Minutes of the Board of Agriculture
January 25, 2022

CALL TO ORDER – The meeting of the Board of Agriculture was called to order on January 25, 2022 at 9:10 a.m. by Board of Agriculture Chairperson, Phyllis Shimabukuro-Geiser. The meeting was conducted virtually via Zoom due to the current risk of exposure to COVID-19.

Members Virtually Present:
Phyllis Shimabukuro-Geiser, Chairperson, Board of Agriculture
Suzanne Case, Chairperson, Board of Land and Natural Resources, Ex Officio Member
Dr. Nicholas Comerford, Dean, College of Tropical Agriculture & Human Resources
University of Hawaii, Ex Officio Member
Mary Alice Evans, Designated alternate for the Department of Business, Economic Development & Tourism, Ex-Officio Member
Diane Ley, Hawaii Member (joined the meeting late)
Vincent Mina, Maui Member
Fred Cowell, Kauai Member
Randy Cabral, Member-at-Large
En Young, Member-at-Large
Joe Tanaka, Member-at-Large

Others Virtually Present:
18083851009
12086819824
Becky Azama, HDOA/PI
Bobby Farias
Brandi Ah Yo, HDOA/ARMD
Chris Kishimoto, HDOA/PI/PQB
Delanie Prescott-Tate, DAG
Evan Oue
Gayle Byrne Baber, Hemp Farmers Assn.
Heath Williams, HDOA/CHAIR
Helmut Rogg, HDOA/PI
James Nakatani, ADC
Janelle Saneishi, HDOA/CHAIR
Janet
Jenni
Jodi Yi, DAG
Jody Tatsumoto, HDOA/ADM
Jonathan Ho, HDOA/PI/PQB
Joyce Wong, HDOA/ARMD
Katy Ebata

1 The identification of the public members is based on their sign-in name, but are not verified.
审批会议记录
2022年1月25日
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K Wy
Linda Murai, HDOA/ARMD
Martin Nadeau
Miaoing Tian
Michael Iosua
Michelle Galimba, Kuahwi Ranch
Morris Atta, HDOA/CHAIR
Myra Kaichi, ADC
Nicole Galase
Paul Reibach
Roy Hasegawa, HDOA/ARMD
Russell DeColte
Shane Castillo
Silvia Todorova, Anatis Bioprotection
Sumitra Barton
Terri Spanogle, SciReg
Wil Leon Guerrero, HDOA/PI/PQB

II. 批准11/30/2021会议记录

Motion to Approve 11/30/2021 minutes: Mina/Tanaka

Board Member Cabral requested an addition to the minutes, noting that he was not able to participate in the Executive Session due to technical issues.

Discussion from Public: None

Vote: Approved; 9-0

III. 介绍

IV. 通讯来自各部门和行政管理

A. 农业资源管理部门

1. 请求同意转让一般租赁No. S-9015和S-9020; Agrigenetics Molokai LLC，承租人/转让人，转让给Friendly Isle Growing Services Corporation，受让人; TMK: (2) 5-2-001:023和028; Molokai Agricultural Park, Lots 14 & 19, Island of Molokai, Maui County, Hawaii

Linda Murai, HDOA/ARMD presented testimony as submitted.

Staff Recommendation: Approval

Motion to Approve: Mina/Cabral
Public Testimony: None

Discussion:
Board Member Tanaka asked Ms. Murai the acreage of Mr. DeCoite’s two other leases. Ms. Murai did not have the information and offered to send the information to Board Member Tanaka. He noted that the leases being assigned were large, containing 45 and 49 acres. Ms. Murai said that the acreage for the Molokai Ag Park leases were larger than other ag park land leases. She clarified that for Lease No. S-9015, only 20 of the 45 acres was usable.

Board Member Mina asked Mr. DeCoite how long the lands had been fallow. Mr. DeCoite answered that it had been fallow since the property went on market 2 years ago. Board Member Mina asked if there was a record of Restricted Use Products (RUPs) that the operation was using; he was concerned because root crops would be grown. Mr. DeCoite answered that he dealt with land manager of corporation not the operations manager and he would investigate before planting. Board Member Mina asked what would happen if land issues were discovered. Ms. Murai said Agrigenetics stopped production prior to 2018 and if any issues arise, they will work through them.

