

DAVID Y. IGE
Governor

JOSH GREEN
Lt. Governor



PHYLLIS SHIMABUKURO-GEISER
Chairperson, Board of Agriculture

MORRIS M. ATTA
Deputy to the Chairperson

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

TESTIMONY OF PHYLLIS SHIMABUKURO-GEISER

CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON FINANCE

FEBRUARY 28, 2022
11:00 A.M.
VIA VIDEOCONFERENCE

HOUSE BILL NO. 1717 HD1
RELATING TO AGRICULTURE

Chairpersons Luke and Members of the Committee:

Thank you for the opportunity to testify on House Bill 1717 HD1. The bill appropriates funds to the University of Hawaii to establish a foreign agriculture small equipment pilot program and requires a report to the Legislature. Diversified agriculture in Hawaii could benefit from a small equipment pilot program that would be appropriate for the small acreage and terrain characteristic of farms in Hawai'i. The Department supports the intent of this bill, but otherwise defers to the University of Hawaii College of Tropical Agriculture about the goals, budget, and report to establish the pilot program.

Thank you for the opportunity to testify on this measure.





UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Finance
Monday, February 28, 2022 at 11:00 a.m.

By
Nicholas Comerford, Dean
College of Tropical Agriculture and Human Resources
And
Michael Bruno, PhD
Provost
University of Hawai'i at Mānoa

HB 1717 HD1 – RELATING TO AGRICULTURE

Chair Luke, Vice Chair Yamashita, and members of the House Committee on Finance:

Thank you for the opportunity to provide testimony in support of the intent of HB 1717 HD1 relating to establishing a foreign agriculture small equipment pilot program.

Hawai'i agriculture will benefit from the incorporation of smaller equipment that matches the limited acreage indicative of many farms in the state. It must first be understood that CTAHR does not have the knowledge or capacity to accomplish the goals outlined below since it no longer has an Agriculture Engineering program. CTAHR provides the following evaluation and comment to address the specific goals of HB 1717 HD1:

1. Identify and purchase foreign agricultural technology, including but not limited to small equipment tractors and retrofit engines, which will benefit the State's farmers and ranchers and comply with the Environmental Protection Agency's emission standards.

It is CTAHR's understanding that such equipment does not exist currently, which is the reason that such equipment is not currently in use. The expectation of what type of equipment to consider is quite open-ended, and the success of HB 1717 HD1 would benefit from a more specific charge.

2. Establish contact with manufacturers of small equipment in Japan and other countries.

This is certainly possible; in fact, CTAHR's Extension program has done some years ago in response to previously expressed interests. Contacts with manufacturers would have to be re-initiated, and an interpreter would have to be hired.

3. Work with the United States Environmental Protection Agency to identify federal Environmental Protection Agency standard and compliance requirements for small foreign agricultural equipment.

From past experience, this would be necessary in order to import any equipment. One option that has not been considered, is for the state to pay one or more of these companies to retrofit equipment prior to exporting to Hawai'i and having it pre-approved for import. It would be a reasonable approach given the inventors of the equipment are the most knowledgeable and the mechanics/machinists in county may be able to make the adjustments. This would also overcome the limitation that CTAHR does not have the expertise to do that type of work.

4. Collaborate with agriculture and agricultural professionals from foreign countries on management practices.

Management practices using equipment is often well-known. We see this objective as one that could be dropped from the bill. It might be better expressed as training for the use of equipment. See below for training issues.

5. Bring harvesting, weed management, and field preparation machinery into the State of Hawaii for evaluation.

This is consistent with #1 above. The questions are harvesting of what? What type of weed management? What nature of field preparation?

6. Conduct on-farm trials to evaluate the efficacy and applicability to multiple growing systems (e.g. wetland conventional, organic, forage crops, etc.) statewide.

CTAHR assumes that this refers to how the new equipment is used in different systems.

7. Conduct education and training workshops statewide to update agriculture producers on available technology.

This is the mission of Cooperative Extension in CTAHR.

