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CONGRESSMAN ED CASE 2ND DISTRICT, HAWAI'I

ISLANDS OF HAWAI'I, MAUI, KAHO'OLAWE, LANA'I, MOLOKA'I, O'AHU (WINDWARD, NORTH SHORE, CENTRAL, LEEWARD), KAUA'I AND NI'IHAU, AND NORTHWESTERN HAWAIIAN ISLANDS

November 4, 2005

COMMITTEES:

BUDGET

AGRICULTURE

LIVESTOCK AND HORTICULTURE (RANKING MEMBER)

CONSERVATION, CREDIT,
RURAL DEVELOPMENT AND RESEARCH

SMALL BUSINESS

TAX, FINANCE AND EXPORTS

REGULATORY REFORM AND OVERSIGHT

RURAL ENTERPRISES, AGRICULTURE

Hawaii Agriculture:

Request for Assistance with November 12th U.S. Department of

Agriculture Hawaii Forum; Report; and Survey

Dear Friend:

Hawaii agriculture has a long and proud history, a vibrant present, and, with all of our continued efforts, a promising future. Because of the critical importance of agriculture to our Hawaii, I successfully requested assignment to the U.S. House of Representatives Committee on Agriculture in the 108th Congress (2003-2004), and continued assignment in the current 109th Congress (2004-2005). I am now the sixth ranking of 21 minority members on the Committee, and serve as ranking member on the Livestock and Horticulture Subcommittee, which has jurisdiction over federal efforts involving virtually all Hawaii's agricultural products.

This is to report to you on several issues of concern relating to federal assistance for Hawaii agriculture, as well as to provide examples of my own efforts. This is also to request your assistance with a very important U.S. Department of Agriculture forum to be held in Kailua-Kona on Saturday, November 12th. Finally, this is to ask you to fill out and return a brief survey on what you consider Hawaii agriculture's main challenges and how you believe your federal government and my office can assist you.

Overview of Federal Issues/My Efforts

Hawaii agriculture today is increasingly diversified and evolving rapidly. In addition to our traditional mainstay industries of pineapple, sugar, livestock, and coffee, agricultural products such as flowers and nursery products, fruits and vegetables, seed crops, macadamia nuts, and aquaculture are increasing contributors.

With well over half a billion dollars in total annual farm value (excluding value added by processing), our Hawaii ranks 41st among the 50 states. However, since coming to Congress, I was most disturbed to learn that, per dollar of value, Hawaii has received the lowest level of total support from our federal government: less than 1 cent per dollar of production.

There appear to be many reasons for this. A principal one is that we don't grow the large-volume "program crops" (like corn, wheat, soybeans, and rice) which receive billions of federal dollars in federal commodity supports. And many of our conditions are fairly unique to Hawaii and have

not fit easily into existing federal agriculture efforts, such as our year-round growing season, our special vulnerability to invasive species, our distance from markets, our reliance on ocean transportation for our agricultural commodities and inputs, our subtropical and tropical crops, our phytosanitary requirements due to the existence of introduced pests like the Mediterranean fruit fly, and much more.

In essence, there are two basic challenges we have encountered in gaining our fair share of federal recognition of and support for Hawaii agriculture. One, a national issue, is that the great majority of federal attention to agriculture is focused on the program crops, to the detriment of non-program crop states and localities. The other, more particular to Hawaii, is that Hawaii agriculture's products and challenges have not been especially well known to, and therefore not adequately understood and addressed by, federal agricultural entities, both because our products and challenges are often different from most of the rest of national agriculture, and because Hawaii agriculture has not taken full advantage of federal resources.

Since coming to Congress, I have endeavored to address these challenges by pursuing a fair and tailored level of federal support for Hawaii agriculture via legislation, appropriations, and communications with federal agencies. Examples include:

Legislation

- Introduced legislation to include Hawaii as one of the states eligible for assistance under the Agriculture Management Assistance, which was created to assist states underserved by federally subsidized crop insurance.
- Ensured that last year's Specialty Crops Competitiveness Act, which I sponsored together with colleagues from other non-program crop agriculture districts to boost federal assistance for a wider range of crops, would apply to Hawaii crops such as coffee, cacao, potted and cut flowers, algae, taro, etc.
- Introduced legislation to add macadamia nuts to the list of commodities subject to mandatory country-of-origin labeling
- Introduced legislation to improve inspections of incoming cargo and luggage to address our serious invasive species issues while giving Hawaii emergency powers to stop important of products that are likely to become invasive or host invasive species.
- Introduced legislation to exempt Hawaii from the adjusted gross income limitations for agriculture conservation programs, which greatly limits our ability to take advantage of many of these programs.

