

DAVID Y. IGE
Governor

SHAN S. TSUTSUI
Lt. Governor



State of Hawaii
DEPARTMENT OF AGRICULTURE
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SCOTT E. ENRIGHT
Chairperson, Board of Agriculture

PHYLLIS SHIMABUKURO-GEISER
Deputy to the Chairperson

**TESTIMONY OF SCOTT E. ENRIGHT
CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE HOUSE COMMITTEES ON AGRICULTURE AND ECONOMIC
DEVELOPMENT AND BUSINESS**

February 12, 2015
8:30 A.M.
CONFERENCE ROOM 312

**HOUSE BILL NO. 507
RELATING TO AGRICULTURE**

Chairpersons Tsuji and Kawakami and Members of the Committees:

Thank you for the opportunity to present testimony on House Bill 507. This bill appropriates funds to the Department to research and develop methods for the prevention and treatment of macadamia felted coccid. The Department supports this measure provided it does not adversely impact the priorities of the Administration's budget.

The Department would first like to thank the Legislature for its passage of Act 100, Session Laws of Hawaii 2014, that provided funding to the Department to work in conjunction with the University of Hawaii to do research on the prevention and treatment of macadamia felted coccid. The Department is currently working to have that funding released. The macadamia nut industry is a vital part of the agricultural economy here in Hawaii. With an estimated farm value of over \$35 million, macadamia nuts are one of the top five agricultural commodities for the State of Hawaii.

The macadamia felted coccid is an insipid pest that can cause severe damage to macadamia nut trees and hurt our macadamia nut industry. It is vital to develop new methods to prevent the spread of this pest and limit the damage that it will have on the macadamia nut industry.

Thank you for the opportunity to present testimony.





UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Written Testimony Presented Before the
House Committee on Agriculture
Thursday, February 12, 2015 at 8:30 am

By

Robert Bley-Vroman, Chancellor

And

Maria Gallo, Dean

And

J. Kenneth Grace, Associate Dean
University of Hawai'i at Mānoa

HB 507 – RELATING TO AGRICULTURE

Chair Tsuji, Vice Chair Onishi, and members of the House Committee on Agriculture, we respectfully submit testimony in support of HB 507, which appropriates funds to the department of agriculture to collaborate with the University of Hawai'i to research and develop methods for the prevention and treatment of macadamia felted coccid.

The College of Tropical Agriculture and Human Resources (CTAHR) and the University of Hawai'i strongly support this bill provided that its passage does not replace or adversely impact priorities as indicated in the University's Board of Regents Approved Executive Biennium Budget.

Macadamia felted coccid is a severe pest of macadamia, a crop with a \$38.2 million farm value in Hawai'i in 2012. This scale insect was found in south Kona in February 2005, and is now distributed throughout the Island of Hawai'i. Development of new control methods and appropriate management recommendations are essential for Hawai'i's producers to stop this invasive pest. Horticultural and harvest methods used in Hawai'i and the large size of trees in our well-established orchards contribute to great difficulties in achieving effective control.

In FY 2014, the legislature appropriated funds to initiate collaboration by the Department of Agriculture and CTAHR to address this serious invasive pest problem, augmented by funds committed by industry. With this support, CTAHR has begun the extensive field sampling required to develop a management decision plan, is testing the impact of canopy management, is developing methods to identify key predators of the coccid and to augment their populations, and is testing new control options.

This is not a simple problem, and a multi-year effort is required. HB 507 requests appropriation of the funds necessary to continue this research effort, to identify and import effective biological control agents, and ultimately develop an effective macadamia felted coccid management plan for Hawai'i macadamia orchards.



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February 12, 2015

HEARING BEFORE THE
HOUSE COMMITTEE ON AGRICULTURE

TESTIMONY ON HB 507
RELATING TO AGRICULTURE

Room 312
8:30 AM

Aloha Chair Tsuji, Vice Chair Onishi and Members of the Committee:

I am Christopher Manfredi, President of the Hawaii Farm Bureau Federation (HFB). Organized since 1948, the HFBF is comprised of 1,932 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.

HFB strongly supports HB 507, which appropriates funds to the Hawaii Department of Agriculture, in cooperation with the University of Hawaii College of Tropical Agriculture and Human Resources, to research and develop methods for the prevention and treatment of macadamia felted coccid.

Hawai'i is the 3rd largest producer of macadamia nuts in the world (570 farms, operating on 17,000 acres), after Australia and South Africa. Production in 2013-2014 totaled 41 million pounds; **the net farm value was \$35.7 million.**

The macadamia felted coccid (MFC) threatens the entire macadamia nut industry in Hawaii by causing severe tree dieback and then death. Even mature trees can be killed by this small insect. If not controlled, we believe the MFC will spread and could devastate Hawaii's macadamia nut industry. We have seen what the coffee berry borer has done to the local coffee industry and we know that we can't afford to wait. We need to fund research to find economical solutions to this problem. This bill would supply the needed funding to help develop new ways to prevent and treat MFC infestations.

