

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

TESTIMONY OF SCOTT E. ENRIGHT CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON FINANCE FEBRUARY 26, 2014, 11:15 A.M. ROOM 308

HOUSE BILL NO. 1184 HD1 RELATING TO FOOD SELF-SUFFICIENCY

Chairperson Luke and Members of the Committee:

Thank you for the opportunity to provide testimony on House Bill No. 1184 HD1. This bill creates a new chapter in the Hawaii Revised Statutes, requiring the Department of Agriculture to develop a food sustainability standard to increase agricultural selfsufficiency. The food sustainability standard requires the State to double the amount of food grown in Hawaii in 2015 by the year 2025. Compliance with this standard is to be a consideration in any decision that may impact the State's capacity to achieve the standard. The Department of Agriculture supports the intent of this measure, but believes it is unnecessary as the Department has already been pursuing efforts in this regard.

The food sustainability standard as proposed in this measure requires the collection and compilation of in-shipment data, a function formerly found within the Marketing Analysis and News Branch that was abolished during the 2009 reduction-in-force program. This in-shipment data, used in conjunction with local production data, gave us reliable estimates of the proportion of locally grown fresh fruits and vegetables sold in the local market. These baseline metrics are needed in order to determine what doubling the amount of food grown in Hawaii entails. As such, the Department has



secured a grant from Ulupono Initiative to develop food security baseline metrics and is currently in the process of developing these food security baseline metrics with Sustain Hawaii.

Finally, the Department believes that to achieve and sustain any level of food self-sufficiency as proposed in this measure will involve the activities of the Department of Agriculture and other State departments, the counties, the collective efforts of citizens, businesses, and public/private organizations, and changes to the ways that agriculturally-important resources such as prime agricultural lands and irrigation water sources are valued, allocated, and reclassified.

We thank you for this opportunity to present our testimony.



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Statement of JESSE K. SOUKI Director, Office of Planning before the HOUSE COMMITTEE ON FINANCE

Wednesday, February 26, 2014 11:15 AM State Capitol, Conference Room 308

in consideration of HB 1184 HD1 RELATING TO FOOD SELF-SUFFICIENCY.

Chair Luke, Vice Chairs Nishimoto and Johanson, and Members of the House Committee on Finance.

The Office of Planning, among other things, is charged with engaging state agencies in the formulating and articulating of comprehensive statewide goals, objectives, policies, and priorities, and coordinating their implementation through the statewide planning system established in part II of Hawaii Revised Statutes (HRS) chapter 226.¹ The Statewide planning system identifies various functional areas, including agriculture.²

In 2012, the Office of Planning undertook a project, supported by funding from the U.S. Department of Commerce, Economic Development Administration, which resulted in the *Increased Food Security and Food Self-Sufficiency Strategy*.³ This work included coordination with the State Department of Agriculture (DOA), who is the lead agency in the agricultural

¹ HRS § 225M-2(b)(1).

² HRS § 226-52(a)(3).

³ Increased Food Security and Food Self-Sufficiency Strategy, Office of Planning, Oct. 2012, available at <u>http://planning.hawaii.gov/spb</u>.

functional area, and various stakeholders. Having developed the report, implementation lies primarily with DOA. Consequently, we defer to DOA on how this bill might further those objectives.

Regarding subsection -2 of the bill, it provides that "(b) The department shall, on an annual basis and in conjunction with the **department of business**, **economic development**, **and tourism**, identify key food commodities to be targeted for assistance in developing an increased local market share."⁴ It is unclear exactly what is expected of the Department of Business, Economic Development, and Tourism (DBEDT), so it is difficult to assess the fiscal and/or programmatic impacts of the subject bill on DBEDT. DBEDT impacts we might expect include the need for additional staff with expertise in the areas of agricultural economics, market structures, and tax and subsidy policy. Additional legal support may also be required to ascertain the legal ramifications of regulating interstate commerce.

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



February 25, 2014

Representative Sylvia Luke, Chair Representative Scott Y. Nishimoto, Vice Chair Representative Aaron Ling Johanson, Vice Chair House Committee on Finance

Testimony in Strong Opposition to HB 1184, HD1, Relating to Food Self-Sufficiency (Requires the development of a food sustainability standard to promote local food production to help diversify the local economy.)

Wednesday, February 26, 2014, 11:15 a.m., in Conference Room 308

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. One of LURF's missions 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 provide its comments and concerns in **strong opposition** to **HB 1184**, **HD1**, on behalf of its members, who defend the goals of viable agricultural operations and the conservation and protection of agriculture, including important agricultural lands (IAL) in Hawaii. This bill is based on a 2012 House bill, which did not involve any discussions, assistance, or input from the Hawaii Farm Bureau Federation (HFBF), agricultural landowners and stakeholders; and which reportedly screened a hidden agenda and ulterior motive to impose a moratorium on land use approvals. This bill thus underscores the critical need for collaboration amongst diverse sectors of the community - business, government, and agricultural stakeholders - and the importance of them working together cooperatively to improve food sustainability and the economic viability of the State's agricultural industry.

