

**REPORT TO THE TWENTY-FIFTH LEGISLATURE
2010 REGULAR SESSION**

**DEPARTMENT OF AGRICULTURE ANNUAL REPORT
PURSUANT TO ACT 100, SLH 1999**

Prepared by

**Department of Agriculture
State of Hawaii**

May 2010

ACT 100, SLH 1999
Department Overview
Fiscal Year 2010 Update

Mission Statement

To develop and promote agriculture as a significant and respected driver of Hawaii's economy.

Department Goals

To conserve and develop essential agricultural resources and infrastructure; to gain access to and develop local, domestic, and international markets for Hawaii's agricultural products; to conserve and protect suitable agricultural lands and water; to promote Hawaii's food self-sufficiency; to raise awareness of the importance of agriculture to the State's economy, environment, and as a profession; to implement programs to safeguard Hawaii's farmers, consumers, and natural resources; to prevent the introduction and establishment of plants, animals and diseases that are detrimental to Hawaii's agriculture and environment.

Significant Measures of Effectiveness

- Value of diversified agriculture (farm cash receipts for everything except sugarcane and pineapple in thousands of dollars).

<u>FY 2010</u>	<u>FY 2011</u>
524,000	537,000

Major Functions

- Carries out programs to conserve, develop, and utilize the agricultural resources and infrastructure of the State and facilitates the transition of plantation agriculture to diversified farming.
- Enforces laws, and formulates and enforces rules and regulations to manage these resources.
- Promotes agriculture and provides opportunities to access new markets.
- Reviews, develops, and implements agricultural goals and objectives to expand and diversify Hawaii's agriculture.
- Prevents the introduction of plant pests and diseases, provides certification services to facilitate the export of certain plant materials, and controls and eradicates insects and noxious weeds and controls the distribution and usage of pesticides.
- Administers the aquaculture development, state animal health, and agricultural and aquacultural loan programs.
- Maintains official State primary measurement standards; ensures accuracy of commercial measuring devices.
- Establishes and enforces grade standards for agricultural commodities producers in the State in cooperation with the industry, and administers the State's Milk Control Act.
- Collects and disseminates statistical data on agricultural production and markets, and supports funding for research on various agricultural commodities.

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Division/Branch: Administrative Services Office

Purpose: To enhance the effectiveness and efficiency of the department by providing staff support services, and other administrative services, and responding to the needs of the public.

Goal 1: To minimize energy, fuel and water consumption and implement resource-efficient operations and management measures.

Objective: Implement the department's Energy Action Plan, subject to the availability of funding. Completion date: December 31, 2010.

1. Initiate lighting and window tinting operating projects and retro-commissioning CIP projects.
2. Work with employees to practice energy and water conservation measures, and monitor usage/savings.

Goal 2: To provide a safe and healthy working environment for employees by ensuring that the department's facilities are in compliance with local, state and federal requirements.

Objective: To address the repair and maintenance and improvement needs of the department's facilities. Completion date: Ongoing.

1. Establish a priority listing of capital improvement work for the various department facilities utilizing approximately \$500,000 in general obligation bond funds appropriated in FY10.
2. Initiate various capital improvement projects with assistance of the DAGS Public Works and Central Services Divisions.
3. Prepare budget requests for additional capital improvement work as additional work is identified.

Objective: To provide a safe working environment for department employees by complying with Occupational Safety and Health Administration (OSHA) requirements. Completion date: December 31, 2010.

1. Establish a safety committee comprised of employees from various divisions.
2. Develop a department-wide safety plan.

3. Install signage to properly mark exit routes, hazardous materials and locations of fire extinguishers.
4. Initiate necessary repair and maintenance work or capital improvement projects to correct facility deficiencies.
5. Install burglar alarm systems in facilities where necessary, based on risk assessment, and as funding allows. Create alarm procedures to deal with intrusion alerts.

Goal 3: To provide reasonable and meaningful access to limited English proficient individuals or organizations accessing, participating or benefiting from services, programs and activities by the department.

Objective: To meet the requirements of Act 290, SLH 2006, codified into Part II of Chapter 371, HRS, and Presidential Order 13166. Completion date: December 31, 2010.

1. Continually update the listing of departmental employees who are skilled in a non-English language and are willing to volunteer to provide interpreter services.
2. Compile and disseminate listing of interpreters/translators and their costs for program personnel to use in providing services to their LEP customers.

Goal 4: Improve procedures and processes for maximum efficiency to maintain reasonable levels of Post RIF staff support services

Objective: To streamline processes to maintain essential staff support services provided to the department programs. Completion date: June 30, 2010

1. Re-assign Office Services Supervisor's duties to remaining administrative staff. Duties to include inventory management, risk management, managing employee parking and bus passes, and clerical duties such as invoice processing and payments.
2. Re-distributing Fiscal duties among the remaining Fiscal staff.
3. Re-distributing Personnel duties among the remaining Personnel staff.
4. Assigning all IT duties to the remaining Information Technology Specialist. Developing a memorandum of agreement with a vendor to address computer server maintenance and future installations.
5. Train all administrative staff on new assigned duties.

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Division/Branch: Agribusiness Development Corporation

Purpose: To facilitate and coordinate the development and expansion of Hawaii's agricultural industry by directly participating in the shift from plantation-based production and infrastructure to a multi-farm/multi-crop industry.

Goal 1: Transition former plantation land and water systems for diversified agriculture.

Objective: Operate and maintain the Waiahole Water System and improve its operational efficiency.