Board Member Mina asked if the assignment, once approved, would be binding. Ms. Murai said that if Friendly Isle did not want to go forward, it would be between Friendly Isle and Agrigenetics. In response to Board Member Mina’s concerns, Mr. DeCoite said that he would check with the Department of Agriculture regarding the documentation of RUP’s, compliance, and violations, if any.

Vote: Approved; 9-0

2. Request for: 1) Consent to Assignment of General Lease No. S-4927; Vanxay Boulangsy, Lessee/Assignor, to Sumitra Viyan Barton, Assignee; and 2) Approval of Extension of Lease; TMK: (1) 4-1-035:006, Waimanalo Agricultural Park Lot 6, Koolaupoko, Waimanalo, Island of Oahu, Hawaii

Roy Hasegawa, HDOA/ARMD presented testimony as submitted.
Staff Recommendation: Approval

Motion to Approve: Comeford/Tanaka

Public Testimony: None

Discussion:
Board Member Evans noted that lease for Item A-1 was approximately $4,700/year for 94 acres and this parcel is $13,000/year for 10 acres. Both are growing diversified crops. She asked if there was a residence on the 10 acres and questioned why the property with similar crops and similar income would be appraised so high. Mr. Hasegawa said the instructions to the appraiser was for the land only. He was not sure how the appraiser determined the amount. Ms. Murai added that Waimanalo is highly desirable and therefore, the ag market values are much higher
than any other ag lands in the state. Since the appraisals are based on the market values for comparable ag lands, it directly affects the lease rent calculation for the independent appraiser.

Board Member Evans said that she would be voting “yes” but reiterated her concern that appraisal instructions are for comparable undeveloped ag land in the area. She said it should be based on potential revenues from crops.

Ms. Murai commented that the appraisal for Waimanalo was current and the appraisal for the Molokai parcel was 10 years ago, which may have been a significant factor.

Board Member Mina asked Ms. Barton if she was planning to cultivate the whole 10-acres and if she would be living on the property. Ms. Barton said that farming the 10-acres would give her the opportunity to farm long-term. She said she has a business plan for the 10-acres and would farm full-time, but she would not live on the property.

Vote: Approved; 9-0

Board Member Cowell informed the Board that he was on his tablet and when he goes back to view the documentation for the meeting, he would lose video momentarily.

Diane Ley, Hawaii Member, joined the meeting at 9:44 am.

3. Request for Consent to Assignment of General Lease No. S-4428; Brian Conners Bushe and Jennifer Tamashiro-Bushe, Lessee/Assignor, to Shane Castillo Jr., Assignee; TMK: 3rd DIV/1-5-116:014, Lot 14, Pahoa Agricultural Park Island of Hawaii, Hawaii

Brandi Ah Yo, HDOA/ARMD presented testimony as submitted.

Staff Recommendation: Approval

Motion to Approve: Cabral/Ley

Discussion:
Shane Castillo thanked the Board and was available to answer questions.

Board Member Mina asked about the consideration. Ms. Ah Yo answered that the amount was determined by the seller and the buyer, and the seller agreed to the terms. The $125,000 would go to the seller (lessor).

To answer Board Member Mina’s questions, Mr. Castillo said there were 4 acres of shadehouses, and the parcel was in lava zone 3.

Board Member Young expressed concern that the lease term was only until 2030 which would be risky for tree crops. He asked if the Department advises the lessees. Ms. Ah Yo answered that they do, and the fruit trees were supplemental. Mr. Castillo added that the trees were fruiting and would be kept to help the local market. He said his main crop would be anthurium.
He added that the anthuriums were flowering and have 10+ years of maturity. He acknowledged that it was a gamble, but he was hopeful that an extension would be available.

Board Member Evans asked about the basis for the price. Mr. Castillo answered plants, machinery, vehicles, and the house, which was in good condition.

Chair commented that Mr. Castillo had participated in Strategic Plan Zoom sessions, is very engaged in agriculture on Hawaii Island, helped organize a new farmers cooperative, and is very proactive in finding out about the department’s services. She said if the Board approved his request, he could further his career in agriculture.