HB 1184, HD1. This bill purportedly requires the Department of Agriculture (DOA) to develop a food sustainability standard (FSS) to promote local food production to help diversify the local economy. LURF believes, however, that if the true purpose of HB 1184, HD1 was to promote local food production, the bill would necessarily address key related issues such as the cost of land; water availability; labor costs and availability; transportation costs; invasive species; and marketing, all of which must be taken into consideration in order to establish realistic food production and sustainability standards.

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It is interesting to note that the actual, original, and sole intent of similar bills previously introduced, was to stop further reclassification of agricultural lands by setting an unrealistic standard for local food production, and then "punishing" landowners when that standard was not met by the State through the imposition of unfair and arbitrary moratoriums on land use reclassification of agricultural land.

While the current bill does not include any "punishment provisions," it nevertheless appears to be infused with the underlying intent of the prior bills, as it ignores the DOA's ongoing research and development of food production metrics; requires the DOA to accept an arbitrary state food production standard; disregards the potential occurrence of natural disasters and other incidents beyond human control including droughts, floods and hurricanes, which would affect food production; and is completely oblivious to the fact that DOA's 2008 statistics show that agricultural exports comprised approximately eighty-five percent (85%) of Hawaii's farm and livestock sales (sugar cane, macadamia nuts, coffee, seed crops, floriculture, nursery products, cattle and calves), while local consumption amounted only to approximately fifteen percent (15%) of sales.

LURF's Position. Over the years, LURF has consistently and strongly supported agriculture, agricultural development, the IAL law, and water for agriculture. While LURF also supports food security and food self-sufficiency, it is seriously concerned with HB 1184, HD1, for the following reasons:

- **1. Questionable intent and purpose of HB 1184, HD1.** Contrary to what would necessarily be considered appropriate for, and required as part of the proposed bill given the significance of its subject matter, HB 1184, HD1 **does not** include support for any agricultural programs; **does not** address any issues which would increase local food production; and **does not** involve a collaboration of agricultural stakeholders to support the effort to increase local food production. Thus, the underlying purpose and desired outcome of HB 1184, HD1 is questionable, and appears only to be to direct the DOA to collect data (which has been, and will likely continue to be ignored), then to create an arbitrary, unrealistic FSS which cannot be met by the State in order that in the future, opponents of land use reclassifications and zone changes may potentially use such information either to oppose such land use approvals, or to lobby for legislation imposing sanctions against landowners based on the State's failure to meet the arbitrary FSS.
- **2. Must trust the experts on food production, security and sustainability.** LURF questions the informational and factual basis upon which HB 1184, HD1 attempts to establish the proposed arbitrary FSS set out in the bill; and whether the original drafters of this bill are knowledgeable and experienced in agricultural production.
 - a. **HB 1184, HD1 ignores the DOA's metrics research and data collected regarding food production, and sets an_arbitrary FSS.** This bill is premised on the unreasonable belief that increased agricultural production can be attained simply by setting_an arbitrary standard. The DOA, however, understands that successful and viable agriculture is very complex and involves many issues, including agricultural infrastructure, labor, biosecurity, food safety, market development, research and development, agricultural lands, water and water treatment, pest management, and food safety – all of which are not addressed by this measure.

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- b. **The DOA should retain its authority to establish its own food production and sustainability metrics or standards.** The DOA and its experts in agricultural food production should not be forced by this bill to accept an arbitrary FSS mandated to be achieved by 2025, of "at least double the amount grown in 2015." LURF understands that the DOA has already been, and is currently working on developing metrics to determine the current levels of agriculture within the State. The DOA should be allowed to complete these metrics as a necessary step prior to determining if and when any food sustainability standard or other sustainability standards should be established. Variables which should necessarily be considered as part of the establishment of said standards include: land costs; water availability; labor costs and availability; transportation costs; invasive species; marketing costs; and the long term economic viability of farms, ranches, and other agricultural facilities and programs.
- c. **HB 1184, HD1 is exclusionary; usurps DOA's authority; ignores DOA's expertise relating to food production; and is divisive.** The drafting of this bill did not include the participation of the DOA, HFBF, large agricultural landowners, or other agricultural stakeholders. This collaborative effort is crucial, especially because of the possibility that those same landowners could possibly face obstacles, or future penalties or sanctions if the FSS is not met. It disregards DOA's ongoing work on food production metrics; requires DOT to collect data, just so that it can be ignored; and forces DOA to accept an arbitrary FSS of "at least double the amount grown in 2015" by 2025. Any failure to meet this arbitrary FSS will result in blame, finger-pointing, and likely the proponent's original intent of this bill – the unreasonable and unjustified punishment of landowners.
- d. **LURF would be in support of DOA's collection, compilation, analysis and presentation of in-shipment data.** LURF would encourage and support the DOA's collection, compilation, analysis and presentation of data and other information relating to imports and exports to support the establishment of an appropriate FSS, however, is unable to defend the creation of an arbitrary standard by unknown authorities based on unsubstantiated data.
- **3.** DOA staff must be retained to implement programs related to this measure. LURF supports the hiring of necessary DOA positions and funding for DOA staff necessary to collect, compile and analyze in-shipment data; to work collaboratively with the College of Tropical Agriculture and Human Resources at the University of Hawaii at Manoa to develop a system to gather and analyze relevant data; to prepare DOA metrics relating to the levels of agriculture in the State; and to present findings to the community. LURF respectfully recommends that the DOA, the State Administration, and the Legislature explore funding alternatives necessary for programs implemented pursuant to this bill.

