MAR 1 4 2007

SENATE RESOLUTION

REQUESTING HAWAII'S CONGRESSIONAL DELEGATION TO LEGISLATE A REDUCTION IN FEDERALLY REGULATED FEES OR AN EXEMPTION FROM FEDERAL STATUTES FOR TRANSPORTATION COSTS FOR LIVESTOCK FEED TO HAWAII.

WHEREAS, Hawaii's livestock industry faces numerous challenges that creates obstacles towards obtaining a strong diversified livestock and agricultural products industry in the State; and

WHEREAS, according to the Department of Agriculture, in 2006, locally produced eggs represented approximately thirty-three per cent of the total eggs sold in the State, and approximately thirty to thirty-five per cent of the milk consumed in the State was locally produced; and

WHEREAS, within the past year, two egg farms and a dairy farm have closed in Hawaii, and a dairy farm and another egg farm are now threatened with closure; and

WHEREAS, one of the challenges the livestock industry faces is the rising cost of feed for livestock; and

WHEREAS, due to its location and relative isolation, Hawaii is dependent on overseas shipping for a majority of its food and food production, thus, livestock farmers rely on imported feed from the mainland; and

WHEREAS, local poultry farmers have indicated that the total cost of grain or feed for their livestock amounts to seventy per cent of the cost to produce one dozen eggs, with fifty per cent of that cost attributed to the transportation expenses for the feed; and

WHEREAS, furthermore, with increased United States
Department of Agriculture regulations on agricultural products,
livestock farmers are forced to buy and use high-protein feed
from the mainland to feed their livestock because grains, such

as corn, are too expensive to grow locally in Hawaii in the massive quantities that are required by livestock farmers; and

WHEREAS, the high transportation costs for feed is a perennial problem for livestock farmers and the cost of importing feed grains from the mainland adds more than \$100 a ton to the expense; and

WHEREAS, a reduction in federally regulated fees or an exemption from federal statutes, such as the Jones Act, will financially assist livestock farmers with their feed requirement costs, enable them to remain in business, and allow them to continue to provide fresh meats, dairy, and egg products for local consumption; now, therefore,

BE IT RESOLVED by the Senate of the Twenty-fourth Legislature of the State of Hawaii, Regular Session of 2007, that the members of Hawaii's Congressional delegation to the United States Congress are requested to assist in the longevity of a diversified livestock industry in Hawaii by legislating a reduction in federally regulated shipping or transportation fees for livestock feed or an exemption from federal statutes relating to livestock feed shipping and transportation costs from the mainland to Hawaii; and

BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the members of Hawaii's Congressional delegation to the United States Congress.

OFFERED BY:

Clause & Dishihar

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