

DAVID Y. IGE
Governor

JOSH GREEN
Lt. Governor



PHYLLIS SHIMABUKURO-GEISER
Acting Chairperson
Board of Agriculture

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

TESTIMONY OF THE DEPARTMENT OF AGRICULTURE
BEFORE THE SENATE COMMITTEE ON WAYS & MEANS

FEBRUARY 12, 2019
10:00 A.M.
CONFERENCE ROOM 211

SENATE BILL NO. 1148 SD1
RELATING TO AGRICULTURE

Chairperson Gabbard and Members of the Committee:

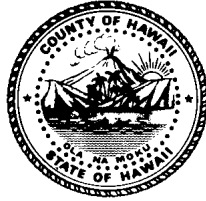
Thank you for the opportunity to present testimony on Senate Bill 1148 SD1. This bill provides funding for loans to ranchers and farmers affected by natural disasters through the Department's Agricultural Loan Program. The Department of Agriculture supports this bill.

The Department believes that the funding being placed in the agricultural loan program will carry out the intent of this legislation in a timely manner. Supporting the many affected agriculturalists across the state is of the utmost importance to the Department. Recovery from natural disasters is a long road, and the Department will be there to support local farmers and ranchers in their efforts to revive agricultural production.

Thank you for the opportunity to testify on this measure.



Harry Kim
Mayor



Diane L. Ley
Director

Ron Whitmore
Deputy Director

County of Hawai'i

DEPARTMENT OF RESEARCH AND DEVELOPMENT

25 Aupuni Street, Room 1301 • Hilo, Hawai'i 96720-4252
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Honorable Senator Donovan Dela Cruz & Committee Members
Committee on Ways and Means
Hawai'i State Senate
Honolulu, Hawai'i

February 12, 2019

RE: SB1148, SD1 Relating to Agriculture

Dear Chair Dela Cruz and Committee Members,

Thank you for the opportunity to submit supportive testimony for SB1148, SD1 relating to agriculture. This bill proposes to provide an appropriation to the Hawaii Department of Agriculture's existing agricultural loan program to support local farmers and ranchers who experienced losses due disasters in 2018 on all islands.

Hawai'i Island producers were negatively impacted by Hurricane Lane which brought unprecedented rainfall and exceptional flooding which caused loss of crops, livestock, as well as destruction and damages to farm and ranch landscapes, roads, fences and building infrastructure.

The eruption of Kilauea caused over \$27.9 million in damage to crops, livestock and infrastructure. Perhaps more significant for impacted producers is many had their operation completely covered by lava tens of feet deep and now face years of effort and significant financial investment to restore their operations. Those eligible for payments from the federal government have found regulatory caps result in very limited recovery assistance.

Recovery for producers will be a long and expensive; thus, this appropriation will be greatly appreciated. The State's support of agriculture following disasters will contribute significantly to the overall resiliency and continued growth and development of this important portion of the economy.

The Committee on Agriculture and Environment's support of SB1448, SD1 would be sincerely appreciated.

Sincerely,

A handwritten signature in cursive script that reads "Diane Ley".

Diane Ley
Director

SB-1148-SD-1

Submitted on: 2/11/2019 9:58:40 AM

Testimony for WAM on 2/12/2019 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	Testifying for O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i	Support	No

Comments:



February 8, 2019

Senator Donovan M. Dela Cruz, Chair
Senator Gilbert S.C. Keith-Agaran, Vice-Chair
Senate Committee on Ways and Means

Support of SB 1148, SD1, Relating to Agriculture (Appropriates funds into and out of the agricultural loan revolving fund for the Department of Agriculture (DOA) to provide loans to local ranchers and farmers negatively affected by natural disasters.)

Tuesday, February 12, 2019, 10:00 a.m., in Conference Room 211

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers and a utility company. LURF's mission is to advocate for reasonable, rational and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources, and public health and safety.

LURF appreciates the opportunity to express its **support of SB 1148, SD1** and of the various agricultural stakeholder groups who defend the goals of viable agricultural operations and the conservation and protection of agriculture, including important agricultural lands (IAL) in Hawaii.