Limitations of HB 1717 HD1 in its current form and comments on changes:

1. CTAHR does not currently have the staff expertise to accomplish all of this.
2. The goals as stated are multi-year operation goals and a one-year budget will not meet the stated objectives. It is not clear if the plan is to provide a multi-year budget in subsequent legislatures.

3. The bill identifies CTAHR and mentions the inclusion of a community college, but does not identify the community college that has an appropriate program. The bill needs to be specific about the community college. That would allow the community college to provide input to the bill's language and budget needs. It also needs to highlight the duties that the community college has relative to this bill.
4. A budget is not proposed to accomplish those goals.

The goals outlined in this bill would require a budget that includes the following categories:

1. Adequate staff for a multi-year program in CTAHR and in the community college once the community college and its role are identified.
2. Significant funding for the purchase of equipment and its shipping to Hawai'i.
3. Significant funding for the retrofitting of the equipment either here or in the country of origin.
4. Travel funds (assuming COVID-19 does not become a limitation of travel) in order to find and evaluate the applicability of equipment in foreign countries.
5. Training for CTAHR personnel in the operation of the equipment, probably in the country of origin.
6. Funding for the community college that will participate in the program once their involvement is defined. A successful program would require that individuals receive training in the repair and maintenance of such equipment if it's distinctly different from what is currently available in Hawai'i.
7. Additional operating expenses necessary to meet this goal.

The University of Hawai'i supports the intent of HB 1717 HD1, but notes that there is much to be concerned with in its present form. Its objectives are well beyond a one-year budget. A more reasonable approach would be to define a bill that does a survey of the needs, identifies the location of equipment, investigates the issues related to bringing equipment into the state, and develops the overall plan to accomplish the overall objective. The actual process could be left to a budget from next year's legislature.

In addition, we support the intent, but not the current form of this bill, provided that its passage does not replace or adversely impact priorities as indicated in our BOR Approved Budget.

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

GLORIA CHANG
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 CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
HOUSE BILL NO. 1717, H.D. 1

February 28, 2022
11:00 a.m.
Room 308 and Videoconference

RELATING TO AGRICULTURE

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill No. 1717, H.D. 1: appropriates an unspecified amount of general funds for FY 23 for the University of Hawaii's College of Tropical Agriculture and Human Resources; establishes the foreign agriculture small equipment pilot program; and requires a report to the Legislature.

B&F notes that, with respect to the general fund appropriation in this bill, the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal American Rescue Plan (ARP) Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.



February 25, 2022

Representative Sylvia Luke, Chair
Representative Kyle T. Yamashita, Vice Chair
House Committee on Finance

Support of HB 1717, H.D. 1, Relating to Agriculture (Appropriates funds to the University of Hawaii to establish a foreign agriculture small equipment pilot program; requires a report to the legislature.)

Monday, February 28, 2022, 11:00 a.m., in Conference Room 308, Via Videoconference.

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 utility companies. 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 HB 1717, H.D. 1** 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.

HB 1717, H.D. 1. This bill appropriates funds to the college of tropical agriculture and human resources, to work in collaboration with a University of Hawaii system community college, to establish a pilot program to identify and purchase foreign agricultural technology, including small equipment tractors and retrofit engines to comply with the Environmental Protection Agency's emission standards, which is vital to farmers and ranchers who must resort to alternative means and technology to operate their farms due to the increase in demand for unskilled labor.

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

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 HB 1717, H.D. 1, 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 establishment of the foreign agriculture small equipment pilot program is critically needed to help support viable agricultural activity in this State.

By recognizing the need to assist the local agriculture industry and the significance of implementing 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.



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

February 28, 2022

HEARING BEFORE THE
HOUSE COMMITTEE ON FINANCE

TESTIMONY ON HB 1717, HD1
RELATING TO AGRICULTURE

Conference Room 309 & Videoconference
11:00 AM

Aloha Chair Luke, Vice-Chair Yamashita, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate and advance the social, economic, and educational interests of our diverse agricultural community.

