species, through conscious scientific screening. The Plant Quarantine Branch is aware that the approved importation of desired aquaculture species may result in potential significant economic benefits to the State, and may represent an important piece in achieving the State's local food production and sustainability goals. However, the unregulated importation of these aquaculture species would be a risky proposition for the aquaculture industry, and for all those who seek to protect our environment, our native species and our natural resources.

The Penaeid Shrimp industry has worked with the Plant Quarantine Branch to develop, implement and maintain appropriate permitting standards to ensure the risks to the entire industry are safeguarded. In addition, the shrimp industry has worked closely with the Animal Industry Division, Animal Disease Control Branch within the Department, 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 permit issuance, and the industry is able to safely and appropriately import the needed stock to maintain disease-free production.

The Hawaii Administrative rules do set timeframes for permit issuance and in the vast majority of requests, the timeframes are met. For instance, for requests that already have permit conditions that have been approved by the Board process listed above, the requirement is within 90 days. The Plant Quarantine Branch normally issues these permits within two to three weeks, if not sooner. As a result, the initial effort with the Plant Quarantine Branch and the applicants to go through the Board approval

process is well worth the time to protect Hawaii and will allow the applicants quick administrative approval of their future permit requests.

The Department recognizes that there were issues with the processing and administration of the Nile Tilapia, *Oreochromis niloticus*. Many of these issues are attributed to the Reduction in Force (RIF) in 2010, which resulted in several retirements, and the vacancy of key positions that were responsible for handling the Nile Tilapia rule amendment. The vacancy of these positions were not permanently filled until December of 2016. Despite these challenges, the Nile rule amendment is currently awaiting the Governor's signature, and the Plant Quarantine Branch has made much needed strides towards filling vacancies throughout the Branch, especially within the Inspection and Compliance Section, which oversees import permit issuance.

By mandating the Department to analyze all permit requests for aquaculture and issuing the required report, it would take away much needed manpower from processing all other permit applications as well as establishing the needed permit conditions for Nile Tilapia. 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 requested that the report not be mandated so the time spent on the report would be better served to moving forward with Nile tilapia permits/applications and ensuring timely processing of all other permits submitted. As stated earlier, it is expected that all existing Nile Tilapia requests will be in the Board review process as soon as approval is granted by the Governor.

Thank you for the opportunity to comment on these resolutions.

**SCR-57**

Submitted on: 3/20/2018 10:29:10 AM

Testimony for AEN on 3/21/2018 1:50:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Robert Endreson	Testifying for Kohala Mountain Fish Company	Support	No

Comments:

We are writing to STRONGLY SUPPORT SCR57 and SR28. The need is obvious given the complaints, the in house investigations and the reports and audits that have all identified a significant problem in the Division and the Permit process.

We have been waiting over a year for a simple reason why one of our permits was declined so we can challenge the ruling through a contested case hearing provided for in the statute, but have yet to receive any official ruling and when asked repeatedly, we're told we cannot resubmit the permit.

1. have been waiting close to a year just to have another permit reviewed, but apparently no one in the department knew how to process it (their words not mine). And when we did submit a permit to the Board of Ag, we were told OUR Permit Package was poorly constructed and lacked sufficient information. Unfortunately, it was Plants and Quarantine Personnel who guided us when we prepared the package so we thought we were getting relevant information and sound advice, only to find out they had no clue what they were doing.
2. have been waiting for over a year for a simple reason why our permit was denied, while others here in Hawaii have been given an undue advantage by the Division of Plants and Quarantine personnel and given these permits. This is evidenced by a number of correspondence and emails we've obtained. These actions violate Federal Anti-Trust laws. The Sherman Act for one, makes these actions of a State Agency illegal and is a restraint in trade.

Plants and Quarantine is so incompetent we have also been waiting for over 6 months for a permit to bring in a species of fish that we can walk into any pet store in Hawaii and buy and the response from Plants and Quarantine was they never received a request like this so they don't know what to do.

We have a fish farm in Kapaau and are on track to produce 2.5 million pounds of fish in our first year, worth \$5 million dollars. However, we have had nothing but problems with the Division of Plants and Quarantine making arbitrary and capricious decisions that have significantly impacted our business.

Hawaii has an important role in the future of sustainable fish farming and it is our opinion that the Division of Plants and Quarantine and its leadership is incapable of providing the management and oversight necessary for an industry that relies on proper management to succeed.

In the 100 plus years our management team has collectively been involved in fisheries management on the State, Federal and International levels, from New Zealand to Alaska, we have never seen a group of unqualified and arrogant individuals running a department that could have significant benefits to the State, yet they have been appointed to positions they have no qualifications to be in and continue to be insulated to any accountability for their actions.

Please support SCR57 and SR28



Mahalo

Bob Endreson

808-225-3571

**SCR-57**

Submitted on: 3/20/2018 1:52:10 PM

Testimony for AEN on 3/21/2018 1:50:00 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:



March 20, 2018

Senator Mike Gabbard  
Chair, Senate Committee on Agriculture  
Hawaii State Capitol  
Honolulu. HI 96813

Senator Gabbard,

Thank you for the opportunity to testify on SCR57 and SR28. I support these resolutions to improve the PQB import permit process.

I have a long list of complaints with Plant Quarantine but the two main one's are: 1) the lack of aquaculture knowledge and 2) completely unprofessional behavior with processing permits.

1. Plant Quarantine is made up of people with plant backgrounds. How can an agency with no expertise be responsible for understanding and processing permits for a topic that they know nothing about?
2. My company had submitted and paid for an import permit application for niloticus tilapia on November 8, 2013. Today, there is no decision on the permit. Plant Quarantine gives us excuses on why this has happened, assurances that the process is improving and now silence. Any business that relies on importing aquaculture species to improve its operation would go out of business. The industry has been forced to develop work arounds but they are not as good as getting the proper stock.

Please support local food production and improve the Plant Quarantine import permit process. Support SCR57 and SR28.

Thank you.

Fred Lau  
Mari's Gardens