SB 1148, SD1. This bill appropriates funds in and out of the agricultural loan revolving loan fund for the DOA to provide loans to support local ranchers and farmers who have experienced losses caused by natural disasters.

LURF's Position. LURF members include farmers and ranchers who own, maintain, and engage in agricultural enterprises, and who consider such assistance very helpful, if not critical to the conduct of their operations and to help sustain their businesses.

As this Committee is aware, in addition to the devastating costs and effects farmers and ranchers may suffer in connection with unavoidable natural disasters, the already unsustainable costs cast upon agricultural stakeholders by various safety and security standards, programs and regulations; onerous regulations relating to maintenance and operation of water systems and infrastructure; and growing and processing machinery and facilities, are all proving to be potentially counterproductive to the long-term

objective of sustainable agriculture. In the event of natural disaster, recovery efforts must be undertaken and implemented efficiently to ensure that damaged farm infrastructure, crops, and land are restored as quickly as possible.

The purpose of this bill is consistent with the underlying intent and objectives of the IAL laws (Hawaii Revised Statutes, Sections 205-41 to 52), which were enacted to fulfill the mandate in Article XI, Section 3, of the Hawaii State Constitution, “to conserve and protect agricultural lands, promote diversified agriculture, increase agricultural self-sufficiency and assure the availability of agriculturally suitable lands.”

LURF therefore appreciates the objective of SB 1148, SD1, which is to support agriculture and provide needed assistance to agriculture-related or agribusinesses operations. Passage of the long-awaited IAL legislation would be meaningless without implementation of such measures. The appropriation of funds into and out of the agricultural loan revolving fund to provide loans for local ranchers and farmers negatively affected by natural disasters is critically needed to help support viable agricultural activity in this State.

By recognizing the significance of, and need to assist the local agriculture industry, and implement incentives and measures which help to support the growth and maintenance of agriculture in the State, this bill significantly helps to promote economically viable agriculture and food self-sufficiency in Hawaii.

Thank you for the opportunity to present testimony in support of this measure.

HAWAII STATE SENATE

Committee on Ways and Means

RE: Senate Bill 1148 RELATING TO AGRICULTURE.

February 11, 2019

Appropriates funds to the State Department of Agriculture to provide loans and grants to farmers and ranchers affected by the recent Kilauea eruption in Puna.

Dear Chairman Dela Cruz and members of the Ways and Means Committee:

I am writing in support of SB 1148. We are property owners in Kapoho since 1974, with a total of 5 parcels adding up to approximately 57 acres. The lava flow covered 10 acres of our best farmland on May 31, 2018. The remaining 47 acres are still in production and also include our home and packing and repair sheds.

Our farm is located on the north side of Hale Kamahina. We are adjacent to the shortest path across the flow. This route is being taken by several property owners who live inside the land that has been cut off by Fissure 8 and Fissure 17. Every week for the past several months there are about 10 people who park their vehicles on our property and hike over the lava to access their homes. They carry in fuel, small equipment, food, tools, and a boundless spirit to rebuild their homes. A few homes were burned in the brush fire which started from the lava and swept over the dry land.

On several occasions these landowners have brought in via helicopter larger equipment and building supplies. Otherwise, they carry by backpack as much as they can while hiking over the rough trail that is being used over the lava. There are some 50-70 homes that are still in substantial condition to re-occupy. There are some tractors and trucks still at their farms which they use almost weekly to maintain their property and the roads.

In addition, there are hundreds of acres of some of the best cinder soil farmland Puna has to offer with the right amount of sunshine and rainfall. The average rainfall over the past 40 years is about 100-120 inches per year. The cinder soil has good drainage for crops such as papaya. Many fields have crops that survived the flow. Others can be easily replanted, especially the papaya fields. Growers are looking for land elsewhere but they prefer to have their Kapoho fields back in production. Several are still paying on their leases whether they have access or not.

