

DAVID Y. IGE
Governor

JOSH GREEN
Lt. Governor



PHYLLIS SHIMABUKURO-GEISER
Chairperson, Board of Agriculture

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DEPARTMENT 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 Administration'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 17, 2021

HEARING BEFORE THE
SENATE COMMITTEE ON WAYS AND MEANS

TESTIMONY ON SB 668
RELATING TO AGRICULTURE

Conference Room 211
10:00 AM

Aloha Chair Dela Cruz, Vice-Chair Keith-Agaran, 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: 2/16/2021 9:38:29 AM

Testimony for WAM on 2/17/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
eric kingma	Testifying for Hawaii Longline Association	Support	No

Comments:

Hawaii Longline Association represents the Hawaii longline fleet. There are around 140 active Hawaii-based longline vessels that consume marine diesel fuel and subject to the barrel tax. It is estimated that the Hawaii-based longline vessels contribute an estimated \$300,000 into this fund annually. The Hawaii-based longline fishery is the largest food producing entity in the State. Hawaii residents consume seafood at twice the National average. Therefore, based on our fleet's contribution to the fund and importance to Hawaii food self-sufficiency, HLA believes it important that the fund be authorized to support fisheries and seafood with respect to Hawaii food security and self sufficiency.

SB-668

Submitted on: 2/16/2021 10:20:16 AM

Testimony for WAM on 2/17/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Brooks Takenaka	Testifying for United Fishing Agency	Support	No

Comments:

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, & members of the Committee, I'm Brooks Takenaka, General Manager of the United Fishing Agency, Ltd., aka Honolulu Fish Auction.

We support the intent of SB 668.

Hawaii's residents have access to fresh wild caught fish that our recreational fishers, Hawaii's commercial fishing fleet, government agencies, nonprofit organizations and citizens work to collaborate on preserving fishing and protecting the fishery resources. Living in the middle of the Pacific Ocean is well worth the health benefits we gain and enjoy.

Mahalo for the opportunity in presenting our testimony.