Vote: Approved; 10-0

4. Request for Approval to Sublease between the Hamakua Agricultural Cooperative, Lessee/Sublessor, and William Beach, Sublessee; General Lease No. S-5551, TMK: 3rd DIV/ 4-6-003:001, 002, and 020 (por), Lot S.01 and 2A, Honokaia Makai Tract, Hamakua, Island of Hawaii

Joyce Wong, HDOA/ARMD presented testimony as submitted.

Staff Recommendation: Approval

Motion to Approve: Mina/Ley

Public Testimony: None

Discussion:

Board Member Ley acknowledged that the cooperative had come a long way to assure that most of the lots were leased and kept in agriculture. She said that she would support the request but to be transparent, mentioned that William Beach was married to the manager of the cooperative, however, the cooperative does post lands available for lease on their website.

Board Member Young asked how the rent was assessed when the lot had multiple uses. Ms. Wong answered that they would pay the higher rate, not the pasture rate.

Vote: Approved; 10-0

5. Request for Consent to Assignment of General Lease No. S-4859; Henry Cho, SR. (deceased), Lessee/Assignor; Dean Maruyama, Assignee; TMK:3rd DIV/ 7-3-049:004, Lot No. 04, Keahole Agricultural Park, Phase I, North Kona District, Island of Hawaii, State of Hawaii

Joyce Wong, HDOA/ARMD presented testimony as submitted.

Staff Recommendation: Approval

Motion to Approve: Ley/Tanaka
Public Testimony: None

Discussion:
Board Member Cabral asked if the property was being used and the lease rent was paid between 2013 and 2022. Ms. Wong said that plumeria was being grown. Mr. Cho’s daughter continued to pay the lease rent and used the flowers for her flower shop. Subsequently, Mrs. Cho passed away and her son, Donovan became personal representative. They were never delinquent.

Board Member Evans asked about the consideration and Ms. Wong answered that they don’t get involved unless the consideration is really high.

Board Member Mina asked about the water source.

Board Member Cowell said the parcels are rocky and the water source was Mauka Hualalai. He said sod operations would require grubbing and work as compared to plumeria.

Board Member Ley said the water source is Hualalai but the Ag Park is served by county water.

Vote: Approved; 10-0

6. Request Approval to terminate General Lease No.(s) S-4366; Paul H. Mayeda, Lessee; TMK: 3rd DIV/ 2-4-049;006, Lot No. 22, and S-4637; Panaewa Tropicals, Inc., Lessee; TMK: 3rd DIV/ 2-4-049;004, Lot No. 20, Panaewa Farm Lots Subdivision, Waiakea, South Hilo, Island of Hawaii, Hawaii

Joyce Wong, HDOA/ARMD presented testimony as submitted.

Staff Recommendation: Approval

Motion to Approve: Mina/Evans

Public Testimony: None

Discussion:
Board Member Mina asked if there was any production during the forgiveness period and Ms. Wong replied “no”. He asked if the Attorney General’s (AG) office would determine forgiveness. Ms. Wong believed that it would be the Board and then it would go to the AG. Board Member Mina asked if the Board was determining that in the motion and Chair replied, “yes”.

Deputy Attorney General (DAG) Bryan Yee, referred to the recommendation and asked if the Board would waive or if they would be recommending waive. He explained that if the Board waived, there would be no further action required by the AG’s office. He asked which rule regarding waiver of payment was being referenced. Staff was not sure. He asked if Ms. Wong was advised by the AG’s office because a general provision for all state agencies allows the AG’s office to make the determination that a debt is impractical or uneconomical to collect.
DAG Yee's suggestion was to recommend that the debt should be written off and if approved by the Board, the department could then send a memo to the AG's office.

Board Member Comerford asked what happens when someone dies and why the rent continues to accumulate. Ms. Wong explained that the initially, contact was with Mr. Mayeda's wife and subsequently, Attorney Sydney Wong. He informed her that the estate did not have money to pay back rent. She confirmed that since Mr. Mayeda passed away, there was no production on the land.

Board Member Mina questioned infrastructure and what would happen if the lease was terminated. Ms. Wong said there was a house and a lab. First, an appraisal would be conducted and then the lease would go to public auction.

