

STAND. COM. REP. NO. 561

Honolulu, Hawaii
Feb 16, 2007

RE: H.B. No. 1221
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Agriculture, to which was referred H.B. No. 1221 entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose of this bill is to preserve Hawaii's dairy and poultry farms and mitigate the impact of skyrocketing feed costs by appropriating funds for fiscal year (FY) 2008-2009 and FY 2009-2010 to be disbursed to qualified producers of milk and eggs for the cost of feed for dairy cows or egg-laying hens, and for administrative costs.

The Hawaii Farm Bureau Federation, Aloun Farms, Peterson Poultry Farm, and several concerned individuals supported this bill. The Department of Agriculture (DOA) supported this bill with amendments. The Hawaii Egg Producers Association supported the intent of the bill and suggested amendments. Animal Rights Hawaii and several concerned individuals opposed this bill. A concerned individual submitted comments.

In light of testimony received during the public hearing, your Committee has amended this measure by deleting its contents and inserting the contents of a proposed House draft submitted by DOA with clarifying amendments. As amended, this bill, among other things:

HB1221 HD1 HSCR AGR HMS 2007-2222



- (1) Establishes the Dairy and Poultry Revitalization Program (Program), codified in the Hawaii Revised Statutes, that establishes the conditions, criteria, and restrictions for the disbursement of funds to qualified producers of milk, eggs, or poultry;
- (2) Establishes a cap for disbursements under the Program of up to 60 percent of the feed costs incurred for poultry and egg production and up to 40 percent of the feed costs incurred for milk production;
- (3) Limits funds to only the feed fed to the qualifying flock or herd and not to feed purchases for resale or gift; and
- (4) Appropriates funds for FY 2007-2008 and FY 2008-2009 to be disbursed, pursuant to the Program, to qualified producers of milk, eggs, or chickens for the cost of feed for dairy cows and chickens, and for the administrative costs of the Program.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1221, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1221, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Agriculture,



CLIFT TSUJI, Chair