Appropriations

- Secured appropriations of \$18-\$19 million annually in earmarks for Hawaii projects in Agriculture Appropriations bills since 2003.
- Successfully worked to protect funding for Resource Conservation and Development Councils that have been in existence for more than 20 years, after the President recommended ending such funding in his FY2006 budget, which would have eliminated federal funding for the Tri-Isle RC&D and the Big Islands RC&D.

 Secured earmarks for continuation of the Lower Hamakua Ditch Watershed Project and the Upcountry Maui Watershed Project, both of which will provide irrigation to important agricultural lands, and other basic infrastructure

Working with federal agencies

- Advocated for an increased share of conservation funding for Hawaii
- Wrote in opposition to federal rule allowing the importation of phaelanopsis in media from Taiwan, which could lead to introduction of a host of new invasive pests
- Wrote in support of continued operation of a fruit fly rearing and sterilization facility in Hawaii
- Wrote to oppose decreasing the allowance for low-income seniors participating in the Senior Farmers Market Nutrition Program
- Advocated for increased access to federal crop insurance for Hawaii farmers, gaining approval of new federal crop insurance for coffee, banana and papaya
- Requested expedited consideration of protocols allowing for export of Hawaii agricultural products, including tropical fruits, sweet potatoes, and flowers.

November 12th Farm Bill Public Forum

The great majority of federal efforts on behalf of American agriculture are authorized in what has come to be referred to collectively as the "Farm Bill." The Farm Bill is revisited periodically, as a result of which the federal government's periodic discussion and deliberations on Farm Bill renewal is a major opportunity to revisit our overall strategies on agriculture and to highlight specific challenges such as face our Hawaii.

The Farm Security and Rural Investment Act (FSRIA) of 2002 (P.L. 107-171) is the most recent omnibus Farm Bill. Many of the provisions of the 2002 Farm Bill expire in 2007, so Congress, specifically my Agriculture Committee, will begin work in earnest on a new Farm Bill next year. A starting point will be the current Farm Bill, which includes the following titles:

Title I -- Commodity Programs specifies direct payment and production marketing loan levels for crops of wheat, feed grains, rice, cotton, and oilseeds, including soybeans; continues import quotas and price support loans for sugar; and supplements milk price support (through surplus dairy purchases).

Title II – Conservation authorizes conservation and environmental programs such as the Environmental Quality Incentives Program (EQUIP), Wildlife Habitat Incentive Program (WHIP), Grassland Reserve Program (GRP), Farm and Ranchland Protection Program (FRPP), Conservation Reserve Program (CRP), Wetland Reserve Program (WRP), and Conservation Security Program (CSP). These programs have become increasingly important for Hawaii farmers.

- *Title III Trade* authorizes USDA's foreign export promotion, credit, and subsidy programs and foreign food aid (P.L. 480), and authorizes the International Food for Education and Child Nutrition Program.
- *Title IV -- Nutrition Programs* extends the food stamp program; the emergency food assistance program; nutrition assistance for Puerto Rico and American Samoa; the commodity supplemental food program; and nutrition assistance on reservations.
- *Title V Credit* authorizes funding levels for USDA farm credit programs.
- *Title VI -- Rural Development* authorizes mandatory and discretionary funding for a variety of both new and existing programs, including value-added agricultural market development grants, rural broadcast and broadband services, rural and regional planning, water and sewer applications, the Rural Business Investment Program, and Rural Strategic Investment Program.
- *Title VII -- Research and Related Matters* authorizes university research and state cooperative extension.
- *Title VIII Forestry* authorizes programs to help private forest landowners adopt sustainable forest management practices, and local governments to fight wildfires.
- *Title IX -- Energy* authorizes the bioenergy program and programs for federal purchases of bio-based products and education, and loans and grants for farmers to purchase renewable energy systems and to improve energy efficiency.
- *Title X Miscellaneous* authorizes and sets funding levels for a wide variety of programs and issues, ranging from mandatory country of origin labeling, USDA animal health protection laws, outreach for socially disadvantaged farmers, and others.