Board Member Mina agreed to amend his motion to delete the last sentence of recommendation #1:

1. Approve the cancellation of General Lease S-4366 and General Lease No. S-4637, pursuant to Sections 4-158-2(a) and 33, HAR, and terminate all right, title, and interest granted to the Lessee therein effective as of the date of approval of this submittal. To include a waiver or forgiveness of outstanding rents and delinquent interest totaling $31,489.49, more or less as of October 26, 2021, for leases S-4366 and S-4637 located in the Panaewa Farm Lots Subdivision.

Board Member Case wondered at what point that the relationship would be considered severed. One point would be when Mr. Mayeda died; rent accrued from the time he died but there was no production. She suggested that "write-off" be deleted in recommendation #4 to allow the AG's office to investigate and determine if there is anything to pursue:

4. Approve the request to refer General Lease No. S-4366 Paul H. Mayeda, Lessee, and General Lease No. S-4637 Panaewa Tropicals, Inc., Lessee, as a DELINQUENT ACCOUNT(S) WRITE-OFF to the Department of Attorney General for review and disposition in accordance with Section 40-82, Hawaii Revised Statutes.

Board Members Mina/Evans agreed/seconded the amended motion which modified #1 and #4 of the recommendation (as noted above).

Board Member Cabral questioned how ARMD determined that the estate did not have money to pay off the debt and the account was therefore uneconomical or impractical to collect.

Ms. Wong said the statement was taken at face value. Mr. Mayeda’s sister was qualified and wanted to take over the lease. She lived in the house rent-free but did not have enough money to pay off the balance. Ms. Murai clarified the statement and said that the division exhausted all efforts to collect or reconcile the lease. They made attempts to work with attorneys representing the estate. It was over a year before the attorneys responded, and the decision was made to seek closure and terminate the leases so the parcels could be put out to the public.
Board Member Cabral was not satisfied with the answer and asked if they received any financial
documentation to show that there were no assets to pay the rent. Ms. Wong said nothing was
received.

DAG Yee said that before a write-off occurs, the Attorney General’s office would also make
efforts to collect, analyze, and determine the ability of the estate to pay before approving a
write-off.

Vote: Approved; 10-0

The meeting was in recess from 10:42 am – 10:50 am

7. Request for Consent to Assignment of General Lease No. S-4205 Flowers,
Incorporated, Lessee/Assignor, to Kohala Plants, Inc., Assignee, TMK: 3rd DIV/ 2-4-
049:031, Lot 31, Panaewa Farm Lots Subdivision, Waiakea, South Hilo, Hawaii,
Hawaii

Joyce Wong HDOA/ARMD presented testimony as submitted.
Staff Recommendation: Approval
Motion to Approve: Cabral/Evans
Public Testimony:
None

Discussion:
Board Member Ley asked, and it was confirmed that Kohala Plants was current with their two
leases.

Board Member Evans pointed out that the lease expired on 9/25/2023 and asked if there was
any consideration to proposing an extension of lease or if there was a rental reopening before
2023. Ms. Wong said that they could come in to extend the lease 10-years, and at that time a
determination would be made to extend or do a conversion.

Board Member Young asked if the 60-acre lot was the largest in Panaewa and if was planning
to use the entire lot. Ms. Wong answered that it was the largest lot and he would get his feet
wet first and then extend. Board Member Young commented that the parcel could be six 10-
acre lots.

Chair asked what was on the 60-acres and if there were any buildings. Ms. Wong answered
that it was anthuriums for export and one building that he used for packing.

Board Member Mina asked if the entire lot was arable or if it was part of a forest reserve. Ms.
Wong said that Mr. Oshima subleases 29 acres to his sister. Mr. Mina surmised that he used
39 acres for himself.
Ms. Murai added that the lease is an Act 90 transfer and not part of the Panaewa Ag Lot and that Act 90 transfers are a little larger.

Board Member Comerford said that attention should be given to the sales made off the acreage as it would determine the value of what was going on.

Board Member Ley said that 60-acres are highly valued by businesses who have the capacity to put most acreages to use. She said there are a lot of inactive lots available in Panaewa and that nursery operations were doing a good job and survived the ups and downs of the industry.

Board Member Mina said he agreed with Board Member Comerford’s comment but reads that the lessee plans to grow edible herbs and spices. If the land was all arable, then would the lessee be held to use the 60-acres, or not.

