

LINDA LINGLE
Governor



SANDRA LEE KUNIMOTO
Chairperson, Board of Agriculture

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Deputy to the Chairperson

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DEPARTMENT OF AGRICULTURE
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**TESTIMONY OF SANDRA LEE KUNIMOTO
CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE HOUSE COMMITTEE ON FINANCE
FRIDAY, FEBRUARY 27, 2009
10:00 AM
CONFERENCE ROOM 308**

**HOUSE BILL NO. 242
RELATING TO AGRICULTURE**

Chairperson Oshiro and Members of the Committee:

Thank you for the opportunity to comment on House Bill No. 242. The purpose of this bill is to appropriate funds in fiscal year 2009-2010 and the same sum or so much thereof as may be necessary for the fiscal year 2010-2011 for the planning and modification of value added facilities contingent upon a financial or in-kind match of funds. The Hawaii Department of Agriculture (HDOA) offers comments.

The Hawaii Department of Agriculture (HDOA) recognizes the importance of value-added processing as a component that can utilize lesser grade produce and add income to a farming operation. It also diversifies the products that can be offered to consumers and provides products that may be more easily exported than fresh goods. We greatly appreciate your committee's interest in assisting our agricultural producers to obtain higher returns for their products and thereby achieve greater financial stability.

Agriculture has many needs and in better economic times, HDOA would support this bill, however, as planning and modification of value added facilities is contingent upon uncertain financial or in-kind match of funds, we respectfully recommend that this bill be reintroduced at a time when the state can better afford its implementation and there is a higher degree of certainty that matching funds will be available.

Personal Testimony Presented before the
House Committee on Finance
February 27, 2009 at 10:00 a.m.
by
Andrew G. Hashimoto

HB 242 – RELATING TO AGRICULTURE

Chair Oshiro, Vice Chair Lee, and Members of the Committee:

My name is Andrew Hashimoto, and I am a Dean and Director of the UH Manoa College of Tropical Agriculture and Human Resources (CTAHR). I am pleased to provide personal testimony on HB 242. This testimony does not represent the position of the University of Hawaii or CTAHR.

HB 242 appropriates funds for the expansion of value-added agricultural operations at the Del Monte and Maui Community College facilities.

Agriculture has been for many years and continues to be an important component of Hawaii's economy, environment and lifestyle. Recently, we have been subjected to increasing reports and concerns about Hawaii's food supply being vulnerable to external factors beyond our control because we produce locally only 10% to 15% of what we consume. It is therefore imperative that we make every effort to reduce our vulnerability by increasing local food production.

I support the intent of this bill as a step towards upgrading the state's capability for manufacturing value-added products. Although a number of small scale incubator kitchens and small food manufacturing industries exists today, Hawaii needs to move to the next level by having medium to large capacity food manufacturing capabilities available in the state. Currently, local producers must contract with firms on the mainland and in foreign countries to have their products manufactured. The proposed facility will fulfill a vital need toward making our agricultural industry sustainable and will help toward addressing food security issues as well.

Thank you for the opportunity to testify on this bill.



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Written Testimony Presented Before the
House Committee on Finance
February 27, 2009 at 10:00 a.m.
John Morton

Vice President for Community Colleges, University of Hawaii'i

HB 242 – RELATING TO AGRICULTURE

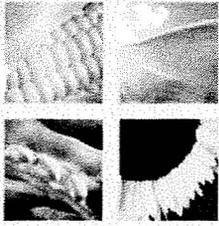
Chair Oshiro, Vice Chair Lee, and Members of the Committee:

Thank you for the opportunity to offer testimony on House Bill 242. The University of Hawaii'i supports consideration of this renovation project for UH-Maui Community College (UH-MCC), provided that its passage does not replace or adversely impact the priorities as indicated in our BOR Approved Capital Improvement Program (CIP) Budget. The University of Hawaii's CIP priorities have been presented to the Legislature.