1. Continue to provide accurate and reliable monthly flow data and usage information to the Commission on Water Resource Management (CWRM) in accordance to the ground water use permit; provide project updates to the CWRM upon request.
2. On-going efforts to monitor ditch flow and pinpoint potential areas of excessive system loss; perform necessary repairs or implement corrective actions.
3. On-going efforts to patch and repair broken ditch lining in selected sections of the water system.
4. Continue to work with the Agricultural Resource Management Division of the Hawaii Department of Agriculture (HDOA) and the U.S. Army Corp. of Engineers on the lining of reservoirs 155 and 225 and related dam safety issues; project is projected to complete by June 2014 pending availability of funding.
5. Contract engineering consultant to review Phase I recommendations at Reservoir 155 and conduct a capacity requirement evaluation by June 2010.

Objective: Effectively manage and maintain the Kekaha agricultural land and infrastructure set aside to ADC for diversified agricultural activities.

1. On-going efforts to manage the land and infrastructure in conjunction with the tenants and the Kekaha Agriculture Association.
2. On-going efforts to evaluate and issue land licenses or revocable permits to qualified applicants on vacant lands on a case-by-case basis.
3. On-going efforts to coordinate with the Kekaha Agriculture Association, the Navy, and the Kauai county civil defense office on flooding mitigation efforts during severe weather conditions.

4. As a contractor of the Navy, continue to direct all work pertaining to the operation and maintenance of the pump stations, drainage canals, and the National Pollutants Discharge Elimination System (NPDES) permit, at the Pacific Missile Range Facility. The work includes sub-contracting of work and coordinating activities among contractors, the Kekaha Agriculture Association (Coop), and the U.S. Navy. A new contract extends ADC's involvement to September 2013.
5. Continue to work with the HDOA on the various required dams and reservoir improvements, stated in the Phase I report, to be completed by December 2011 pending availability of funding.
6. Continue to work with the College of Tropical Agriculture and Human Resources (CTAHR) and the Coop on actions to handle piggery operation waste. To be completed by December 2010.
7. In conjunction with the HDOA and the Kekaha Agriculture Association refurbish and install three back-up generators by March 2011.

Objective: Coordinate and facilitate the transfer of approximately 6,200 acres of agricultural lands in Kalepa, Kauai from DLNR to ADC.

1. On-going efforts to work with water users, farmers, ranchers, and the Department of Land and Natural Resources (DLNR) staff on the various issues relating to the transition of the land from DLNR to ADC.

Objective: Assist with the operation and maintenance of the East Kauai irrigation system.

1. On-going efforts to work with the East Kauai Water Users Cooperative (EKWUC) for the operation and maintenance of the irrigation system.
2. Continue to monitor progress of grants awarded to the EKWUC for the repair and maintenance of the irrigation system.

Objective: Support the preservation of agriculture land through the federal Farm and Ranchland Protection Program.

1. Conduct annual inspection of the agricultural conservation easement on the Hawaii Agriculture Research Center property in Kunia, Oahu.

Objective: Coordinate and facilitate the set aside of the various irrigation water source tunnels in the Kau district (Hawaii) from the DLNR to ADC.

1. On-going efforts to work with DLNR Land Division on the set aside of the various water source tunnels from DLNR to ADC.

Goal 2: Initiate development of facilities and provide support as necessary for successful diversified agriculture.

Objective: Assist Kauai papaya farmers to reopen the Kauai Tropical Fruit Disinfestation Facility.

1. On-going efforts to assist and coordinate with the papaya farmers on the re-certification of the facility.
2. Issue a sub-lease to the Kauai Farm Bureau Development Corporation for use of the facility upon obtaining approval from the landowner (University of Hawaii).

Goal 3: Provide solutions to certain bottleneck issues facing the agriculture industry.

Objective: Conduct an animal feed demonstration project in Hilo with assistance from CTAHR extension personnel.

1. Through CTAHR extension service, conduct production trial runs of animal feed studies by December 2010.

Objective: Provide the design of an animal waste stream management system (bio-digester) with assistance from CTAHR extension personnel from Maui.

1. Through CTAHR extension service, contract design engineering consultants and complete final report by June 2010.

Objective: Conduct a cattle browse feeding demonstration project with assistance from CTAHR extension personnel.

1. Through CTAHR extension service, sponsor a study tour for ranchers and researchers to Australia by December 2010.

Objective: Support farm food safety programs.

1. Through CTAHR personnel provide farm food safety coaching to farmers by June 2010.

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Division/Branch: Agricultural Development Division

Purpose: The Agricultural Development Division promotes the economic viability of commercial agriculture in Hawaii by sponsoring joint-marketing programs for agricultural products with high-revenue growth potential, facilitating the development and expansion of marketing opportunities for targeted agricultural and processed products, and providing timely, accurate and useful statistics.

Agricultural Development Division/Market Development Branch

Goal 1: Seek alternate non-state funds (federal grants) to offset diminishing state general funds for HDOA agricultural marketing, research and development efforts.

Objective: Coordinate the search, proposal development, submission and administration of USDA funding opportunities with assistance from external partners.

1. Train new staff member to administer grants awarded and to be familiar with the state procurement system and administrative rules.
2. Continue to engage in networking activities to seek grant funding sources and partners.

Goal 2: Provide equitable, efficient, effective and accountable administration of contracted programs, including the matching marketing funds program (MMFP), the National Organic Certification Cost Share Program (NOCCSP), Specialty Crop Block Grant Program (SCBGP) and wind down others (such as the grant-in-aid program to HFBB and the Livestock Feed Reimbursement Program).

