## UNIVERSITY OF HAWAI'I SYSTEM LEGISLATIVE TESTIMONY



## SB2640 RELATING TO THE UNIVERSITY OF HAWAII

Testimony Presented Before the Senate Committee on Agriculture and Hawaiian Affairs Senate Committee on Education

February 8, 2008 at 1:15 p.m.

by
Virginia S. Hinshaw, Chancellor
Presented by
Andrew G. Hashimoto, Dean
College of Tropical Agriculture and Human Resources
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Chair Tokuda, Chair Sakamoto, and Members of the Committees:

The University of Hawai'i supports Senate Bill 2640, which makes an appropriation to the College of Tropical Agriculture and Human Resources (CTAHR) for the acquisition of land for its agricultural business incubator, its Poamoho field station, and other needs.

We strongly support SB 2640 but request the language be amended by modifying the two paragraphs beginning on page 3, line 16 through page 4, line 4 with the following:

The legislature finds that the acquisition of the subject land for usage by synergies provided by the above mentioned programs of the University of Hawaii, college of tropical agriculture and human resources co-locating at the Kunia site will further the State's responsibility to promote diversified agriculture and increased agricultural self-sufficiency.

SECTION 2. There is appropriated out of the general revenues of the State Hawai'i he sum of \$ or so much thereof as may be necessary for fiscal year 2008-2009 for the acquisition of agricultural land and related improvements of use to cover the expenses incurred by the University of Hawai'i, college of tropical agriculture and human resources to move the Agribusiness Incubator and Poamoho Station projects and personnel to the Kunia site.

Today we have a unique opportunity to support diversified agriculture on Oʻahu. A land owner is willing to contribute to the Hawaii Agriculture Research Center (HARC) approximately 119 acres of land adjacent to Kunia Road plus worker housing and office facilities. HARC, the Hawaii Farm Bureau Federation, the Agricultural Leadership Foundation of Hawaii, and the Landscape Industry Council of Hawaii are interested in co-locating their operations at this site to share business-related resources and develop synergies and economies of scale. CTAHR is also interested in locating some of its programs at this site, including the Agribusiness Incubator Program currently housed at the Mānoa campus, the Poamoho Research Station, and some extension services.

Large and small agribusinesses have also expressed interest in establishing long-term leases and locating and expanding their businesses at this location.

In the heart of Central Oʻahu's agricultural lands, we can create a remarkable synergy by bringing together large and small agricultural businesses, public and private non-profit research programs, organizations that advocate for the agricultural community, and a business incubator dedicated to helping agribusiness ventures of all sizes establish and expand. Creating this agricultural business complex will facilitate close, sustained collaboration between researchers and outreach providers and the stakeholders they serve. Being closer and more accessible to our clients will promote greater interaction and more effective service, and developing demonstration plantings that are easy for our clients to visit will expand opportunities for hands-on training.

Locating the Agribusiness Incubator Program at this agricultural business complex will make it easier for start-ups and established businesses to benefit from consulting and product development services they might not otherwise be able to access. The National Business Incubator Association reports that 87 percent of enterprises developed in an incubator environment survive their first five years, compared with only 25 percent of those developed without the benefits of incubation.

The current site of the Poamoho Research Station is less suitable than the proposed new site for agricultural research activities. The disadvantages of the current site include vulnerability to fire and agricultural theft, each of which can destroy years of research in a few minutes. Much of the station's acreage was burned by brushfires in fall 2007, and the highway that bisects the station makes it easier for thieves to gain access. Irrigation costs at the current site are also high.

CTAHR researchers and extension faculty, their colleagues at HARC, and their cooperators in industry all stand to gain from co-locating. The resulting agricultural advances and the development of new entrepreneurial businesses will also help our economy and environment. As our state's most populous island, Oʻahu faces considerable demographic pressure to build housing on usable, undeveloped land. High land values coupled with the decline of the sugarcane and pineapple industries have put many thousands of acres of Oʻahu's important agricultural lands at risk. Keeping these lands in farming will encourage the continued growth of a diverse agriculture in Hawaiʻi. By producing food near our state's largest market for agricultural products and minimizing the fuel needed to transport that food to consumers, Hawaiʻi agriculture—and Oʻahu agriculture in particular—contributes to greater food security and sustainability. The development of bioenergy resources holds promise for decreasing our reliance on costly imported petroleum and lessening our greenhouse gas emissions. I believe that the scientific and commercial opportunities made possible by SB 2640 will benefit not only Oʻahu but all of Hawaiʻi.

For these reasons, we strongly support SB 2640 with the amendments proposed above.

Thank you for the opportunity to testify.