

**Associated Producers  
Corp.  
dba Ka Lei Eggs**

439 Kalia Street Honolulu, Hawaii 96817

March 25, 2010

House Committee on Finance  
Hearing on March 25, 2010 at 11:00 AM  
Conference Room 308

**Re: Testimony for SB 2527 SD2 HD1 – Relating to Agriculture**

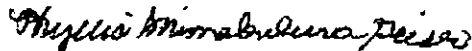
Dear Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Phyllis Shimabukuro-Geiser. My sister and I own an egg distribution and processing business under the brand name of Ka Lei Eggs. We respectfully ask for your support of SB 2527, SD2, HD1 to amend the definition of agricultural commodity to include eggs.

The amended definition would allow us to qualify for a GET exemption with our shipments to the neighbor islands. Since 2005-2008, all the commercial egg farms on the neighbor islands have closed. Our company has experienced a significant demand for our fresh eggs in our neighbor island markets. Not all mainland eggs to the neighbor islands are shipped by Young Brothers, a portion of mainland eggs are shipped directly from the west coast US to the neighbor islands. All our locally produced eggs for our neighbor island customers are shipped by Young Brothers. Therefore, I believe any savings with a tax exemption for shipping via Young Brothers would improve in our ability to keep our costs competitive with the mainland imports and pass the savings to our retail customers which could stimulate more purchasing of Hawaii grown products and consumer spending for locally produced food.

Thank you for the opportunity to submit comments in support of agriculture in Hawaii.

Sincerely,



Phyllis Shimabukuro-Geiser  
Vice President

**LATE TESTIMONY**



**Hawaii Farm Bureau**  
F E D E R A T I O N

2343 Rose Street, Honolulu, HI 96819

Phone: (808) 848-2074; Neighbor Islands: 1-800-482-1272

Fax: (808) 848-1921; e-mail: [info@hfbf.org](mailto:info@hfbf.org)

**TESTIMONY**

**RE: SB 2527 HD1 RELATING TO AGRICULTURE**

Chair Oshiro and Members of the Committee:

Hawaii Farm Bureau Federation (HFBF) on behalf of our member farm and ranch families and organizations **strongly supports SB2527HD1**, modifying the definition of agricultural commodities to include livestock and include amendments for inspection/certification services.

The agricultural commodities definition is used in providing GET exemptions for certain transportation expenditures. When the exemption was passed, we do not believe it was meant to exclude livestock agriculture. We therefore, strongly support this change in definition to bring parity within the industry.

We also support the addition of the amendments relating to inspection and certification services. These measures are especially important to our farmers in remote locations such as Kau and Kona. Inspectors spending time on the road instead of actual inspections is not a good use of resources.

**HFBF, respectfully requests your strong support of this measure.** Thank you for this opportunity to voice our opinion on this matter. If there are any questions, please contact Mae Nakahata at 2810716.

**LATE TESTIMONY**

# Hawaii Crop Improvement Association

*Growing the Future of Worldwide Agriculture in Hawaii*

Testimony By: Alicia Maluafiti  
SB 2527 HD 1 Relating to Agriculture  
House Committee on Finance  
Friday, March 26, 2010  
Room 308, 11:00 am

## **Position: Strongly Support**

Aloha Chair Oshiro, Vice Chair Lee and members of the Committee:

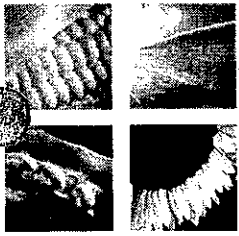
My name is Alicia Maluafiti, Executive Director of the Hawaii Crop Improvement Association. HCIA is a nonprofit trade association representing the agricultural seed industry in Hawaii. Now the state's largest agricultural commodity, the seed industry contributes to the economic health and diversity of 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 believes that SB 2527 HD 1 is an important and necessary attempt to mitigate further cutbacks to the Dept. of Agriculture as a result of Hawaii's fiscal crisis and the department's reliance on the general fund to support the ag inspector positions. It is an important, comprehensive and necessary initiative because of all the state departments impacted by the furloughs and reduction in force, the Department of Agriculture suffered the greatest loss. Therefore, the seed industry is supporting a number of efforts this legislative session – including HB 2290 - to restore the Dept. of Agriculture positions and minimize future losses to the department in the face of a worsening budget crisis. The restoration of their department is critical to not only the agricultural industry, but to the health and safety of the entire state.

Mahalo.

**LATE TESTIMONY**

Mahalo for the opportunity to comment.



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## HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

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### The Twenty-Fifth Legislature, State of Hawaii Hawaii State House of Representatives

#### Committee on Finance

**LATE TESTIMONY**

Testimony by  
Hawaii Government Employees Association  
March 26, 2010

#### S.B. 2527, S.D. 2, H.D. 1 - RELATING TO AGRICULTURE

The Hawaii Government Employees' Association, AFSCME Local 152, AFL-CIO supports the purpose and intent of S.B. 2527, S.D. 2, H.D. 1. We do, however, have some concerns about portions of the bill that would allow the hiring of inspection staff by government or private agencies other than the Department of Agriculture.

With the devastating cuts and layoffs already absorbed by the Department of Agriculture, we are certainly in favor of legislation to support and re-establish the operations and services provided by the Department to the agriculture industry. However, we cannot support provisions that would allow other government and private agencies to hire inspection staff to do audit and certification services. In essence, we believe it would allow for the privatization of services, which we stand strongly against. Higher costs, lower quality of services provided and loss of accountability are some of the common results of the privatization of government services. The essential agricultural inspection and certification functions should continue to be performed by employees of the State Department of Agriculture.

If the intent is to dedicate monies, establish and collect fees to ensure that the state provides the agricultural industry the essential and necessary services needed, we wholeheartedly agree. But, we cannot support provisions that would allow the contracting out of inspection and certification work traditionally performed by state employees.

Thank you for the opportunity to comment on S.B. 2527, S.D. 2, H.D. 1.

Respectfully submitted,

Nora A. Nomura  
Deputy Executive Director



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March 25, 2010

TESTIMONY  
SB2527 RELATING TO AGRICULTURE

**LATE TESTIMONY**

Senator Clayton Hee, Chair  
Senator Jill Tokuda, Vice Chair  
and members of the Committee:

Asagi Hatchery, Inc., has been hatching chicken eggs and providing chicks for farms in the state of Hawaii and the Pacific region for 75 years.

We support SB2527, expanding the definition of agricultural commodities to include livestock.

We feel this measure will bring much needed support to our local agricultural industry, composed mainly of multigenerational family operations like ours, the invisible yet vital roots of our local economy and communities.

We strongly request your support of this measure. If there are any questions, please contact Lisa Asagi at 387-2603.

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