The Hawai'i Farm Bureau supports HB 1717, HD1, which appropriates funds to the University of Hawai'i to establish a foreign agriculture small equipment pilot program.

As the demand for agriculture labor continues to increase, while the availability of labor decreases, farmers and ranchers continue to look for alternative means to operate their farms through technology, like small equipment tractors. A limited number of weed management solutions and the increase in labor cost have made weed management a major challenge for many small farmers in Hawai'i. Many small farmers also have a need for smaller harvesting and field prep equipment that is not readily available in Hawai'i. These growers include vegetable crops, wetland crops, and livestock forage crops. There is a need to identify high technology small equipment and evaluate its applicability for Hawai'i's diverse agriculture systems.

Countries such as Japan have small equipment that is suitable for Hawai'i's small farmers, however, the engines that are attached to small equipment from foreign countries like Japan are not in compliance with EPA standard regulations. This pilot program would help identify desired small equipment as well as finding solutions that would allow Hawai'i farmers to import foreign equipment that complies with EPA standards.

Thank you for this opportunity to testify in support of this measure.



HOUSE OF REPRESENTATIVES
THE THIRTY-FIRST LEGISLATURE
REGULAR SESSION OF 2022

COMMITTEE ON FINANCE

Rep. Sylvia Luke, Chair
Rep. Kyle T. Yamashita, Vice Chair

Monday, February 28, 2022 11:00 a.m.
VIA VIDEOCONFERENCE
Conference Room 308
State Capitol
415 South Beretania Street

HB1717 HD 1 RELATING TO AGRICULTURE: Appropriates funds to establish a foreign agriculture small equipment pilot program.

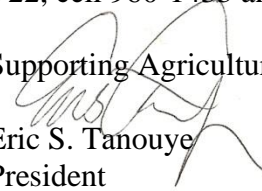
My name is Eric S. Tanouye and I am the President for the Hawaii Floriculture and Nursery Association. HFNA is a statewide umbrella organization with approximately 300 members. Our membership is made up with breeders, hybridizers, propagators, growers, shippers, wholesalers, retailers, educators, and the allied industry, which supports our efforts in agriculture.

The Hawaii Floriculture and Nursery Association (HFNA) **SUPPORTS House Bill 1717 HD 1**

It is always important for an industry to embrace change and innovation to stay relevant and efficient. This bill will help to improve the abilities of our Nurserymen and women to become more competitive in production and possibly more efficient with workforce.

If you have any questions at this time, I would be happy to discuss them and can be reached by phone at 808-959-3535 ext 22, cell 960-1433 and email eric@greenpointnursery.com.

Supporting Agriculture and Hawaii,


Eric S. Tanouye
President

Hawaii Floriculture and Nursery Association



Email: communications@ulupono.com

HOUSE COMMITTEE ON FINANCE
Monday, February 28, 2022 — 11:00 a.m.

Ulupono Initiative supports HB 1717 HD 1, Relating to Agriculture.

Dear Chair Luke and Members of the Committee:

My name is Micah Munekata, and I am the Director of Government Affairs at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve the quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food; renewable energy and clean transportation; and better management of freshwater and waste.

Ulupono supports HB 1717 HD 1, which appropriates funds to the University of Hawai'i to establish a foreign agriculture small equipment pilot program and requires a report to the Legislature.

According to the 2017 USDA NASS Census of Agriculture, 66% of Hawai'i's 7,328 farms statewide, or 4,868 farms, are between 1–9 acres. In addition, 78%, or 5,701 farms, produce less than \$25,000 in sales. Since the average farmer in Hawai'i is a small farmer with limited land, it is critical for local growers to have access to farming equipment suitable for Hawai'i. Right-sized equipment can better help smaller farms develop into future medium and large-sized farms that can grow more local food.