It is LURF's position that in lieu of imposing an arbitrary FSS, alternative legislation which would better address issues relating to increasing local food production should be considered and enacted. Such legislation would ideally authorize the creation of an agricultural development and/or food security program within the DOA, through which the DOA would develop and fund new and existing programs and facilities to promote the development of agriculture and food security within the State. Such a measure would emphasize cooperation and cohesive industry strategies and planning; a holistic approach from farm to market; and active participation from all of the stakeholders in the agricultural industry.

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Thank you for the opportunity to present comments and concerns **in opposition** to this measure.



League of Women Voters of Hawaii 49 South Hotel Street, Room 314 | Honolulu, HI 96813 www.lwv-hawaii.com | 808.531.7488 | voters@lwvhawaii.com

HOUSE COMMITTEE ON FINANCE

Representative Sylvia Luke, Chair Representatives Scott Nishimoto and Aaron Ling Johanson, Vice Chairs

Wednesday, February 26, 2014, 11:15 A.M., Conference Room 308

HB 1184, HD1 Relating to Food Self-Sufficiency

TESTIMONY Nancy Davlantes, Legislative Committee Member, League of Women Voters of Hawaii

Chair Luke, Vice-Chairs Nishimoto and Johanson, and Committee Members:

The League of Women Voters of Hawaii supports HB1184, HD1, which would require the Department of Agriculture to develop a food sustainability standard to promote local food production to help diversify the local economy.

For more than 20 years, the League of Women Voters has supported a system of sustainable, regenerative agricultural production that moves toward an environmentally sound agricultural sector which includes promoting stewardship to preserve and protect human and natural agricultural resources.

The League believes that if agriculture is to be sustainable and regenerative in Hawaii, given its isolation from the Mainland, it must include increasing production of locally grown foods; encouraging the marketing, purchasing, and consumption of locally grown foods; and supporting an agricultural workforce and infrastructure. Together these efforts will move Hawaii toward more of a self-sufficient future.

The League believes that HB1184, HD1 is an important step to that end and urges you to pass this bill.

Thank you for the opportunity to submit testimony.



MALAMA I KA HONUA Cherish the Earth

HOUSE COMMITTEE ON FINANCE

February 26, 2014, 11:15 A.M. (*Testimony is 1 page long*)

TESTIMONY IN SUPPORT OF HB 1184, HD1

Aloha Chair Luke and Members of the Committee:

The Sierra Club of Hawai'i, with 12,000 dues paying members and supporters statewide, *strongly supports* HB 1184. This measure creates a vision of food self-sufficiency, gives the Department of Agriculture resources to do planning and strategize new solutions, and sets metrics to ensure compliance over time.

The Hawaii State Constitution, article XI, section, is explicit about the need to "conserve and protect agricultural lands, promote diversified agriculture, [and] increase self-sufficiency." Despite this rather clear directive, Hawai'i has made little progress. We import approximately ninety two percent of our food. Currently, Hawaii has a fresh supply of produce for no more than ten days.

Our current strategy for increasing diversified agriculture and promoting self-sufficiency plainly isn't working. Hawai'i needs to look at new solutions.

HB 1184 sets a new vision. It creates a specific targets and requires annual reporting. A similar concept helped pump prime Hawai'i's clean energy industry. Hawai'i's Energy Efficiency and Renewable Energy Portfolio Standards were a key part in starting the clean energy movement. Tangible goals with metrics that define success effectively brought previously bickering parties together to solve Hawai'i's dangerous dependence on foreign oil.

This makes economic sense. Relying on DOA estimates, this concept could generate a billon dollars in new sales for our businesses, stimulate \$300 million in new household earnings, create more than 14,000 new jobs with living wages, and pump \$39 million in new tax revenues into our state coffers.

Mahalo for the opportunity to testify.

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<u>HB1184</u>

Submitted on: 2/25/2014 Testimony for FIN on Feb 26, 2014 11:15AM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Teresa L. Nakama	Individual	Support	No

Comments: Standard practices makes for aligned and higher grade of produce.

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<u>HB1184</u>

Submitted on: 2/25/2014 Testimony for FIN on Feb 26, 2014 11:15AM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
nani pogline	Individual	Support	No

Comments: Anything that supports the development of local food resources is very important, but please no GMO!

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<u>HB1184</u>

Submitted on: 2/25/2014 Testimony for FIN on Feb 26, 2014 11:15AM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing	
Chris Manfredi	Hawaii Farm Bureau	Support	Yes	

Comments:

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