Objective: Maintain a systematic and fair procedure to provide notice, selection, disbursement and monitoring of various grant programs, as funding allows.

1. Maintain a work plan for each program with project duration, identified tasks, and timeline to illustrate the process.
2. Maintain a database system to monitor the various grant programs to ensure that reporting and invoicing requirements are submitted in a timely manner.
3. Maintain two trained staff members to administer the contracted programs. Both members will serve as liaisons to the AG's Office, the State Procurement Office, and the Department's Fiscal Office.

Objective: Provide relevant reports, analyses and other pertinent information upon request to document progress and proper execution of the various programs.

1. Prepare summarized progress reports upon request to support legislative and departmental inquiries.
2. Final reports due upon completion of the programs' established requirements.

Market Development Branch

Goal 1: Promote, develop and expand market opportunities for Hawaii agricultural and value-added producers in local, domestic and international markets with targeted sales of \$2.0 million in fiscal year 2010 by aligning the Branch's activities with the needs of the various components of the state agricultural industry.

Objective: Identify potential markets for local agricultural products.

1. Conduct market research using the following channels to classify potential markets.
 - a. Hawaii agricultural statistics.
 - b. Trade Publications (print/online).
 - c. Internet to monitor local, national and international trends.
 - d. Local associations – initiate and maintain close contact with local trade groups to understand where the local markets are moving.
 - e. Trade Shows –attend trade shows to assess their potential for Hawaii company attendance and to conduct market research.
2. Summarize and prioritize potential markets and products by developing a rating system that accounts for local production, expansion barriers, and growth potential.
3. Recommend three to five agricultural markets for priority joint marketing initiatives.
4. Update and monitor list on an annual basis.

Objective: Identify agricultural industries (or groups) with high revenue growth potential. *(New concept to base agricultural industries identification on industry life cycle, e.g. if an industry is mature, we don't need to assist whereas a group that is in the growth phase may need assistance).*

1. Initiate and maintain contact with industry associations, informal groups and industry leaders.
2. Assess each group's organizational life cycle phase (birth/growth/maturity/decline/renewal).

3. Summarize and prioritize potential agricultural industries by developing a rating system that accounts for an appropriate action for each life cycle phase and recommend branch action.
4. Integrate target market priority list from previous objective to match possible markets to agricultural industries with potential.
5. Recommend three to five agricultural industries (or groups) for action and gauge success based on progression to next phase of life cycle.
6. The procedure will be repeated annually for the next five years.

Objective: Based on market intelligence, market research and industry feedback, conduct sales generating activities in selected target or niche markets with the highest demand for selected agricultural products and value-added processed products in local, domestic and international markets.

1. Coordinate or participate with producers in at least two local trade shows, consumer fairs, sales promotions with retailers or other events. These may include the Lodging, Hospitality, and Food Service Expo, the Made in Hawaii Festival, and the E Malama `Aina Festival in Hilo, et al.
2. Coordinate or participate with producers in at least two Mainland trade shows and retail store promotions. These may include the Society of American Florists Expo; the Tropical Plant Industry Expo; the Super Floral Expo; the Produce Marketing Association Expo; the Specialty Coffee Association of America Trade Show; the Winter Fancy Food Show; and the Natural Products Expo West. Provide option to facilitate freight consolidation to lower trade show material freight costs and improve logistic control.
3. Coordinate or participate with producers in at least three foreign trade activity (including trade missions and reverse trade missions) to and from selected markets. These may include the Taiwan Sensory Perception Project for process products (with Oregon Department of Agriculture), the Japan Food and Beverage Exhibition (FoodEx) and the Food and Hotel Asia (FHA) 2010. Provide option to facilitate freight consolidation to lower trade show material freight costs and improve logistic control.
4. Maintain the Hawaii agricultural producers' database on MDB's website to facilitate sales arising from trade leads and inquiries.
5. Performance measures for activities stated above will include the number of trade leads generated per event, expected annual sales generated after the event, floor sales executed at the event, sales generated six months after the event, return-on-investment (ROI) on the event, and number of website hits over time.

6. Reporting requirements for each event are a preliminary report after 60 days of the event and a final report after 240 days of the event. Farmers' market reporting will be in conjunction with the organization managing the market and will include gross sales, number of vendors and public attendance.

Objective: Continue the matching marketing fund program request for proposal (RFP) process to attract a larger pool of applicants and to ensure greater effectiveness, transparency and accountability.

1. Give priority to proposals from targeted agriculture trade associations with clear goals, feasible objectives, well-defined deliverables and measurable performances – focusing on those companies in the mature life cycle phase. For example, the expected return on investment (ROI) for tradeshows is on average, 15 to 1.
2. Meet with potential participants to keep them updated on program changes and to conduct outreach activities on an ongoing basis. The outreach target for fiscal year 2010 is four trade associations.

Goal 2: Facilitate development and expansion of marketing opportunities for select agricultural and processed products as a “tie-in” with the tourism industry.

Objective: Facilitate development of ag-tourism as a complementary activity to farming.

1. Maintain partnership in ag-tourism and encourage the continuing participation of Hawaii's culinary chefs as liaisons between the agricultural and tourism industries via our website, media initiatives and ag-related special events including festivals, fairs, trade shows and conferences.
2. Support development of a statewide ag-tourism association which will develop standards and legal framework for business operations. Topics for clarification will include zoning, public safety, signage, and ADA access.