Ms. Murai answered, generally, when an assignment occurs, a plan is submitted. Board Member Mina asked about a conservation plan and Ms. Murai said it would probably be recommended after they get the lease.

Board Member Evans asked, and Ms. Wong confirmed that the parcel had little soil and mostly lava. Based on the soil characteristics, a lot of the farmers grow on benches.

Board Member Young commented that when looking at Ag Parks, it’s not for the farmers’ convenience. There are a lot of crops that require larger acreage and maybe the department should look at someone who can use the entire 60 acres rather than someone who will be subleasing 29 acres.

Chair commented that Hawaii’s Ag is interesting where in-laws, hanai family and blood relatives work together to fully utilize the land and sometimes they want a sublease.

Board Member Tanaka left the meeting at 11:09 am.

Vote: Approved-9; Excused-1 (Tanaka)

B. PLANT INDUSTRY DIVISION

Plant Quarantine Branch

1. Request to: (1) Preliminarily Approve a Change in the List Placement of the Fungus Beauveria bassiana strain ANT-03, From the List of Restricted Microorganisms (Part A), to the List of Nonrestricted Microorganisms, for use in a Microbial Bio-Remediation Product; and (2) Authorize the Chairperson to Schedule a Public Hearing and Appoint a Hearing Officer in Connection with the Proposed Amendments to Chapter 4-71A, as Described in (1), Above.

Board Member Comerford disclosed that he knew a lot about the PQ submittals and could add to the discussion but would recuse himself from voting.
Wil Leon-Guerrero, HDOA/PI/PQB presented testimony as submitted.
Staff Recommendation: Approval

Motion to Approve: Cowell/Evans

Public Testimony:
None

Discussion:
Board Member Comerford asked why the request was for one strain and not for species in general. He explained that he was aware that strains could act differently, and he would not recommend the entire species, but was interested in knowing about the conversation that led to the recommendation. Mr. Leon-Guerrero answered that it came up in the Subcommittee and Plant and Animal (P&A) advisory committee and explained that they could just approve species itself and all strains would be automatically approved however, the Plant Quarantine Branch (PQB) is conservative and they do not want to not give the appearance that they favor people or companies that have a specific strain. Every company that wants to register a strain must go through the process.

Board Member Mina said that if Organic Materials Review Institute (OMRI) approved product, why the board would have to go through the process again if they are known to be biologically viable and effective in mitigating pests. Mr. Leon-Guerrero added also low risk.

Board Member Young asked if any of the strains were proprietary. Mr. Leon-Guerrero answered that they usually are because the company developed it. Board Member Young said that he was leaning on the conservative side but did not want to give the appearance of unfair competitive practices.

Ms. Terri Spanogle, Senior Regulatory Specialist for SciReg, representing Anatis, confirmed that the strain is proprietary. She said Anatis’ strain more or less behaves in the same manner as the two other GHA strains already approved. Considering label and use patterns, they mitigate certain aspects of how the product is used. Both the EPA and Canada’s equivalent of EPA have approved the strain and all end-use products, including honeybees.

Board Member Mina said he would like to not have impediments to biological controls be put in place. The pesticide industry allows restricted use pesticides for agriculture and there is a need to pay more attention to biological controls and asked if there is more information that fungal strains are good to go.

Mr. Leon-Guerrero said that it was a difficult decision and agreed with Board Member Mina that they are basically the same and do the same thing. All pesticide labels are the same and if compared, all the strains registered with EPA are pretty much the same. He added if he did another presentation, it would be the same and commented that the Board had the authority to recommend the entire species.
Board Member Comerford stated that it was an interesting situation for the future. Strains and species do the same thing, until they don’t. Bacillus is not a problem unless its Anthrax. If biocontrol is going to be promoted, it should be done with caution because once an organism is put into the ecosystem, you can’t get it out easily. The Department is responsible for letting new materials into the state, with biocontrol he would suggest it should be done with caution, slowly, a step at a time.

Board Member Young stated that OMRI products are safer when correctly applied but there was always the chance that the public may overuse a product when not trained properly.

Silvia Todorova, founder of Anatis Bioprotection, spoke in defense of the product. She said that they are a very small company very specialized in Beauvaria bassiana. The strain is the result of over 30-years of research, listed as organic and approved in all other states and is specific to pests that they want to reach and not harmful to bees and there are many benefits.

