

**DAVID Y. IGE**  
Governor

**JOSH GREEN**  
Lt. Governor



**PHYLLIS SHIMABUKURO-GEISER**  
Chairperson, Board of Agriculture

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**TESTIMONY OF PHYLLIS SHIMABUKURO-GEISER  
CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT**

February 5, 2021  
1:00 P.M.  
VIA VIDEOCONFERENCE

**SENATE BILL NO. 668  
RELATING TO AGRICULTURE**

Chairperson Gabbard and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill 668. This bill would rename the Agricultural Development and Food Security Special Fund and would allow that the funds therein to be expended on the commercial fisheries in addition to its current allowable uses in service of farmers, ranchers, and aquaculture. The Department has strong concerns and offers comments on this measure.

The Department notes that expenditures in support of aquaculture operations are allowable under existing statute. Thus, the renaming of the special fund does not improve the fund's mission nor scope in relation to aquaculture. The insertion of commercial fishermen in section c (1) creates confusion and broadens the fund's stakeholder group beyond the Department's jurisdiction. Pelagic fisheries are under the federal jurisdiction of the National Oceanic and Atmospheric Association's National Marine Fisheries Service (NOAA-NMFS). Freshwater and recreational fishing are regulated at the state level by the Department of Land and Natural Resources' Division of Aquatic Resources. The various types of allowable projects proposed in this measure involve natural aquatic environments that have different regulatory schemes with which the Department of Agriculture has little experience. Furthermore, the allowable expenditures of special fund monies as prescribed both in current statute and in this measure are tailored and targeted to serve agricultural or aquacultural uses rather than those of



commercial fisheries. Aquaculture and commercial fisheries are vastly different in their respective operational needs and challenges. While aquaculture is aquafarming under controlled conditions and the protection from predators, a commercial fishery harvests its fishes from natural habits that do not have the same operational and regulatory requirements that are inherent in controlled environments.

Thank you for the opportunity to testify on this measure.



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February 5, 2021

HEARING BEFORE THE  
SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

**TESTIMONY ON SB 668**  
RELATING TO AGRICULTURE

Via Videoconference  
1:00 PM

Aloha Chair Gabbard, Vice Chair Nishihara, and Members of the Committee:

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

**The Hawaii Farm Bureau supports SB 668**, which renames the agricultural development and food security special fund as the land, aquaculture, freshwater, or sea-based food development and food security special fund and expands the scope of the special fund to include land, aquaculture, freshwater, or sea-based food production.

The barrel tax was intended to support critical investments in clean energy, local agricultural production, and environmental response to reduce the State's dependence on imported fossil fuels and food products. As an organization opposed to new taxes, HFB took an unusual step by supporting the environmental response, energy, and food security tax, or barrel tax. It was a desperate move by the industry to secure stable funding for Hawaii's agricultural industry.

The barrel tax was originally intended to increase local capacity to grow and produce import replacement products in order to fulfill the State's vision for increased self-sufficiency and sustainability. During the economic downturn, proceeds from this fund were reallocated to balance the budget. We appreciate that the remaining funds continue to benefit agriculture.

Hawaii's aquaculture industry farm gate value is \$76,400,000, the third-highest contribution to the economy in diversified agriculture. Hawaii's favorable climate and geography allow for inherent advantages benefitting aquaculture production.

The Legislature acknowledged the importance of Hawaii's aquaculture industry by revitalizing the Aquaculture Development Program through Act 63, SLH 2019. However, more investment and research into the aquaculture industry is needed, including investment and research into different types of aquaculture, aquaculture system optimization, economic implications of various methods of aquaculture production, and sustainable scaling methods.

We support the inclusion of aquaculture production as allowable expenses of the barrel tax.

Thank you for this opportunity to testify on this important subject.

**SB-668**

Submitted on: 2/4/2021 9:44:41 AM

Testimony for AEN on 2/5/2021 1:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Roger Dang	Individual	Support	No

Comments:

I support this bill because it will allow more commercial food-producing sectors in our community to work on increasing our State's food security.