Goal 3: Maintain marketing campaigns that educate the public about local agriculture producers and products and promote high-quality producers.

Objective: Maintain the Seals of Quality program to protect Hawaii's brand cachet in local, domestic and international markets.

1. Maintain the functional marketing plan with defined marketing activities to promote awareness and increase sales of program products in local, domestic and international markets.
2. Maintain coordination with the Quality Assurance Division (QAD) to provide initial quality checks for potential participants and ongoing quality control of existing program members.

3. Recruit and maintain at least 48 participants statewide by June 30, 2010.
4. Maintain ongoing collaborations with the Quality Assurance Division (QAD), other government agencies (the HTA, DBEDT and the Governor's tourism liaison), and other non-government entities in developing and executing joint marketing activities for the Seals of Quality products in established tourism markets.

Objective: Maintain select marketing programs with partners to emphasize the concept of buying local agricultural products.

1. Continue partnership effort on public education of Hawaii consumers as to what is produced in Hawaii and the importance of buying locally grown and locally produced products, which not only support our local farmers, but also supports businesses within our state.
2. Maintain participation in the buy local marketing campaign by Hawaii farmers.
3. Extend participation in the buy local concept with partners to local retailers to utilize point-of-purchase displays to educate consumers about buying local.
4. Continue to evaluate current marketing strategies, explore new marketing opportunities and develop performance measures.

Cooperative Agreement with USDA-NASS

Goal 1: Provide timely, accurate and useful statistics of Hawaii's agriculture to support production, marketing, policy, planning and research functions.

Objective: Provide basic agricultural statistics reports and other pertinent data to support relevant agricultural activities in the state. This will likely have to be scaled back given the loss of the 6 State Statisticians.

1. Collect, compile and publish 83 crop and livestock reports in fiscal year 2010.
2. Release published crop and livestock reports to 50,000 users annually in the next five years.
3. Meet scheduled release time and date of statistical reports pre-specified to data users 99 percent of the time.
4. Fulfill the number of requests for information, 99 percent of the time.
5. Publish the Statistics of Hawaii Agriculture 2008 by January 2010.

Objective: Maintain relevancy and defensibility of generally accepted procedures in providing official estimates on agricultural statistics.

1. Conduct ongoing, systematic open reviews of survey methodology and estimation procedures.
2. Capture and evaluate data from alternate sources to verify or support survey results.
3. Systematically review each step of data collection, processing, and estimating to improve quality and timeliness.

Objective: Close gap between services provided to customers and their shifting expectations.

1. Explore new ways to provide dialogue with data users. Staff to attend at least five commodity group or industry association meetings.
2. Train staff in assisting customers to find the products or information they seek. Continuous staff training in fiscal year 2010.
3. Develop alternate data release procedures on an ongoing basis: – e.g. e-mail, facsimile, websites, and compact discs.
4. Prepare to publish *Statistics of Hawaii Agriculture 2008* in compact disk.

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Division/Branch: Agricultural Loan Division

Purpose: The objective of the State Agricultural Loan Division is to foster economic development by stimulating, facilitating, and granting loans to farmers and aquaculturists.

Goal 1: To increase the overall number of loans and dollar amount loaned over time and provide assistance to the farming community.

Objective: Approve 30-35 loans annually with a dollar amount of \$4,500,000 or as much as is available in State funds. The Division has been experiencing strong demand for loans due to the tightening of credit by the banking industry. The Division will give the highest priority to making of loans and will continue to provide access to financing at favorable rates.

1. To work with existing staff to adjust work loads to ensure that loan applications are processed in a timely basis.
2. Monitor available loan funds to ensure that loans are funded on a timely basis.
3. Close loans and disburse loan funds on a timely basis.

Objective: The Division's objective is to expand and preserve the agriculture and aquaculture industries. The targets include the creation or preservation of 100 agricultural/aquacultural jobs and to expand or preserve 250 acres of agricultural lands annually. Generate \$3,000,000 in annual farm income from new borrowers. The Division's focus will be to expand the agriculture industry to increase exports or reduce imports thereby helping the State's economy and increasing self-sufficiency. Although the Division has creation or retention of jobs, agricultural acreage and annual income as targets these will not be factors in deciding which loan will be funded or approved.

1. Retain/create agricultural jobs through loans directly or in cooperation with private lenders.
2. Preserve or expand use of agricultural lands through loans directly or in cooperation with private lenders.
3. Generate farm income through loans directly or in cooperation with private lenders.
4. Conduct field visits to verify growth in acreage or increase in the number of farm employees after the loan was disbursed.

5. Tabulate and analyze acreage and employment data collected.
6. Develop and pass legislation to make the agriculture and aquaculture loan programs equitable.

Goal 2: To operate the agricultural loan program in a self-sufficient manner and maintain a quality loan portfolio with a reasonable level of delinquencies while supporting the agriculture industry.

Objective: Step up collection efforts on delinquent accounts and increase monitoring of current accounts. Collection efforts are important, as funds collected fund future loans and pays for the Division's operations. The Division anticipates an increase in loan delinquencies due to the downturn in the State's economy. The Division plans to increase monitoring of both delinquent and current accounts to discover problems early and work with borrowers to help reduce delinquencies. However, as the lender of last resort, the Division's primary mission is to assist agriculture/aquaculture enterprises and collection efforts must be balanced with the need to support the farmers and ranchers.

