

Personal Testimony Presented before the
House Committee on Economic Development and Business Concerns
House Committee on Agriculture
March 25, 2008
9:00 a.m.
by
Dr. Andrew G. Hashimoto

HCR 357 / HR 294: Requesting the University of Hawaii College of Tropical Agriculture and Human Resources to study the feasibility of constructing a multipurpose, multi-user agricultural products processing facility or facilities

Chair Yamashita, Vice Chair Wakai, Chair Tsuji, Vice Chair Brower, and Members of the Committees:

My name is Andrew Hashimoto, and I serve as Dean of the UH Mānoa College of Tropical Agriculture and Human Resources (CTAHR). I am pleased to provide personal testimony on House Concurrent Resolution 357 / House Resolution 294, which asks UH CTAHR to study the feasibility of constructing a multipurpose, multi-user agricultural products processing facility or facilities. This testimony is presented from the perspective of the dean of CTAHR and an ex-officio member of the Board of Agriculture. It does not represent the position of the University of Hawai'i.

I support HCR 357 / HR 294 but have some concerns relating to the associated costs.

Hawai'i agriculture and its value-added products contribute \$2.4 billion and more than 28,000 jobs to the state's economy. As sugarcane and pineapple production have declined, diversified crops have become the mainstay of Hawai'i agriculture. The farm-level value of diversified agricultural products has nearly doubled during the past two decades. Diversified agriculture farm revenues, which topped \$456 million in 2006, represent 78 percent of our state's total farm revenues, up from only 31 percent in 1986. The availability of one or more facilities through which farmers and agribusinesses can process and package new products for local, national, and global markets has the potential to substantially increase the contribution that diversified agriculture and value-added products make to our state's economy.

HCR 357 / HR 294 raises important questions regarding the feasibility of one or more such processing facilities, the best mechanism(s) for facility ownership, the types of products that might be developed, the markets those products might reach, the technologies required, and the historical parallels for Hawai'i's shift from plantation to diversified agriculture. Because success in developing and launching one or more such processing facilities hinges on the answers to these questions, the study proposed by HCR 357 / HR 294 is needed. However, the scope of the proposed study is quite large, and accomplishing this task will require resources. I am concerned that funds for the study are not provided.

Thank you for the opportunity to testify on this bill.



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HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT
AND BUSINESS CONCERNS
AND
HOUSE COMMITTEE ON AGRICULTURE

TESTIMONY ON
HCR 357/HR 294

Chair Yamashita and Chair Tsuji and committee members:

My name is Alan Takemoto, Executive Director, of the Hawaii Farm Bureau Federation, which is the largest non-profit general agriculture organization representing approximately 1,600 farm and ranch family members statewide.

The Hawaii Farm Bureau Federation (HFBF) supports HCR 357/HR 294 requesting the University of Hawaii College of Tropical Agriculture and Human Resources to study the feasibility of constructing a multipurpose, multi-user agricultural products processing facility.

In today's world, our economy has become so globalized that it has changed the way we are able to process or manufacture products. Agriculture is no different as it has become difficult to process our own raw agricultural crops into value added products. If a Hawaii farmer wants to process his product into a higher value added product, he is often times forced to send it to the mainland as we lack the facilities to handle all types and quantities. The other challenge is the cost of transportation that often times discourage farmers to venture into this area.

Hawaii is losing millions of dollars as we lack the ability to process. We need to be creative and find our niche market as it is difficult to compete with the global economy. An agricultural processing facility here in Hawaii will provide the farmers an opportunity to establish another market for their product.

Thank you.