As Hawai'i's local food issues become increasingly complex and challenging, organizations need additional resources and support to address and overcome them. We appreciate this committee's efforts to look at policies that support local food production.

Thank you for the opportunity to testify.

Respectfully,

Micah Munekata
Director of Government Affairs

Investing in a Sustainable Hawai'i



HAWAII CROP IMPROVEMENT ASSOCIATION

In Support of HB1717 HD1
Relating to Agriculture

House Committee on Finance

Date: Monday, February 28, 2022

Time: 11:00am

Place: Videoconference

Chair Luke, Vice Chair Yamashita, and members of the committee:

Thank you for allowing the Hawaii Crop Improvement Association the opportunity to provide testimony in **support** of HB1717 HD1, which appropriates funds to the University of Hawaii to establish a foreign agriculture small equipment pilot program and requires a report to the Legislature.

Many farmers and ranchers need new technology to service their small farms, including vegetable crops, wetland crops, and livestock forage crops. There is a need to identify small equipment and evaluate its applicability for Hawaii's diverse agriculture systems. Although the equipment exists other places, such as Japan, it is not readily available in Hawaii due to EPA regulations. This pilot program would help identify desired small equipment as well as finding solutions that would allow Hawaii farmers to import foreign equipment that complies with EPA standards.

Mahalo for this opportunity to testify in support of HB1717 HD1. If you have any questions, please contact me at your convenience.

Sincerely,

Pono Chong
Hawaii Crop Improvement Association

The Hawaii Crop Improvement Association is a Hawaii-based non-profit organization that promotes modern agriculture to help farmers and communities succeed. Through education, collaboration, and advocacy, we work to ensure a safe and sustainable food supply, support responsible farming practices, and build a healthy economy.



COMMITTEE ON FINANCE
Rep. Sylvia Luke, Chair
Rep. Kyle T. Yamashita, Vice Chair

HB1717 HD1
Relating to Agriculture

Monday, February 28, 2022, 11:00 AM
VIA VIDEOCONFERENCE

Chair Luke, Vice Chair Yamashita, and Members of the Committee,

The Hawaii Cattlemen's Council (HCC) is the Statewide umbrella organization comprised of the five county level Cattlemen's Associations. Our member ranchers represent over 60,000 head of beef cows; more than 75% of all the beef cows in the State. Ranchers are the stewards of over 750 thousand acres of land in Hawaii, or 20% of the State's total land mass. We represent the interests of Hawaii's cattle producers.

The Hawaii Cattlemen's Council **supports HB1717 HD1** to appropriate funds to the University of Hawaii to establish a foreign agriculture small equipment pilot program. Advanced technology and access to equipment is one of the keys to keeping small ranchers and farmers viable. Ranchers and farmers don't always have the capital to be able to invest in new equipment, but the University of Hawaii can leverage funds to provide information on the best equipment to utilize and evaluate its applicability across Hawaii's agricultural needs and situations. This pilot program would allow ranchers and farmers to understand options for potential equipment investments.

We appreciate the opportunity to testify on this measure.

Nicole Galase
Hawaii Cattlemen's Council
Managing Director





MAUI COUNTY FARM BUREAU

PO Box 148, Kula, HI 96790
mauicountyfarmbureau.org

February 28, 2022

HEARING BEFORE THE HOUSE COMMITTEE ON FINANCE
TESTIMONY ON HB 1717, HD1
RELATING TO AGRICULTURE
Conference Room 308 & Videoconference
11:00 AM

Aloha Chair Luke, Vice-Chair Yamashita, and Members of the Committee:

I am Warren Watanabe, Executive Director of the Maui County Farm Bureau. MCFB supports HB 1717, HD1, which appropriates funds to the University of Hawai'i to establish a foreign agriculture small equipment pilot program.