There are a number of farmers who live in Pahoa town and work their fields in various areas of Puna. If Highway 132 were to be reopened, they would be able to return and replant their fields. Some farmers prefer the Kapoho area not only because of the weather and soil, but also because they can drive their tractors and trucks to their fields, usually hauled on trailers, harvest and then drive back to their homes and packing sheds to grade and pack their fruit for market. They would avoid the traffic on Highway 130 for daily maintenance such as planting, fertilizing, spraying, pruning, harvesting, etc.

Anything you can do to help rebuild Highway 132 is urgently needed at this time. The land is perfect for replanting and rebuilding. Most of the albizia trees and other invasive trees died with the flow. The rains are back since the lava stopped on August 4 and the growth is bountiful. We need to keep ahead of the grasses that are going to take over. Please pass SB 1148 and use the funds to help these farmers get back to their fields in Kapoho.

I am going to try and attach some photographs of the former papaya fields in the lava locked area taken when a small group of us hiked over the flow last Friday, February 8, to check on our existing and lava covered homes.

I am sorry I am unable to attend as this is our FedEx delivery day and preparing for the Valentines shipments.

Jennifer Perry
Volcano Isle Fruit Co
Dba Kapoho Grown
14-2807 Hale Kamahina Rd
PO Box 537, Pahoa, HI 96778

KAPOHO LAND PARTNERSHIP
(A Hawaii limited partnership)
Kapoho Management Company, Inc.
(General Partner)
Kapoho Land & Development Co. Ltd.
(808) 282-0448 (808) 935-5810
P. O. Box 374
Hilo, Hawaii 96721-0374

February 12, 2019

Subject: Senate Bill 1148, Relating to Agriculture

Aloha: Senator Donovan M. Dela Cruz, Chair; Senator Gilbert S.C. Keith-Agaran, Vice Chair; and Senate Members of the Ways and Means Committee.

I am here to testify in support of Senate Bill 1148 related to funding for the State Department of Agriculture to provide grants and loans to ranchers and farmers through a state-wide disaster funds program.

I ask that the bill's Committee report explicitly state that the funds be used for ranchers and farmers directly impacted by the disasters with a preference for those ranchers and farmers who are remaining in the immediate vicinity of where they were when the applicable disaster occurred.

I have attached a map showing the Kapoho companies' lands and the area impacted by the 2018 eruption in Kilauea East Rift Zone. We recognize that many others lost more or everything. My family is the largest landowner impacted by the 2018 KERZ eruption. Based on the County of Hawaii's geographic information system, we had 1,265 acres covered by lava, including two of the fissures on our lands. Our direct losses are estimated to be in the low-eight figures, over \$10,000,000.00.

In October of 2017, members of the Senate Ways and Means Committee visited the Kapoho papaya fields and met with many of our farmers. The area we met is partially covered with lava. Our papaya farmers lost or do not currently have access to an estimated 650 acres of papaya fields, and our rancher has had to relocate to other pasturage. Our farmers and ranchers are families, they want to return to lands we own, and they need disaster funds preferably as grants.