1. The Division's goal is to keep delinquencies under 20% of the total loan volume.
2. Continue monitoring of available fund balances, delinquent accounts and the overall health of the portfolio and the status of the agriculture industry.
3. To ensure adequate monitoring of the Division's account a target of 850 annual servicing contracts with borrowers will continue.

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Division/Branch: Agricultural Resource Management Division

Purpose: To develop and manage the State's agricultural resources by ensuring adequate and reliable irrigation water and infrastructure, productive farmland, and efficient and cost effective processing, livestock slaughter and agricultural research facilities.

Goal 1: Complete transition of the first round of Non-Agricultural Park leases from DLNR to DOA and begin additional reviews and transfer of lands as expeditiously as possible.

Objective: Have ARMD actively take over and manage the first round of unconditional leases from DLNR Land Division.

1. Work with DLNR, Land Division to complete parcel identification and Governor's Executive Order for the first round of unconditionally accepted parcels.
2. Complete training on new Land Management software (SLIMS) used to govern Non-Agricultural Park Program and begin daily management functions.
3. Continue to work with Land Division to bring conditional leases into compliance or cancel the lease for breach and transfer to DOA for disposition.

Objective: Have ARMD perform a complete lease review and visual inspection of the next proposed list of parcels for transfer.

1. Coordinate with Land Division to create the second round transfer list.
2. Begin inspection of second round transfer parcels.
3. Create list of acceptable vs. non-acceptable parcels.
4. Have BLNR and BOA approve second transfer list for Non Agricultural Park program.

Objective: Work with DLNR to identify state lands that should be designated as Important Agricultural Lands and transfer them to HDOA according to Act 233 (2008).

Goal 2: Focus on Capital Improvement Projects that improve the efficiencies of the irrigation systems.

Objective: Increase overall efficiencies in the irrigation systems to ensure the maximum amount of water collected is available for distribution.

1. Prioritize irrigation capital improvement projects to maximize collection efficiency.
2. Concentrate efforts to integrate Supervisory Control And Data Acquisition (SCADA) technology into irrigation system management.
3. Review day to day operations to identify opportunities to refocus maintenance activities to take advantage of system improvements.
4. Connect with farmers to identify "joint" projects that allow the farmers to develop a sense of "joint ownership" for the systems.

Goal 3: Begin master planning for the development of the Kunia Agricultural Park

Objective: Identify possible development strategies for Kunia Agricultural Park.

1. Complete procurement to retain consultant to create a master plan for the Kunia Agricultural Park.
2. Coordinate with ADC and CWRM to identify water issues related to service for this Ag Park.
3. Identify easement requirements for utilities to the Ag Park.
4. Meet with other agencies to review opportunities for possible joint ventures or public/private partnerships.

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Division/Branch: Animal Industries / Aquaculture and Livestock Support Services
(Formerly the Aquaculture Development Program)

Purpose: To develop sustainable and profitable commercial aquaculture and livestock industries by encouraging a diversity of products, improving management practices and technologies, assisting with procurement of production related infrastructure and resources, and providing direct assistance with regulations, disease prevention, marketing and new business development.

In FY2010, the Aquaculture Development Program (ADP) manager will be integrated into the Animal Industry (AI) Division as the Development Program Manager of the Aquaculture and Livestock Support Services (ALSS). ADP traditionally had two strategic focuses – Health Management and Industry Advocacy / Development. As an additional function, the Development Program Manager will assist in advocacy and development needs for the livestock industry.

The ADP Veterinary Medical Officer III will focus on aquaculture health management programs as part of the Livestock Disease Control Branch – leveraging staff and equipment resources and developing aquaculture training programs for Animal Industry veterinarians. The Aquaculture Veterinarian will continue to liaison closely with the ALSS Development Program Manager.

Overall Industry Goal: Despite dramatic staff reductions (75%) and a challenging economic environment, the ALSS remains focused on its core priorities of Health Management and Research (Aquatic) and Industry Advocacy (Aquatic and Livestock).

Aquatic Health Management and Research

Goal: Support and expand the aquatic animal broodstock and seedstock products segment of the aquaculture industry.

- Objectives:
1. Maintain growth in the shrimp broodstock and seedstock product segment through the implementation and coordination of the Specific-Pathogen Free (SPF) program.
 2. Utilizing the AI Halawa Diagnostic Laboratory, collaborate with research entities and industry leaders on expanding the SPF program to other species, where interest warrants.
 3. In cooperation with the Plant Quarantine Branch, review and update health status requirements and permit applications for imported species to align with current OIE (World Organization for Animal Health) standards for finfish, crustacean and mollusc diseases by July 2011.

4. Represent the Hawaii Aquaculture Industry on disease issues at national and international aquaculture conferences, as directed by the Hawaii State veterinarian.

Industry Advocacy and Development

Goal 1: Fully integrate the Aquaculture Development Program (ADP) into the Animal Industry Division (AI) Division.

- Objectives:
1. Integrate the aquaculture health management programs into existing Livestock Disease Control programs – leveraging clerical, veterinary and laboratory staff as well as equipment resources. Integrate and expand the ADP Manager’s advocacy and development role into livestock industry while continuing to support the aquaculture industry.
 2. Physically relocate equipment and supplies to the Animal Industry facility, Halawa Valley, by February 28, 2010.
 3. Meet with Animal Industry staff and determine approaches and priorities in February 2009.
 - Review current program responsibilities.
 - Determine cross-training needs.
 - Develop plans for priority aquaculture and livestock advocacy issues.
 4. Begin plan implementation March 2010.
 5. Fully integrate programs by June 30, 2010.