In preparation for this debate, the U.S. Department of Agriculture has been conducting a series of nationwide "listening sessions" to hear from American agriculture what your needs are, what your federal government should be doing the same or different, and what should be changed in the Farm Bill. One of USDA's sessions will be held here in Hawaii on Saturday, November 12th as follows:

Farm Bill Public Forum Saturday, November 12, 2005, 11:00am to 2:00pm Sheraton Keauhou Hotel in Kona USDA Rural Development Under Secretary Thomas Dorr and Deputy Under Secretary for Natural Resources Merlyn Carlson will be there, as well as representatives from our Hawaii USDA offices, and me, to listen to your concerns and ideas related to the upcoming reauthorization of the Farm Bill generally and the challenges and needs of Hawaii agriculture specifically.

I especially ask for your input on this vital forum, which is a very important opportunity for us to make our case for Hawaii agriculture to our federal government. The forum is open to the public and your comments are welcome. If you can't attend, however, I would very much appreciate your sending me your concerns and suggestions, via my survey, so that I can work your thoughts into my own presentations and questions. Please call or email my state director, Jimmy Nakatani (808-541-1986; jimmy.nakatani@mail.house.gov), if you have any questions about the forum.

Comments on the Farm Bill

You can also provide your comments directly to our federal government. I attach a notice from the <u>Federal Register</u> requesting public comments to be used in developing USDA recommendations for the 2007 Farm Bill. If you are unable to attend the forum (and even if you do), I encourage you to send your comments to USDA. I would appreciate a copy of your submission so that I can be aware of your concerns and needs.

Survey on Agricultural Issues

I want to hear from you on issues of concern to Hawaii agriculture generally and you specifically. To this end, I'd greatly appreciate your completing the enclosed survey and returning it as indicated on the form at your earliest convenience to my Hawaii office.

I very much appreciate your contributions to Hawaii agriculture, and truly look forward to working with you toward strengthening our agricultural efforts. If I can be of any assistance to you and yours, or if you'd like to learn more about the resources of my office, please contact us or visit my website at www.house.gov/case.

Mahalo!

With aloha,

ED CASE United States Congressman Hawaii, Second District

Ed Case

Congressman Ed Case Hawaii Agriculture Community Survey

Name and address (optional)	_
	-
	-
Email:	
1. What is your role in Hawaii agriculture?	
2. What are the greatest challenges facing Hawaii agriculture (list	in priority)?
3. Where would you like our federal government to focus its effort Hawaii agriculture?	ts on behalf of
4. What can I do to best assist Hawaii agriculture?	
5. Please provide any other comments you want on how to help Ha	awaii agriculture.
Please fold, stamp and mail or, better, (1) email your response to me t	hrough
anne.stewart@mail.house.gov or (2) fax this page to me c/o Anne Stev	

4987. Mahalo!

Congressman Ed Case Attn: Anne Stewart 5-104 Prince Kuhio Federal Bldg Honolulu, HI 96850

Notices

Federal Register

Vol. 70, No. 116

Friday, June 17, 2005

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

DEPARTMENT OF AGRICULTURE

Office of the Secretary

Request for Public Comments To Be Used in Developing USDA Recommendations for the 2007 Farm

AGENCY: Office of the Secretary, USDA. **ACTION:** Notice of meetings and request for comments.

SUMMARY: This notice announces a series of public forums that senior officials of the United States Department of Agriculture (USDA) will hold to obtain public input for the development of the 2007 Farm Bill. The 2002 Farm Bill, officially entitled the Farm Security and Rural Investment Act of 2002 (the 2002 Act; Publ. L. 107-171), authorizes many of the programs operated by USDA such as the farm price and income support programs and expires with the 2007 crop year. Many other key programs specified in the 2002 Act expire at the end of fiscal year 2007. New legislation will need to be enacted prior to the expiration of the 2002 Act.

USDA intends to develop recommendations for the new farm bill and believes that public input is essential to the process by which these recommendations will be developed. This process requires an assessment of the performance of current programs operated under the 2002 Act as well as of possible alternative programs for the

next farm bill.

The public forums will be held at various locations in the United States during 2005. The dates, locations, and times of the forums will be announced by USDA press release (available at http://www.usda.gov). The public will be invited to attend the forums and to present oral comments.

The primary topics addressed at the forums will reflect various concerns affecting rural America such as commodity, conservation, and rural

economic development issues. However, some forums will be dedicated to other important programs authorized by the farm bill such as food assistance, research, and education programs. Topics for these discussions will be announced via USDA press

In addition, this notice provides the public the opportunity to comment in writing on key issues that USDA expects to address in the development of its recommendations. USDA will review the public comments received, including any analyses, reports, studies, and other material submitted with the comments, that address the questions specified below.

DATES: Comments must be received by December 30, 2005.