This bill is intended to support the diversification of Hawaii's agriculture industry. Specifically, UH-MCC's Maui Culinary Academy (MCA) has developed products that have added value to sugar, pineapple, and grape products grown on Maui. Currently, our MCA is working with the Maui Cattle Company to develop products for non-prime cuts of beef. The MCA is committed to designing value-added products in collaboration with the Maui Nui agricultural community. The college, MCA, the Farm Bureau and other agricultural interests envision the restoration of the former kitchen in Pilina (the Student Life Center) into a research, design, and development facility for value-added agriculture related products. It is also envisioned that the area adjacent to the kitchen would offer a presentation and sampling area.

Additionally new and experimental products would be offered through the MCA Food Court on the campus to determine product marketability and consumer interest. Furthermore, the planning, repair and restoration of this Pilina facility would complement the entrepreneurship opportunities recently made available by the relocated Maui Swap Meet on to the campus.

While House Bill 242 would help to support agricultural development in Maui County, this renovation project at UH-MCC can only be supported if it does not replace or adversely impact on the CIP priorities already approved by the Board of Regents.



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Hawaii Crop Improvement Association

Growing the Future of Worldwide Agriculture in Hawaii

Testimony By: Alicia Maluafiti
HB 242, Relating to Agriculture
House FIN Committee
Friday, Feb. 27, 2009 – Agenda #1
Room 308, 10:00 am

Position: Strong Support

Chair Oshiro and Members of the House FIN Committee:

My name is Alicia Maluafiti, Executive Director of the Hawaii Crop Improvement Association. The Hawaii Crop Improvement Association (HCIA) is a nonprofit trade association representing the agricultural seed industry in Hawaii. Now the state's largest agricultural commodity, the seed industry contributes to the economic health and diversity of the islands by providing high quality jobs in rural communities, keeping important agricultural lands in agricultural use, and serving as responsible stewards of Hawaii's natural resources.

HCIA strongly supports this measure and appreciates the request for general obligation bonds for the planning, repair and modification of the Del Monte and Maui Community College facilities for value-added agricultural production. To paraphrase Richard Ha at the HFBB State of Agriculture briefing, "farmers will farm if they are making money." The added-value processing facilities provide a needed venue for off-grade produce and also increases the range of products that are bonafide made in Hawaii products, such as guava jam/jellies, pineapple juice, etc.

Your support of this measure is strongly urged. Thank you for the opportunity to present testimony.

The Twenty-Fifth Legislature
Regular Session of 2009

HOUSE OF REPRESENTATIVES
Committee on Finance
Rep. Marcus R. Oshiro, Chair
Rep. Marilyn B. Lee, Vice Chair

State Capitol, Conference Room 308
Friday, February 27, 2009; 10:00 a.m.

**STATEMENT OF THE ILWU LOCAL 142 ON H.B. 242
RELATING TO AGRICULTURE**

The ILWU Local 142 supports H.B. 242, which appropriates funds for the expansion of value-added agricultural operations at the former Del Monte and Maui Community College facilities.

The ILWU has never wavered in its support for preserving agriculture in Hawaii. Even as the sugar and pineapple industries have declined, we have supported the development of diversified agriculture. As plantations closed, we encouraged workers to consider diversified agriculture as a means of supporting themselves and their families.

But we know how difficult agriculture can be and that challenges abound--whether it's marketing the products grown or producing enough to provide a consistent supply or securing long-term leases or finding workers. We have promoted farmers working in cooperatives to pool their resources. We have supported federal and state funding to help keep agricultural operations viable.

In the end, agriculture in Hawaii will benefit us all. If the food for our table can be grown in Hawaii, we can become self-sustaining. If our landscape is green, open and beautiful, we will attract more visitors. If we can maintain agricultural communities, we can preserve a way of life rooted in the earth that can help shape the values of the next generation of Hawaii residents.