Hundreds of jobs are tied to macadamia farming in Hawai'i; it is a vital source of employment in Ka'u, which has among the highest unemployment rate in the state. Over 50% of Hawai'i's macadamia tree acres are located in the Ka'u district, the area hardest hit by the MFC.

Please support HB 507. Thank you.

onishi3 - Timothy

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 10, 2015 12:27 PM
To: AGRtestimony
Cc: gottlieb@hawaii.rr.com
Subject: *Submitted testimony for HB507 on Feb 12, 2015 08:30AM*

HB507

Submitted on: 2/10/2015

Testimony for AGR on Feb 12, 2015 08:30AM in Conference Room 312

Submitted By	Organization	Testifier Position	Present at Hearing
Alan Gottlieb	Hawaii Cattlemen's Council	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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In Support

Aloha,

I support HB507, which would provide appropriations for the Hawaii Department of Agriculture and the University of Hawaii - College of Tropical Agriculture and Human Resources for the research of Macadamia Felted Coccid (MFC). In recent years, MFC has become a serious pest of Macadamia on the island of Hawaii and has caused the decline of otherwise healthy, productive trees throughout the Ka'u region. It has since spread up to Hamakua. If left unchecked, this pest could cause the decline of the entire Macadamia industry, which directly and indirectly provides jobs for innumerable Hawaii residents.

The macadamia industry isn't solely comprised of large companies; in reality many of the farms in Hawaii are small growers that depend on their Macadamia harvests and value added products for survival. Treatment options are already scarce to non-existent for large growers. When you consider the resources available to small growers, there are even fewer options. If realistic and economical treatment options aren't discovered, many of the small farmers will be powerless to save their trees and will likely lose their means of income.

Though some MFC research has been initiated, it is still in its nascency and will require many years and a lot of funding to complete. Many growers within the industry have already contributed as much funding as they could afford to initiate the research, but it has not been nearly enough.

I believe that HB507 will provide more of the necessary funding and assistance towards the goal of finding a viable solution to this devastating pest. Without action, the Hawaiian Macadamia industry faces a grim fate. During a time when some of the main issues facing Hawaii are food sustainability and supporting local farmers, it would be contradictory to those goals to essentially let Hawaii's already existing crops fall by the wayside. It is up to you to decide whether ensuring the survival of one of Hawaii's main agricultural industries is a cause worth supporting.

Thank you for the opportunity to submit testimony.

Mahalo,

Bonnie Schoneberg

Director of Research

Royal Hawaiian Orchards, L.P.



LAND USE RESEARCH
FOUNDATION OF HAWAII

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February 10, 2015

Representative Clift Tsuji, Chair
Representative Richard H.K. Onishi, Vice-Chair
House Committee on Agriculture

Representative Derek S.K. Kawakami, Chair
Representative Sam Satoru Kong, Vice Chair
House Committee on Economic Development & Business

Testimony in Support of HB 507, Relating to Agriculture (Establishes Within the Livestock Revitalization Program of the Department of Agriculture, a Program to Provide Grants to Qualified Feed Developers).

Thursday, February 12, 2015, 8:30 a.m., in Conference Room 312

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. LURF's mission 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 express its **support of HB 507**.

HB 507. This bill proposes to appropriate out of the general revenues of the State of Hawaii the sum of \$1,000,000 or so much thereof as may be necessary for fiscal year 2015-2016 and the same sum or so much thereof as may be necessary for fiscal year 2016-2017 for the DOA, in cooperation with the University of Hawaii college of tropical agriculture and human resources, to research and develop methods for the prevention and treatment of macadamia felted coccid. The purpose of this measure is to provide funds for research to develop new methods of preventing and treating macadamia felted coccid infestations.

LURF's Position. Invasive species such as insects, disease-bearing organisms, snakes, weeds, and other pests pose the greatest threat to Hawaii's economy, tourism, agriculture, the natural environment, native species and to the health and lifestyle of Hawaii's people. Invasive species already cause millions of dollars in crop losses, the extinction of native species, the destruction of native wet, moist and dry land forests, and the spread of disease, but many more harmful pests, such as the macadamia felted coccid, now threaten to invade all of the Hawaiian Islands and wreak further damage, including damage to Hawaii's macadamia nut crop, which is among the State's top five grossing agricultural commodities.

Despite initial efforts to control the spread of the macadamia felted coccid, infestations have now spread from south Kona to as far north as Honokaa on the Big Island, and new methods

must be developed to control the incursions. Appropriated funds for research to develop new methods of preventing and treating macadamia felted coccid infestations are immediately necessary to mitigate the threats and impacts of uncontrolled spread and devastation of the State's macadamia nut industry.