As the demand for agriculture labor continues to increase, while the availability of labor decreases, farmers and ranchers continue to look for alternative means to operate their farms through technology, like small equipment tractors. A limited number of weed management solutions and the increase in labor cost have made weed management a major challenge for many small farmers in Hawai'i. Many small farmers also have a need for smaller harvesting and field prep equipment that is not readily available in Hawai'i. These growers include vegetable crops, wetland crops, and livestock forage crops. There is a need to identify high technology small equipment and evaluate its applicability for Hawai'i's diverse agriculture systems.

MCFB believes that the future of Hawai'i agriculture includes the adaptation of technology to be competitive in the world market. MCFB cordially requests your support of HB 1717, HD1.

Thank you for this opportunity to testify.

HB-1717-HD-1

Submitted on: 2/26/2022 12:25:17 PM

Testimony for FIN on 2/28/2022 11:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Mark Phillipson	Individual	Support	No

Comments:

Aloha Chair Luke, Vice-Chair Yamashita, and Members of the Committee:

I support HB 1717, HD1, which appropriates funds to the University of Hawai‘i to establish a foreign agriculture small equipment pilot program.

As the demand for agriculture labor continues to increase, while the availability of labor decreases, farmers and ranchers continue to look for alternative means to operate their farms through technology, like small equipment tractors. A limited number of weed management solutions and the increase in labor cost have made weed management a major challenge for many small farmers in Hawai‘i. Many small farmers also have a need for smaller harvesting and field prep equipment that is not readily available in Hawai‘i. These growers include vegetable crops, wetland crops, and livestock forage crops. There is a need to identify high technology small equipment and evaluate its applicability for Hawai‘i’s diverse agriculture systems.

Countries such as Japan have small equipment that is suitable for Hawai‘i’s small farmers, however, the engines that are attached to small equipment from foreign countries like Japan are not in compliance with EPA standard regulations. This pilot program would help identify desired small equipment as well as finding solutions that would allow Hawai‘i farmers to import foreign equipment that complies with EPA standards.

Best regards,

Mark Phillipson

HB-1717-HD-1

Submitted on: 2/26/2022 1:23:15 PM

Testimony for FIN on 2/28/2022 11:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Randy Cabral	Individual	Support	No

Comments:

Strongly support

HB-1717-HD-1

Submitted on: 2/27/2022 2:43:30 AM

Testimony for FIN on 2/28/2022 11:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Frederick M. Mencher	Individual	Support	No

Comments:

February 28, 2022

HEARING BEFORE THE
HOUSE COMMITTEE ON FINANCE

TESTIMONY ON HB 1717, HD1
RELATING TO AGRICULTURE

Conference Room 308 & Videoconference
11:00 AM

Aloha Chair Luke, Vice-Chair Yamashita, and Members of the Committee:

I support HB 1717, HD1, which appropriates funds to the University of Hawai‘i to establish a foreign agriculture small equipment pilot program.

As the demand for agriculture labor continues to increase, while the availability of labor decreases, farmers and ranchers continue to look for alternative means to operate their farms through technology, like small equipment tractors. A limited number of weed management solutions and the increase in labor cost have made weed management a major challenge for many small farmers in Hawai‘i. Many small farmers also have a need for smaller harvesting and field prep equipment that is not readily available in Hawai‘i. These growers include vegetable crops, wetland crops, and livestock forage crops. There is a need to identify high technology small equipment and evaluate its applicability for Hawai‘i’s diverse agriculture systems.

Countries such as Japan have small equipment that is suitable for Hawai‘i’s small farmers, however, the engines that are attached to small equipment from foreign countries like Japan are not in compliance with EPA standard regulations. This pilot program would help identify desired small equipment as well as finding solutions that would allow Hawai‘i farmers to import foreign equipment that complies with EPA standards.

Thank you for this opportunity to testify in support of this measure.

Frederick M. Mencher

HB-1717-HD-1

Submitted on: 2/27/2022 6:53:28 AM

Testimony for FIN on 2/28/2022 11:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
J Ashman	Individual	Support	No

Comments:

Strong support. Thank you!