Goal 2: At the government level, increase the visibility of the Aquaculture and Livestock industries and their role in reaching Hawaii’s sustainability goals.

- Objectives:
1. Act as the lead coordinator for statewide aquaculture and livestock program activities for County, State and Federal entities.
 2. Work closely with State and County lawmakers to develop and adopt pro-aquaculture and pro-livestock legislation.

Goal 3: Increase local and export awareness and demand for aquaculture seafood and livestock products.

- Objectives:
1. Develop and implement an industry marketing program with a goal to educate consumers regarding aquaculture and livestock as sustainable food solutions. Due to lack of funds, web marketing will be developed with print channels utilized as the budget permits.
 2. Work with selected industry segments to develop generic promotional materials (e.g., photography and brochures).
 3. Establish an economic foundation for the livestock industry through the development of institutional food programs.

4. Work with industry associations, university, local processors, the culinary industry, and the Market Development Branch to develop new products and local markets for those products including (high quality grass finished beef, fresh local pork, locally unique added value products and locally influenced high quality ready to cook meals for local and potential export markets.

Goal 4: Develop and implement aquaculture plans and policies by providing review and input into aquaculture governance propositions and representing the State at the Federal and international levels.

- Objectives:
1. Facilitate expansion of Federal/State sponsored offshore aquaculture development on species, systems, environmental impacts and economic benefits and potential leases as the Federal Offshore Aquaculture Policy is developed.
 2. Collaborate with national aquaculture organizations, such as the National Association of State Aquaculture Coordinators (NASAC) and the National Aquaculture Society (NAA), to provide feedback on developing aquaculture policies.
 3. Represent the Hawaii aquaculture industry at aquaculture conferences (ex: World Aquaculture Society Conference).

Goal 5: Develop resources and infrastructure to support local aquaculture and livestock production

- Objectives
1. Work with other departments and divisions to secure resources including leaseholds, water, processing facilities, etc. required to maintain and promote the local production of aquaculture and livestock.
 2. Work with Federal agencies and other divisions to secure CIP funds for the development and redevelopment of infrastructure critical to the survival and expansion of the aquaculture and livestock industries.
 3. Work with other divisions to amend rules to allow the aquaculture and livestock industries to obtain leases, water and other resources at rates which these industries can bear. Assist in developing financing options that would allow the industries to develop and operate competitively and in a long term sustainable manner.

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Division/Branch: Animal Industry/Livestock Disease Control and Veterinary Laboratory

Purpose: To protect livestock, poultry and public health by preventing the entry of animal diseases into the State, and diagnosing, monitoring, controlling and eradicating livestock and poultry diseases of economic and public health concern.

Goal 1: Update plans to control and contain bovine tuberculosis (BTB) on Molokai.

Objective: Contain bovine tuberculosis in feral swine to the East End of Molokai.

1. Amend the 2009 USDA cooperative agreement work plan and request a time extension to fully utilize cooperative agreement funds for Molokai BTB surveillance and control activities by February 2010.
2. Develop a schedule to test, and complete testing, of all cattle and goat herds on the East End of Molokai in CY 2010.
3. Continue the enforcement of Quarantine Order 87-A which prohibits the movement of feral swine and axis deer west of Kamalo, Molokai to prevent the spread of bovine tuberculosis from the East End of Molokai to other areas of Molokai.

Goal 2: Update the Lists of diseases and biological agents reportable to the Division

Objective: Insure that notifiable diseases diagnosed in Hawaii are reported promptly to the Division and add aquaculture relevant disease to the reportable lists.

1. Amend chapter 4-22, HAR, "Reporting of Animal Diseases" by February 2010.
2. Complete submittal to the Board by April 2010.
3. Hold public hearings on the amendments following Board and Governor's approval by July 2010.
4. Implement amended chapter 4-22 by December 2010.

Goal 3: Prevent Foreign Animal Diseases (FADs) from entering Hawaii

Objective: Strengthen measures in place to prevent the introduction of FADs into Hawaii.

1. Apply for USDA Swine Health Protection and Avian Influenza grants to fund activities for CY 2010 by February 2010.

2. Complete Foreign Animal Disease Diagnostician training for the Maui Veterinary Medical Officer in March 2010.
3. Continue updating the garbage feeding swine database and insure all detected feeders of garbage are in compliance with garbage feeding regulations.
4. Continue to obtain dead bird and sick birds to collect samples for avian influenza virus.

Goal 4: Amend pseudorabies and swine brucellosis surveillance and control measures by July 2010.

Objective: Update pseudorabies and swine brucellosis surveillance and control measures to match Federal program standards.

1. Review current Federal Uniform Methods and Rules of pseudorabies and swine brucellosis.
2. Review the classifications of swine farms in Hawaii.
3. Match federal surveillance and control measures with the different classifications.
4. Develop State specific surveillance and control measures in those situations where Hawaii may be deemed unique.

Goal 5: Improve laboratory support for animal disease surveillance and control programs to mitigate potential negative economic impacts on industry and public health impacts.

Objective: Insure timely laboratory testing in support of the Division and the livestock and poultry industries.

1. Cross-train laboratory personnel to insure that timely and high quality laboratory diagnostic support is maintained.
2. Review cost-effectiveness of test methodology and equipment for disease surveillance and diagnosis.
3. Apply for Federal cooperative agreement funds, if applicable, to support laboratory activities by February 2010.
4. Conduct surveillance for high impact disease agents such as avian influenza virus, West Nile virus and classical swine fever virus, by performing pathological examinations and collecting appropriate specimens for laboratory testing.