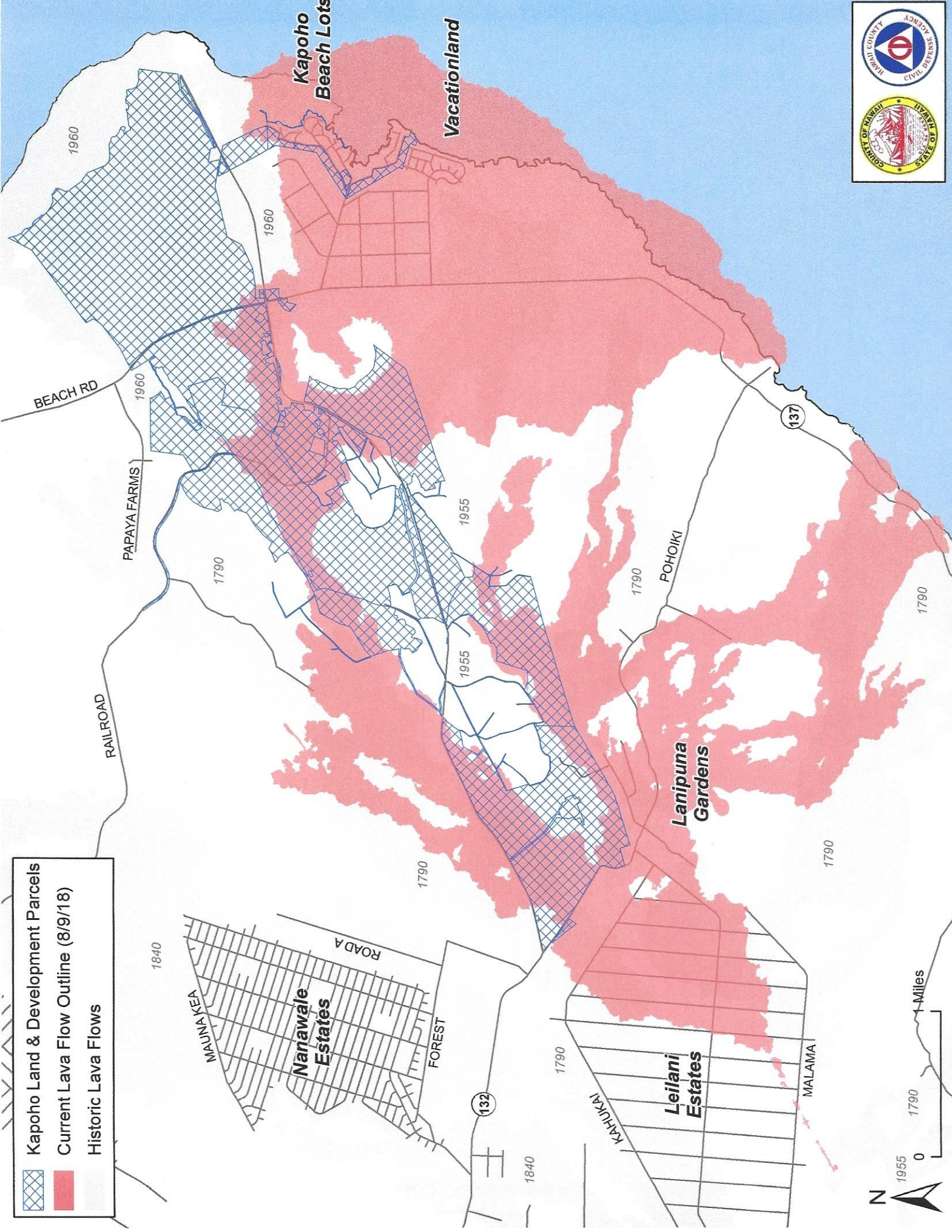
During the eruption, and in the vicinity of the flow, we had papaya farmers who asked to expand their acreage, and we allowed them to do so without seeking any compensation from them. During the eruption, our rancher immediately moved their cattle to pasturage in Kau, however due to ash fallout from Kilauea Crater they were forced to move again.

Now that we are in a recovery phase, we are in discussions with our rancher and farmers to return and are working with our farmers so they can get access, via Highway 132, to papaya and noni fields that are currently "lava-locked."

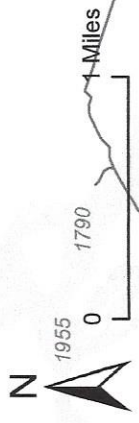
Mahalo a nui loa,



A. Lono Lyman, Manager KLP and KLDC President KMC



Kapoho Land & Development Parcels
Current Lava Flow Outline (8/9/18)
Historic Lava Flows





UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

LATE

Testimony Presented Before the
Senate Committee on Ways and Means
Tuesday, February 12, 2019 at 10:00 a.m.

By
Nicholas Comerford
Dean, College of Tropical Agriculture and Human Resources
And
Michael Bruno
Interim Vice Chancellor for Academic Affairs
Vice Chancellor for Research
University of Hawai'i at Mānoa

SB 1148 SD1 – RELATING TO AGRICULTURE

Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Senate Committee on Ways and Means:

Thank you for the opportunity to testify on SB 1148 SD1 relating to agriculture. The University of Hawai'i at Mānoa, College of Tropical Agriculture and Human Resources supports this bill and we respectfully provide the following information to substantiate our position that was provided in testimony to SB 1148 with comment that reflects the positive changes made in this revision.