For the above reasons, LURF **supports HB 507** and respectfully urges your favorable consideration.

Thank you for the opportunity to present testimony regarding this matter.

onishi3 - Timothy

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 10, 2015 8:26 PM
To: AGRtestimony
Cc: warrenmcfb@gmail.com
Subject: *Submitted testimony for HB507 on Feb 12, 2015 08:30AM*

HB507

Submitted on: 2/10/2015

Testimony for AGR on Feb 12, 2015 08:30AM in Conference Room 312

Submitted By	Organization	Testifier Position	Present at Hearing
Warren Watanabe	Maui County Farm Bureau	Support	No

Comments:

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Hawaii Macadamia Nut Association
P.O. Box 541
Papaikou, Hawaii 96781

Written testimony for House Committee on Economic Development & Business

And House Committee on Agriculture

HEARING: February 12, 2015, 8:30 A.M..

To: Chairs Representative Tsuji and Kawakami

From: John C. Cross, President, Hawaii Macadamia Nut Association

RE: HB 507, Regarding the Macadamia Felted Coccid.

Dear Chairs Tsuji and Kawakami, Vice Chairs Onishi and Kong, and Committee Members, My name is John C. Cross I am the current President of the Hawaii Macadamia Nut Association and represent the interests of the Board and membership of the Association. The HMNA represents over 100 grower and processor members. All of the major growers and every processor in the State are active in our organization. Our members cultivate some 18,000 acres of trees in the State and harvest over 50 million pounds of nuts per year. The farm gate value for the crop exceeds \$35 million each year. Our processor members produce over 15 million pounds of Kernal having a wholesale value of over \$135 million. Macadamia kernel is further valued by coating in Chocolates, flavored with salt or unique spices, part of an Energy bar, or made into Oil or Butters. The Hawaiian Macadamia Nut (products) is almost synonymous with Hawaii, Kona Coffee, and Aloha. Visitors to the islands return home with boxes of macadamia nut products and the memories of Hawaii.

Regarding the Macadamia Felted Coccid, we have seen and unfortunately have experienced the especially devastating effects of this pest island wide but especially so in the Ka'u region. This pest is one of most virulent, aggressive, and damaging alien pests I have witnessed in the 20 years since leaving the sugarcane plantations.

THE HMNA STRONGLY SUPPORTS THIS BILL. The support this bill would provide to our industry is critical. We need to give our Department of Agriculture and College of Tropical Agriculture the tools it needs to research this pest and provide methods of control and treatment for infested orchards. There are thousands of jobs at stake Statewide.

There is so much that we do not know about this pest and the research dollars this bill will authorize will be a big boost to finding the weaknesses this pest has, the natural predators that may exist, to find what chemicals or growth regulators may work, what cultural practices we may need to employ to lessen the population, etc. We need research and on the ground effective help as soon as possible.

Thank you for listening to my testimony. I am available to answer questions by phone or e-mail. John@olsontrust.com, 808-987-4229

HB507, Relating to Agriculture:

Chair, Vice-Chair, and members of the Committee on Agriculture, I thank you for this opportunity to provide my personal testimony in support of HB507, Relating to Agriculture. I strongly support this bill provided that its passage does not replace or adversely impact priorities as indicated in the University's Board of Regents Approved Executive Biennium Budget.

Macadamia felted coccid is the most serious pest of macadamia nuts cultivated in Hawaii. This insect has a dramatic impact on yields if left unchecked. When this pest was initially detected in 2005, immediate efforts were made to suppress the pest in the South Kona, to where it was restricted at that time. The environment at the South Kona growing areas is significantly different from many other areas where macadamia nuts are grown, and effective pest control measures could relatively easily be implemented. Effective suppression protocols were developed and implemented with very good results. In some areas to which this pest spread to subsequently, we were successful in eradicating early infestations in very young trees.

While biological control options and insecticide treatments are effective under certain circumstances, there are many situations where the impacts of both are reduced. Research is required to address improvement of biological and chemical control of this pest under all growing conditions; the exact origin of the pest (as the potential source of new biological control agents); interactions with macadamia felted coccids with pathogens of macadamia nut trees; and natural resistance to macadamia felted coccid in macadamia varieties. This pest is spreading extensively in macadamia growing areas of Hawaii, and immediate action is essential.

Developing optimized integrated pest management protocols that include the use of biological control agents and other pest suppression techniques, such as insecticides, is a priority. While biological control may be highly effective in some situations, it may be variable in others, and alternative management options may be required. Ensuring that the management alternatives are applied in a mutually compatible manner is important, and requires research attention. Dissemination of information on management procedures to growers is equally important.

My name is Mark G Wright. I am a professor of entomology and an entomology extension specialist at UH Manoa. I have conducted extensive research on the management of macadamia felted coccid. However, today, I am providing personal testimony.
February 10, 2015.