Goal 6: Participate in the National Animal Identification System (NAIS) to facilitate rapid traceability during an animal disease outbreak to reduce the magnitude of associated adverse economic impacts.

Objective: Utilize Federal cooperative agreement funds to encourage premises registration and individual animal identification by focusing on outreach and education of eligible stakeholders and obtain funds for identification tags and readers.

1. Seek funding from the USDA-Veterinary Services for premise registration and individual animal identification tags and readers by February 2010.
2. Continue premise registration and animal identification activities through CY 2010.
3. Identify livestock for individual identification and place tags through CY 2010.

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Division/Branch: Animal Industry, Rabies Quarantine Branch

Purpose: To protect animal and public health by reducing the likelihood that rabies will be introduced into the State and monitoring animal entries for alien pests that may carry human or animal diseases.

Goal 1: Improve, make easier and simplify the customer registration process while improving efficiency of program to register pet owners and collect fees.

Objective: Provide web based capability for owners to register, pay fees and check pet qualification by 2012.

1. Solicit bids and select vendor to design enhancements for interface by early 2011 if funds available.
2. Purchase hardware by mid-2011 if funds available.
3. Vendor to install and validate enhancement by late 2011.

Goal 2: Continually apply new information on rabies virus and public policy to analyze the quarantine program and respond to needs of users and the general public.

Objective: Review rules and regulations on an ongoing basis to be consistent with new rabies scientific research findings and other anticipated initiatives.

1. Review rules and identify areas (if any) to amend with respect to program.

Goal 3: Provide additional program revenue to offset operational expenditures and lower user fees.

Objective: Continue to pursue lease of underutilized property at the Animal Quarantine Station.

1. Solicit and retain Contractor to manage lease of underutilized property by early 2010.
2. Lease property through auction by 2011.

Goal 4: Improve emergency response capabilities, including hurricanes.

Objective: Conduct structural modifications where feasible.

1. Implement reasonable mitigation strategies identified by structural study by mid-late 2010 if funds available.

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Division/Branch: Plant Industry Division

Purpose: To protect Hawaii's agricultural industries, environment, and general public by preventing the introduction and establishment of harmful insects, diseases, illegal non-domestic animals, and other pests; to conduct effective plant pest control activities; to enhance agricultural productivity and agribusiness development by facilitating export shipments of agricultural and horticultural materials and products; to ensure the effective, efficient, and safe use of pesticides and to minimize their possible adverse effects to humans and the environment while considering the benefits of their use.

Goal 1: To protect Hawaii's agricultural industries, natural resources, and the public from the entry and establishment of detrimental animals, insects, and plants.

Objective: To reduce entry of invasive species by maintaining inspection activities at various ports-of-entry.

1. Maintain current federal support for Plant Quarantine programs and seek additional federal sources to address these needs. Support the federal agency partners that work with and help fund HDOA and other complementary programs. Completion Date: On-going.
2. Establish a joint use inspection facility at Honolulu International Airport for the inspection of agricultural products and other regulated commodities by State and Federal Quarantine Programs (State Quarantine, USDA, APHIS, Plant Protection and Quarantine, and Homeland Security, Customs and Border Protection). Facility Projected Completion Date: 2015. Anticipate two interim facilities in place at Honolulu International Airport by 2012; one along Ewa Concourse, the second on the Diamond Head end of the airport in an existing air cargo facility.
3. Establish a system of transition inspection facilities for sea containers to assure the more efficient handling and inspection of cargo arriving in Hawaii from domestic ports. Completion Date: On-going planning for facility, with a design concept for Honolulu Harbor completed by end of 2015.
4. Create an interisland nursery certification program to reduce risk of pest movement between islands on nursery stock. Under this program, nurseries would be able to certify interisland shipments if they meet requirements set and verified by the PQ Branch. Working with nurseries to establish Pest Management Programs tailored to the

needs of individual nurseries; mandatory inspection and treatment requirements implemented for nurseries found to have moved pests of quarantine concern. Completion Date: June 2011.

5. Obtain cooperation of shippers and transportation companies in order to more efficiently schedule inspections.
6. Implement industry funded "by request" inspection program on holidays.
7. Seek federal support to fund inspector positions lost through the Reduction in Force.

Goal 2: To conduct effective plant pest control programs.

Objective: To contain, control and/or eradicate plant pests that enter the state through chemical and mechanical means or through biocontrol strategies to mitigate risks to agriculture and the natural resources of the state.

1. Prevent distribution of noxious weed seeds by examining seed shipments originating from foreign and domestic seed sources for exotic seeds, such as fireweed, field bindweed, and quack grass. Completion date: On-going.
2. Conduct statewide surveys to delineate infestations of regulated pests for control or eradication. Determine statewide distribution of noxious weeds (e.g., fireweed and fountain grass), plant diseases (e.g., banana bunchy top virus and papaya ringspot virus), insect pests (e.g., little fire ant) and coqui frogs. Utilize GIS technology to map survey results for use in planning and communication with decision makers. Completion date: On-going.
3. Increase survey, detection and diagnostic activities to detect, identify, delineate, and eradicate incipient infestations of invasive alien species, such as the red imported fire ant, Africanized honey bee, coconut rhinoceros beetle, and many other serious pests not yet found in Hawaii. Seek extension of present federal funding support and new funding to increase personnel, equipment, and supplies necessary to implement this action. Completion Date: On-going.
4. Seek federal and private sector funding to supplement operating funds to conduct foreign explorations to search for and introduce potential biocontrol agents of targeted weeds and plant pests, such as fountain grass, fire weed and little fire ant. Completion Date: On-going.
5. Make maximum use of personnel temporarily assigned to the Branch from Federal and other State agencies to assist with survey and biocontrol projects, respectively. Completion Date: On-going.