Board Member Mina asked Ms. Todorova if the fungus was the fruiting body of the mycelial network. Board Member Comerford clarified for Ms. Todorova that they were speaking of Conidia. She said that they use pure Conidia with 10% in the product.

Vote: Approved-8, Recused-1 (Comerford), Excused-1 (Tanaka)

2. Request to: (1) Allow the Importation of Avocado Root Rot, *Phytophthora cinnamomi*, a Fungus on the List of Restricted Microorganisms (Part A), for Laboratory Research Including Plant Inoculation, by the University of Hawaii, by Permit; and (2) Establish Permit Conditions for the Importation of Avocado Root Rot, *Phytophthora cinnamomi*, a Fungus on the List of Restricted Microorganisms (Part A), for Laboratory Research Including Plant Inoculation, by the University of Hawaii, by Permit.

Wil Leon-Guerrero, HDOA/PI/PQB presented testimony as submitted.

Staff Recommendation: Approval

Motion to Approve: Evans/Ley

Public Testimony: None

Discussion:

Board member Comerford commented that he would recuse himself from the vote. He said that Dr. Tian is on the faculty at UH and has an excellent record of safety in the laboratory while at CTAHR and previously. He said that Phytophthora cinnamomi is present in Hawaii’s environment so there would be no specific introduction and having a pure strain was important in the kind of research that Dr. Tian does.

Vote: Approved-8; Recused-1 (Comerford), Excused-1 (Tanaka)
V. OLD BUSINESS

None.

VI. NEW BUSINESS


Motion to go into Executive Session: Evans/Cowell
Unanimous approval to go into Executive Session.

Board Member Cabral left the meeting at 11:55 am.

The Meeting was paused to go into Executive Session at 11:55 am.

The Meeting resumed at 12:20 pm.

Public Testimony:
Michelle Galimba, Kuahiwi Ranch, said that she appreciated the Attorneys General (AG) joining in the letter with many other Attorneys General to urge the Biden Administration to address the issue of consolidation. She said that she looks forward to the AG keeping a close eye on the situation in Hawaii.

2. Update on the Department's proposed budget (Link: https://www.capitol.hawaii.gov/session2022/testimony/Info_Testimony_WAM-AEN_01-14-22_AGR.pdf ) and the following proposed administrative measures.

Trying to restore positions, CIP improvements to state infrastructure-funding for utility, water, roads to 150 acre Royal Kunia Ag Park Land.

a. Important Ag Lands (IAL) Tax Credit Extension – to restore and extend the IAL Qualified Agricultural Cost Tax Credit by 10 years starting from the 2022 tax year. Extend coverage to the beginning of the year 2022 and not from the date of approval.

b. A Bill for an Act Relating to the Advisory Committee on Pesticides – To remove the statutory requirement for representatives of the pineapple and sugar industries and add a statutory requirement for representatives of the coffee and diversified agriculture industries on the Advisory Committee on Pesticides.

c. Hemp – Amend Act 14 to provide continuity of the regulatory authority for the department of agriculture to implement its responsibilities regarding hemp production.

d. Agricultural Loan emergency Loan Fund – To develop a permanent loan fund to assist the agricultural community to recover from natural disasters, droughts,
fires, economic emergencies, transportation disruptions and crop blights and
diseases.

e. A Bill for an Act Relating to the Animal Industry Special Fund – Amend section
142-3.6, HRS to add new sources of revenue generated by the state veterinary
laboratory and animal disease control branch to be deposited into the animal
industry division special fund. Revenue to be used to expand capabilities of the
State Veterinary Laboratory.

Chair presented a brief update regarding the Department’s legislative proposed budget
requests.

Board Member Mina questioned the State’s ability to help the hemp farmers. Chair explained
the State’s position regarding hemp.

Gayle Byrne Baber speaking on behalf of the Hemp Farmers Association commented on the
proposed hemp rules.

Board Member Young requested that updates on the budget and legislative proposals be
addressed at future meetings.

VII. ADJOURNMENT OF MEETING: Cowell/Ley

The vote was unanimous to adjourn the meeting at 12:50 pm.

Respectfully submitted,

Ján Ferrer
Board Secretary