2018 was a difficult year for agriculture. Torrential rains hurt the taro and ornamental plant industries on Kaua'i and O'ahu. Volcanic eruption decimated approximately 50% of the papaya industry and severely hurt the orchid industry, while also having a negative effect on the bee industry. Multiple hurricanes compounded the problems as did frequent wildfires. Hawai'i needs to be prepared for the certain eventuality that this is a foreboding of disasters to come as our climate continues to change due to human influence.

Disaster relief generally follows a pattern: (1) search and rescue, (2) emergency relief, (3) early recovery, (4) medium to long-term recovery, and (5) community development. These steps pertain to agriculture with the exception of the first. Steps 2 and 3 need to happen as quickly as possible. This bill addresses step 3 - early recovery by providing grants and loans.

We support the changes made in the previous version and thank you for the opportunity to submit testimony.



P.O. Box 253, Kunia, Hawai'i 96759
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e-mail info@hfbf.org; www.hfbf.org

February 12, 2019

HEARING BEFORE THE
SENATE COMMITTEE ON WAYS AND MEANS

TESTIMONY ON SB 1148, SD1
RELATING TO AGRICULTURE

Room 211
10:00 AM

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee:

I am Brian Miyamoto, Executive Director 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 interests of our diverse agricultural community.

The Hawaii Farm Bureau supports SB 1148, SD1, which appropriates funds for the department of agriculture to provide grants and loans to ranchers and farmers negatively affected by natural disasters through an agricultural disaster funds program.

2018 was a particularly difficult year for Hawaii's farmers and ranchers. The historic torrential rains and disastrous floods on Kauai and Oahu in April, the Kilauea eruption which caused devastation from lava and ash on Hawaii Island, Hurricane Lane and Tropical Storm Olivia were major natural disasters that had a drastic impact to Hawaii's agriculture industry. Unfortunately, Hawaii farmers and ranchers have been and will continually be impacted by damaging weather or natural disasters such as epidemic disease, pest outbreaks, high wind, thunderstorms, hurricanes, fire, flood, earthquakes, lava flow, vog or other volcanic activity, droughts, and tidal waves.

An Agricultural Disaster Funds Program that offers grants and loans would enable HDOA to quickly respond to agricultural emergencies by assisting farmers and ranchers with funding to help repair damaged infrastructure, replant crops, or replace equipment and supplies allowing them to continue farming or ranching.

Thank you for this opportunity to testify on this important subject.

LATE



SENATE COMMITTEE ON WAYS AND MEANS
Tuesday, February 12, 2019 – 10:00 AM - Room 211

RE: SB 1148 SD1 - Relating to Agriculture – In Support

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee:

Hawai'i Aquaculture & Aquaponics Association
Hawai'i Cattlemen's Council
Hawai'i Farm Bureau Federation
Hawai'i Farmers' Union United
Hawai'i Food Industry Association
Hawai'i Food Manufacturers Association
Kohala Center
Land Use Research Foundation of Hawai'i
Malama Kaua'i
Maui School Garden Network
Ulupono Initiative
College of Tropical Agriculture and Human Resources - University of Hawai'i at Manoa

The Local Food Coalition **strongly supports SB 1148 SD1**, which appropriates funds for the department of agriculture to provide grants and loans to ranchers and farmers negatively affected by natural disaster through an agricultural disaster funds program.

2018 was a tough year for many farmers and ranchers. Growers faced the brunt of the heavy rainfall, hurricanes, tropical storms and Kilauea eruptions, flooding many viable crops and displacing many ranchers. Agricultural losses reported from Big Island, Kauai, and Oahu totaled \$47,600,000, which emphasizes the dire need for these recovery funds to help our ranchers and farmers restore their livelihoods.