ADDRESSES: We invite interested persons to submit comments on this notice. Comments will be accepted at public forums and may also be submitted electronically (preferred) or by postal mail. Comments may be submitted electronically via the Internet at the USDA home page (http:// www.usda.gov) by selected "Farm Bill Forums." Comments may also be submitted by any of the following methods:

- · E-mail: Send comments to: FarmBill@usda.gov
- · Mail: Send comments to: Secretary of Agriculture Mike Johanns, Farm Bill, 1400 Independence Avenue, SW., Washington, DC 20250-3355.
- Hand delivery or courier: Deliver comments to Room 116A at the above address.

All comments, including names and addresses, provided by respondents are a matter of public record. Comments may be inspected at the Department of Agriculture. To arrange for inspection, please contact the Office of the Executive Secretariat, Room 116A, Jamie L. Whitten Federal Building, 1400 Independence Avenue, SW., Washington, DC 20250-3355

FOR FURTHER INFORMATION CONTACT: By mail: USDA/OES, 1400 Independence Avenue, SW., Washington, DC 20250-3355. By telephone: USDA's Office of Communications at (202) 720-9002. By e-mail: FarmBill@usda.gov.

SUPPLEMENTARY INFORMATION:

Key Issues for Comment

USDA is seeking public comments on the following farm policy considerations:

1. The competitiveness of U.S. agriculture in global and domestic markets.

As bilateral, regional, and multilateral trade negotiations continue to result in reduced barriers to international trade, exports and imports of agricultural products are expected to become increasingly important factors in U.S. and global agriculture. Obtaining evergreater access to growing foreign markets and being increasingly competitive in these and in domestic markets is essential for farm economic growth. One key factor in our ability to be competitive depends on the types of products demanded around the world in the next 10 to 20 years and our ability to produce products that meet this world demand.

How should farm policy be designed to maximize U.S. competitiveness and our country's ability to compete effectively in global markets?

2. The challenges facing new farmers and ranchers as they enter agriculture.

Some observers note that while farm policy has served agriculture and the country well in the past there are "unintended consequences" that should be addressed, such as the capitalization of program benefits into land prices. These higher land prices are cited as a barrier to entry into agriculture for new farmers; a factor in reduced profit for existing farmers; and a cause of weakened competitive position on the part of U.S. farmers compared with farmers in countries with lower-priced

How should farm policy address any unintended consequences and ensure that such consequences do not discourage new farmers and the next generation of farmers from entering production agriculture?

3. The appropriateness and effectiveness of the distribution of farm

program benefits.

A longstanding goal of farm policy has been to enhance and stabilize farm prices and incomes. Current farm programs, including crop insurance, distribute assistance based on past and current production levels. Some argue that the current farm support system encourages increases in farm size and results in the disproportionate

distribution of program benefits to large farms. It has also been suggested that program incentives lead to increased production and lower market prices.

How should farm policy be designed to effectively and fairly distribute assistance to producers?

4. The achievement of conservation and environmental goals.

While producing food and fiber are essential functions, agriculture also plays a major role in natural resource stewardship. Some have suggested that future farm policy might be anchored around the provision of tangible benefits such as cleaner water and air. Such an approach may be consistent with future World Trade Organization obligations on domestic support to agriculture, while also expanding farm programs to extend more broadly across agriculture, including private forest lands.

How can farm policy best achieve conservation and environmental goals?

5. The enhancement of rural economic growth.

Farming and rural America once were almost synonomous. Over the years, the demographic and economic characteristics of rural areas have changed, as has farming's role in the rural economy. This raises the issue of whether more Government attention should be focused on investing in the infrastructure in rural America (for example, investing in new technologies).

How can Federal rural and farm programs provide effective assistance in rural areas?

Opportunities to expand agricultural products, markets, and research.

Changes in farm and market structure over past decades have led to suggestions that farm policy could be more flexible by enabling greater support for a broader range of activities helpful to agriculture market expansion. Examples are: Attention to product quality and new attributes; organic and specialty crops; value-added products, including renewable energy and bioproducts and new uses for farm products generally; expanded basic and applied research; domestic and foreign market development; and similar activities.

How should these agricultural product, marketing, and research-related issues be addressed in the next farm bill?

This notice is being issued to obtain public comment regarding the next farm bill. There are no regulatory findings associated with this notice. Signed in Washington, DC, on June 8, 2005.

Mike Johanns.

Secretary, U.S. Department of Agriculture. [FR Doc. 05-11787 Filed 6-16-05; 8:45 am] BILLING CODE 3410-01-M