6. Develop an Insect Diagnostic Identification Network for Hawaii and the American Pacific with land grant universities and departments of agriculture in Hawaii, Guam, American Samoa, Commonwealth of the Northern Mariana Islands (CNMI), and Federal States of Micronesia (FSM) with funding from Research, Education and Extension Service (UH-CREES). USDA via the University of Hawaii, Cooperative Completion Date: On-going.
7. Upgrade biocontrol facilities and/or investigate the potential for building new modernized facilities to increase the biocontrol program's capabilities to respond to new emerging and established pests. The first year will involve the scoping of existing facilities in other states and countries, corresponding and working with program managers in those programs and investigate funding opportunities. The direction the program takes after the first year will depend on findings from the first year, the overall goal, however, is to double or triple the biocontrol capacity of the HDOA in five years. Completion Date: 2012.

Goal 3: To enhance agricultural productivity and agribusiness development by facilitating export shipments of agricultural and horticultural materials and products.

Objective: To provide opportunities for Hawaii's fresh fruits and vegetables and nursery products to reach new markets.

1. Facilitate discussions for a private sector development of a second irradiator in Hawaii to be located on Oahu. Identify industry needs for export and import phytosanitary requirements. Facilitate discussion between the United States Department of Agriculture and the private sector for the use of a private treatment facility for the sterilization of fruit fly pupae. Assist in linking private investors in Hawaii with a mainland vendor of contract treatment services for a possible joint venture. Project on-going with a private company working with the Nuclear Regulatory Commission for final approval for installation of the facility on Oahu.

Goal 4: To minimize pesticide's possible adverse effects on humans and the environment.

Objective: To prevent injury from pesticides by reducing the number of highly toxic exposures requiring immediate medical care by 50% by the end of FY 2015.

1. Evaluate the effectiveness of pesticide poisoning prevention activities to reduce pesticide illnesses among children under 6 years old. Completion Date: On-going.
2. Conduct at least thirty (30) fumigation use inspections to assure the use of fumigants by commercial pest control operators in Hawaii meet all

health and safety requirements and directions for use mandated by the U.S. Environmental Protection Agency. Completion Date: On-going Annually.

3. Conduct 40 inspections of agricultural employers to assure employers are in compliance with the USDA Worker Protection Standard. Emphasis will be placed on farms using restricted-use pesticides, farms with a past enforcement action (either a warning notice or civil penalty), crops requiring worker entry soon after pesticides have been applied, such as cut flowers, pineapples, and seed corn. Completion Date: On-going Annually.
4. Develop a pesticide case database to track compliance rate, repeat violators, and costs per enforcement action. Completion date: On-going.

Objective: To manage pesticides use to minimize environmental effects and maintain important pesticides uses. To have no increase in the number of drinking water sources having a pesticide residue level in excess of 10% of a regulatory limit.

1. Fund research to enable informed decision-making on pesticides potential to leach into the water supply. Continuing support for review of new pesticides is needed and may be funded through the Pesticides Use Revolving Fund). Projects are funded on an as needed basis as new pesticides are registered for use in Hawaii. State Pesticide laws an evaluation of the risks to groundwater contamination for new chemistries Completion Date: On-going.

Objective: To enhance the pesticide regulatory program through effective program management.

1. To achieve a 90% compliance rate with pesticide distribution and use requirements. Completion date: On-going.
2. To identify activity areas not achieving 90% compliance, identify reason for non-compliance and determine actions recommended to attain better compliance rates. Completion Date: On-going.

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Division/Branch: Quality Assurance Division

Purpose: To ensure food safety and quality in agricultural products, measurement accuracy and fairness in the marketplace.

Goal 1: Protect human health and agricultural markets in the case of food safety recalls.

Objective: Continue to develop a State-level food safety and traceability system as a means for industry to increase market reach, prevent recall losses and reduce inspection/test costs. Estimated completion date is June 2011.

1. Promote food safety certified supply chain members to the international buying community through the food traceability and safety website and new hybrid advertising system.
2. Rewrite job descriptions to establish preventive quality assurance approaches through audit focused training
3. Continue to test various technologies for biological and chemical contaminant measurement and reporting capabilities for farm level food safety risk assessment needs.
4. Continue to support federal-level integrated information technology food safety/protection systems.

Goal 2: Establish division focus on delivering preventive quality assurance services.

Objective: Begin to change division functions to eliminate enforcement, reduce inspection and increase the focus on collecting audit data in order to determine service agent and industry compliance with standards and identify future training needs. Estimated completion date is June 2010.

1. Identify and modify Commodities and MS functions focused on inspection, compliance and enforcement activities and move towards an audit and training function.
2. Transfer taxi and fuel pump inspection functions to service agencies on all islands but continue fee collection for licensing.
3. Train all MS inspection personnel in audit techniques as a means of providing oversight for service agents.
4. Implement training to enable client control over processes, labels and equipment required for quality functions.
5. Identify necessary statutory and administrative rule changes needed to fully implement new functions.