Toward this end, H.B. 242 is proposing an appropriation to encourage more agricultural development on all islands. The ILWU is particularly familiar with the proposal of Hawaii Agriculture Research Center (HARC) to develop former Del Monte properties promised to it by the James Campbell Company.

The ILWU represented the workers of Del Monte in collective bargaining for more than 50 years. We were saddened, just as many Hawaii residents were, when the company shut down pineapple production in late 2006. Some of the workers found jobs working at golf courses, produce companies, food distributors and the like, but many gravitated back to working in agriculture. Indeed, those who live in Kunia Camp, adjacent to the buildings being proposed for development of "value added agricultural products," have deliberately sought agricultural jobs to ensure their continued tenancy in the camp.

We believe that HARC is uniquely positioned to make the best use of the former Del Monte facilities and fully support HARC's efforts. The facilities themselves have value and every effort should be made to make full use of this resource. The use of the facilities to create value-added

products from agricultural resources makes sense both economically and ecologically.

We also support the proposal to work with the culinary arts programs at the community colleges, in particular Maui Community College, for use of locally grown agricultural products. Culinary arts instruction at the community colleges is helping to provide occupational skills to those needing new employment and training a new crop of chefs who will stimulate the use of locally produced food.

While Hawaii's current economy is faltering and the Legislature is challenged to generate money rather than spend it, we believe an appropriation for this project will be a worthwhile investment in the future of our state. The ILWU urges passage of H.B. 242.

Thank you for the opportunity to provide testimony on this matter.



Hawaii Agriculture Research Center

Administration: P.O. Box 100, Kunia, HI 96759

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TESTIMONY BEFORE THE HOUSE COMMITTEE ON FINANCE

HOUSE BILL 242 Relating to Agriculture

February 27, 2009

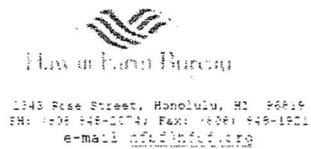
Chairman Oshiro and Members of the Committee:

My name is Stephanie Whalen. I am Executive Director of the Hawaii Agriculture Research Center (HARC). I am testifying today on behalf of the center and our research and support staff.

HARC supports House Bill 242 which proposes to support the expansion of value-added agricultural operations at the abandoned Del Monte facilities and Maui Community College.

The DelMonte facilities provide an excellent and rare chance to utilize plantation infrastructure to enable the smaller entities emerging in the diversification of agriculture with value-added opportunities. The University of Hawaii at the request of the 08 legislature provided a well thought out document suggesting the possibilities for the site. Funding to develop those possibilities, design and renovate the existing facility for multiple users provides one of the sorely needed supports for diversified agriculture. This site could well be an example or model for other agribusiness clusters though out the state.

Thank you for the opportunity to testify in support of Hawaii's agricultural needs.



TESTIMONY

House Committee on Finance

RE: HB 242 RELATING TO AGRICULTURE

Chair Oshiro and Members of the Committee:

Hawaii Bureau Federation representing Hawaii's farm and ranch families and organizations supports HB242, providing funding towards the expansion of value added facilities for agriculture.

People regularly ask us what can be done to help agriculture. As in most businesses, the answer is to reduce cost and increase revenues. This measure seeks to address the latter. To increase viability, waste within the system must be minimized and thereby, revenues increased. Farmers and ranchers in Hawaii face limited capacities to produce value added products which can play a major role in increasing the revenue base of their enterprises. At the request of the Legislature, UH-CTAHR prepared a report addressing the opportunities provided in the former Del Monte facility. On the island of Maui, the former culinary arts facility at the Maui Community College campus provides a similar opportunity. This measure seeks to utilize these existing facilities to provide farmers and ranchers abilities to expand their value added production capacities.

We respectfully request your support of this measure to increase the revenue stream of our farmers and ranchers as well as build the capacity within the State to increase our self sufficiency.

Thank you for this opportunity to provide our opinion on this matter.