Based on the October 2018 "Farm Disaster Survey Results" conducted by the University of Hawaii College of Tropical Agriculture and Human Resources, 87% of those surveyed indicated they are willing to start over and relocate.

The Local Food Coalition is an organization comprising of farmers, ranchers, livestock producers, investors and other organizations working to provide Hawaii's food supply.

We respectfully request your support of SB 1148 SD1. Thank you for the opportunity to submit testimony.

John Garibaldi
808-544-8319
jgaribaldi@wik.com

LATE

SB-1148-SD-1

Submitted on: 2/11/2019 12:45:41 PM

Testimony for WAM on 2/12/2019 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
De MONT R. D. CONNER	Testifying for Ho'omanapono Political Action Committee (HPAC)	Support	Yes

Comments:

WE STRONGLY SUPPORT THIS MEASURE.



MAUI
CHAMBER OF COMMERCE
VOICE OF BUSINESS

LATE

**HEARING BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS
HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 211
TUESDAY, FEBRUARY 12, 2019 AT 10:00 A.M.**

To The Honorable Donovan M. Dela Cruz, Chair;
The Honorable Gilbert S.C. Keith-Agaran, Vice Chair; and
Members of the Committee on Ways and Means,

TESTIMONY IN SUPPORT OF SB 1148 RELATING TO AGRICULTURE

Aloha, my name is Pamela Tumpap and I am the President of the Maui Chamber of Commerce with approximately 650 members. I am writing share our support of SB 1148.

Agriculture is a very important industry to our community, but it is a difficult industry to successfully start and sustain, given the many unpredictable factors and expenses. With the difficulty in sustaining an agricultural operation (including farming and ranching), a natural disaster can have a huge impact and can be devastating. Therefore, we support this bill to provide grants and loans to farmers negatively affected by natural disasters because without these grants and loans, we may see more agricultural operations cease and be unable to recover.

Mahalo for your consideration of our testimony and we hope you will move this bill forward.

Sincerely,

Pamela Tumpap

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique

LATE

SB-1148-SD-1

Submitted on: 2/11/2019 5:23:49 PM

Testimony for WAM on 2/12/2019 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Reba O'Day	Testifying for Birds With Arms Farms	Support	No

Comments:

As a small family farm, we support this bill and ask you to as well.

LATE

SB-1148-SD-1

Submitted on: 2/11/2019 6:04:30 PM

Testimony for WAM on 2/12/2019 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Sunny Savage-Luskin	Individual	Support	No

Comments:

LATE

SB-1148-SD-1

Submitted on: 2/11/2019 7:10:12 PM

Testimony for WAM on 2/12/2019 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Dennis F Lokmer	Individual	Support	No

Comments:

LATE

SB-1148-SD-1

Submitted on: 2/11/2019 7:42:34 PM
Testimony for WAM on 2/12/2019 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Suellen Barton	Testifying for Maui Farmers Union United	Support	No

Comments:

LATE

SB-1148-SD-1

Submitted on: 2/11/2019 7:44:19 PM

Testimony for WAM on 2/12/2019 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Dr. Jana Bogs	Testifying for Beyond Organic Consulting, Inc.	Support	No

Comments:

LATE

SB-1148-SD-1

Submitted on: 2/11/2019 9:02:46 PM
Testimony for WAM on 2/12/2019 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Thomas Craig	Individual	Support	No

Comments:

Natural disasters can bankrupt farmers. Farmers need loans to recover from natural disasters. Witness recent farm loses in Lahaina fire.

LATE

SB-1148-SD-1

Submitted on: 2/11/2019 9:25:38 PM

Testimony for WAM on 2/12/2019 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Ken Stover	Individual	Support	No

Comments:

LATE

SB-1148-SD-1

Submitted on: 2/11/2019 11:21:55 PM

Testimony for WAM on 2/12/2019 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Dale Sandlin	Testifying for Hawaii Cattlemens Council	Support	No

Comments:

LATE

SB-1148-SD-1

Submitted on: 2/12/2019 8:44:54 AM

Testimony for WAM on 2/12/2019 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Barbara Best	Individual	Support	No

Comments: