

STATE OF HAWAI'I OFFICE OF PLANNING & SUSTAINABLE DEVELOPMENT

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Statement of MARY ALICE EVANS, Interim Director

before the SENATE COMMITTEES ON AGRICULTURE AND ENVRIONMENT AND WATER AND LAND Monday, January 29, 2024 1:00 PM State Capitol, Conference Room 229

in consideration of SENATE BILL 2159 RELATING TO FOOD SUSTAINABILITY.

Chairs Gabbard and Inouye, Vice Chairs Richards and Elefante, and Members of the Committees on Agriculture and Environment and Water and Land:

The Office of Planning and Sustainable Development (OPSD) supports S.B. 2159, which requires the Department of Agriculture (DOA), in coordination with the OPSD, to prepare and periodically update the State Agriculture Functional Plan to include other agricultural economic updates, including seafood sustainability, that expand the State's priority on food by including wild seafood as a viable food source. Requires the Governor to submit the plan to the Legislature prior to the Regular Session of 2026.

To comply with Hawai'i Revised Statutes §§ 226-55 and -56, DOA will need to convene an advisory committee and work in close cooperation with the officials and people of each county. OPSD is happy to provide guidelines and support the DOA.

Given the extensive scope of the work program mandated in §226-55, OPSD defers to the DOA on the impact on the Department's staff and programmatic resources.

Thank you for the opportunity to testify on this measure.

JOSH GREEN, M.D. Governor

> SYLVIA LUKE Lt. Governor



SHARON HURD Chairperson, Board of Agriculture

> **DEXTER KISHIDA** Deputy to the Chairperson

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TESTIMONY OF SHARON HURD CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEES ON AGRICULTURE AND ENVIRONMENT AND WATER AND LAND

MONDAY, JANUARY 29, 2024 1:00 PM CONFERENCE ROOM 229

SENATE BILL NO. 2159 RELATING TO FOOD SUSTAINABILITY

Chairs Gabbard and Inouye, Vice Chairs Richards and Elefante and Members of the Committees:

Thank you for the opportunity to testify on Senate Bill 2159. This bill requires the Department of Agriculture (Department) in coordination with the Office of Planning and Sustainable Development to prepare and periodically update the State Agriculture Functional Plan to include other agricultural economic updates and seafood sustainability that expands the State's priority on food by including wild seafood as a viable food source. The updated Functional Plan is to be submitted prior to the convening of the 2026 Legislature. The Department offers comments and amendments to this measure.

The Department has no role in regulating pelagic fisheries and no authority to set policy, establish objectives or enforcement action on seafood sustainability. These activities would require oversight and leadership by an agency well-versed in matters involving wild caught seafood such as the Division of Aquatic Resources within the Department of Land and Natural Resources. Our expertise and regulatory authority



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with regards to fish and seafood is limited to net-pen aquaculture and other farm-raised seafood.

With respect to undertaking a revision of the State Agriculture Functional Plan to incorporate seafood sustainability, the Department notes that Section 226-55 governs the updates of the Functional Plans and describes a comprehensive and deliberate process.

The Department strongly cautions that the revision of the existing State Agriculture Functional Plan (that was accepted by the Governor in 1991) to include "seafood sustainability" in the manner described in the measure (Page 3, lines 11-13) and to include "other agricultural economic updates" will be a time-consuming exercise that will require a considerable commitment of resources both within and beyond the Department. For instance, the process that led to the 1991 Agriculture Functional Plan took over 10 years before the Technical Advisory Committee agreed to its contents. Further, there are twelve total State Functional Plans and only the Housing Functional Plan (2017) has been updated since their initial adoption in 1989 and additional revisions for seven of the plans through 1991.

The Department strongly recommends that the measure be revised to delete the update of the State Agriculture Functional Plan and focus on the gathering of data and information by an agency such as the Division of Aquatic Resources for open-ocean "wild seafood", pursuant to tasks (2) and (3) in the bill (Page 3, lines 1-8), if this data and information does not already exist. This may lead to a data/information-based assessment of the utility and practicality of "classify[ing] and regulat[ing] wild seafood as a food commodity in the State" (Page 3, task (4), lines 9-10).

Thank you for the opportunity to testify on this measure.



Environmental Caucus of The Democratic Party of Hawaiʻi

Agriculture & Food Security Committee

Monday, January 29, 2024, 1:00 pm

Senate Committees on Agriculture and Environment and on Water and Land SENATE BILL 2159 – RELATING TO FOOD SUSTAINABILITY

Position: Strong Support

Me ke Aloha Chairs Gabbard and Inouye, Vice-Chairs Richards and Elefante, and members of the Senate Committees on Agriculture and Environment and on Water and Land:

SB2159 Requires a regular update of the Agriculture Functional Plan, **to particularly include seafood**, expanding the priorities of food security by including wild seafood as a sustainable food source.

The Agriculture & Food Security Committee strongly supports this measure, engaging not only the Depatment of Agriculture but also the Office of Planning and Sustainable Development. Several State agencies and private parties are deeply engaged in forward-looking efforts to strengthen the environment and promote technologies to assure the sustainability of fish populations both in the wild and within human-created environments. This thoughtful integration of efforts needs to be strongly supported. Recent hearings have identified aquaculture as having a remarkably greater impact on the local economy than agriculture, and is a unique and distinctive feature of island life. Returning to a better balance can benefit nutritional health, as well.

From personal experience, we know that marine fisheries are limited and face strong overcatch liability. However, as Hawaii is a fresh water oasis in the middle of a salt water desert, we are a strong magnet for migrating species, and must exercise every effort to maintain our reefs and nearshore waters, protecting corals and limu (which themselves are a valuable food source for humans) from contamination from landward activities such as agricultural runoff and cesspools.

Our committee deeply appreciates the rising awareness among both the administration and the legislators themselves in achieving better balance of activities and protection of local environments. It feels as if we are dscovering new territory all the time, and it is heartening to see our government responding in such a positive way.

Mahalo for the opportunity to address this matter.

/s/ Charley Ice Acting Chair, Agriculture and Food Security Committee Environmental Caucus of the Democratic Party



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January 29, 2024

HEARING BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT SENATE COMMITTEE ON WATER AND LAND

TESTIMONY ON SB 2159 RELATING TO FOOD SUSTAINABILITY

Conference Room 229 & Videoconference 1:00 PM

Aloha Chairs Gabbard and Inouye, Vice-Chair Richards and Elefante, and Members of the Committees:

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 SB 2159 which requires the Department of Agriculture, in coordination with the Office of Planning and Sustainable Development, to prepare and periodically update the State Agriculture Functional Plan to include other agricultural economic updates, including seafood sustainability, that expand the State's priority on food by including wild seafood as a viable food source and requires the Governor to submit the plan to the legislature prior to the Regular Session of 2026.

The State's Agricultural Functional Plan was last updated in 1991. Since it was last updated, Hawai'i's agricultural industry has transitioned from plantation agriculture to a more diversified agriculture sector. Diversified agriculture in Hawaii includes flowers and nursery products, vegetables and melons, macadamia nuts, cattle, milk, fruits poultry, eggs, forest products, hogs, coffee, taro, ulu, cacao, other livestock, and aquaculture.

Hawai's aquaculture industry continues to be one of the fastest-growing segments of Hawaii agriculture and has become an important source of food and other products for local sale and export. Hawaii residents consume seafood at twice the national average, with around 51% of seafood available to consumers derived from local sources.

Supporting wild seafood as a viable food source can help the State move toward greater food sustainability as there is significant growth potential for the aquaculture industry in Hawai'i.

Thank you for the opportunity to testify on this important matter.



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TO: Committee on Agriculture and Environment, and Committee on Water and Land

FROM: HAWAII FOOD INDUSTRY ASSOCIATION Lauren Zirbel, Executive Director

DATE: January 29, 2024 TIME: 1pm PLACE: Conference Room 229 & Videoconference

RE: SB2159 Relating to Food Sustainability

Position: Comments

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, manufacturers, and distributors of food and beverage related products in the State of Hawaii.

Dear Chairs, Vice Chairs, and Members of the Committee,

I am writing on behalf of the Hawaii Food Industry Association to express our concerns regarding certain provisions in Senate Bill 2159, which pertains to food sustainability. We want to begin by stating that we strongly support the concept of the bill; however, we find Section 2 (3) to be problematic. This section involves the requirement to collect data on the wholesale and retail sales of wild seafood in the State.

The Hawaii Food Industry Association recognizes the importance of sustainable practices in both agriculture and seafood industries. However, we believe that the proposed mandate to collect specific data on wild seafood sales may present challenges for our industry members. The concerns primarily revolve around the following points:

- 1. **Operational Burden**: Requiring businesses to collect and report data on wholesale and retail sales of wild seafood imposes an additional operational burden on our members. This mandate may necessitate changes to existing systems, leading to increased costs and administrative complexities.
- 2. **Competitive Disadvantage**: The detailed reporting requirements may create a competitive disadvantage for businesses, especially smaller enterprises, which

may struggle to allocate resources for compliance. This could potentially hinder the growth of businesses focused on wild seafood sales.

- 3. **Data Privacy Concerns**: Mandating the collection of specific sales data raises concerns about the privacy and security of sensitive business information. Businesses may be hesitant to disclose proprietary data, fearing it could be misused or accessed by competitors.
- 4. **Need for Industry Consultation**: We recommend a collaborative approach involving industry stakeholders to develop data collection mechanisms that are practical, effective, and consider the unique challenges faced by businesses in the seafood sector.

Furthermore, we are concerned that the reporting requirements in Section 2 (3) may inadvertently run afoul of anti-trust laws. The detailed data collection on wholesale and retail sales could potentially be used to assess market concentration and competition in ways that may infringe upon anti-trust regulations.

While the Hawaii Food Industry Association strongly supports the concept of Senate Bill 2159 and the overarching goal of promoting food sustainability, we urge the committee to reconsider the language in Section 2 (3). We believe that a more collaborative and consultative process, coupled with a careful examination of potential anti-trust implications, will result in legislation that achieves its intended purpose without unduly burdening businesses.

Thank you for your attention to this matter, and we appreciate the committee's efforts to address the vital issue of food sustainability in our state.

<u>SB-2159</u> Submitted on: 1/25/2024 7:23:36 PM Testimony for AEN on 1/29/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
William K. Chang	Individual	Support	Written Testimony Only

Comments:

I support SB2159.

Thank you for allowing me to submit testimony.

Mahalo,

William Chang

<u>SB-2159</u> Submitted on: 1/27/2024 11:39:46 AM Testimony for AEN on 1/29/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sunny Savage	Individual	Support	Written Testimony Only

Comments:

In support.



<u>SB-2159</u> Submitted on: 1/29/2024 4:47:01 AM Testimony for AEN on 1/29/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Klayton Kubo	Individual	Support	Written Testimony Only

Comments:

Support



Dear Chairs & Vice Chairs & AEN & WTL Committees

ROAR testifies wishing to comment.

Intro

This act requires the State Agricultural Functional Plan to include additional agricultural economic updates including updates on seafood sustainability. The plan has not been updated since the 1990s. It is not necessary to delegate this work as a new assignment to the offices as it will be duplicative of work that is already accomplished by NOAA. CARES proposes that The Office of Planning & Sustainable Development, in collaboration with the Department of Agriculture should access NOAA's research.

The NOAA's Pacific Islands Regional Office

From NOAA's Pacific Islands Regional Office, "In the Pacific Islands, the natural resources, peoples, cultures, and economic vitality are intertwined, and the health, persistence & success are dependent upon each other."

The Office has performed comprehensive research studies in:

- The Hawaii seafood industry
- Fishery management (commercial & non-commercial)
- Planning & goals to end overfishing
- Data on maintaining sustainable fisheries
- Fishing regulations, permits and authorizations, economic and environmental analyses
- Support for offshore aquaculture, and education & training for fishermen
- Recovery planning, critical habitat designation, and other conservation activity
- Species management
- Sustainable fisheries management globally

To create Sustainable Fisheries, this NOAA office is responsible for maintaining healthy fish stocks important for commercial and non-commercial fisheries in the region. The office reviews, recommends approval or disapproval, and puts into practice approved fishery management plans for commercial and non-commercial fisheries in the U.S. Pacific Islands. The Western Pacific Fishery Management Council develops the plans with the goal of ending overfishing and maintaining sustainable fisheries.

This NOAA office also develops and administers a variety of fishery management activities, including fishing regulations, permits and authorizations, economic and environmental analyses, engagement with the recreational and non-commercial fishing community, support for offshore aquaculture, and education & training for fishermen. This office engages in recovery planning, critical habitat designation, and other conservation and management activities that promote species recovery.

The office consults with other federal agencies to ensure activities don't jeopardize the continued existence of listed species and work closely with partners to achieve recovery for those species. The office has several programs to conserve and protect populations of marine mammals in the Pacific Islands Region, including efforts to reduce the "take" of marine mammals in commercial fisheries and maintain a robust Marine Mammal Health and Stranding Response Network.

The office's mission is to protect, restore, and promote stewardship of marine and coastal habitat that supports fisheries and conserves protected resources. The office also ensures sustainable fisheries management globally.

This office has a <u>Fishery Ecosystem Plan for each region of the Pacific.</u> This is the <u>Hawaii Plan</u>. It also has a <u>Pacific Islands Geographic Strategic Plan 2020-2023</u>.

JOSH GREEN, M.D. Governor

> SYLVIA LUKE Lt. Governor



WENDY L. GADY Executive Director



STATE OF HAWAI'I **AGRIBUSINESS DEVELOPMENT CORPORATION** 235 S. Beretania Street, Suite 205 Honolulu, HI 96813 Phone: (808) 586-0186 Fax: (808) 586-0189

TESTIMONY OF WENDY L. GADY EXECUTIVE DIRECTOR AGRIBUSINESS DEVELOPMENT CORPORATION

BEFORE THE SENATE COMMITTEES ON AGRICULTURE AND ENVIRONMENT AND WATER AND LAND

Monday, January 29, 2024 1:00 p.m. Conference Room 229

SENATE BILL NO. 2159 RELATING TO FOOD SUSTAINABILITY

Chairpersons Gabbard and Inouye, Vice Chairs Richards and Elefante, and Members of the joint Committees:

Thank you for the opportunity to testify on Senate Bill No. 2159. The Agribusiness Development Corporation (ADC) supports this measure, which requires the Department of Agriculture, in coordination with the Office of Planning and Sustainable Development, to prepare and periodically update the State Agriculture Functional Plan to include other agricultural economic updates, including seafood sustainability, that expand the State's priority on food by including wild seafood as a viable food source and requires the Governor to submit the plan to the Legislature prior to the Regular Session of 2026.

Local seafood provides sustenance and is a significant source of animal protein. Locals and visitors to our islands alike enjoy Hawaii's wild-caught and farmed seafood. ADC supports the intent of this measure and believes it will help the State identify the key characteristics of sustainable seafood, explain the environmental, economic and social problems facing the industry, and offer suggestions for navigating the complicated world of seafood available to Hawaii consumers.

We support this bill provided that its passage does not replace or adversely impact priorities indicated in our Executive Budget. Thank you for your consideration of our testimony.