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# A BILL FOR AN ACT

RELATING TO AGRICULTURE.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

PART I

1  
2 SECTION 1. The legislature finds that as the state has  
3 moved away from plantation agriculture, diversified agriculture  
4 has become an essential component of our overall agriculture  
5 industry. Aquaculture, which reached \$28,400,000 in wholesale  
6 product value in 2005, represents one of the fastest growing  
7 sectors of diversified agriculture in the state and has a future  
8 brimming with potential. One of the most essential resources  
9 for the aquaculture industry has been statewide technical  
10 assistance provided by the University of Hawaii sea grant  
11 extension service (UH/SGES). Both state and federal funds are  
12 used to fund this important program.

13 However, over the years, state and federal funding for  
14 UH/SGES has declined while costs for materials, supplies, and  
15 salaries have increased, thereby eroding the buying power of the  
16 funds remaining for the program. In addition, UH/SGES agents  
17 will be receiving significant salary increases over the upcoming  
18 fiscal biennium. Additional funding is needed to pay for these



1 costs and to provide state matching funds to attract federal  
2 funds for UH/SGES.

3 The purpose of this part is to restore funding to UH/SGES  
4 by appropriating funds to pay for increased costs and to provide  
5 state matching funds to attract federal funding.

6 SECTION 2. There is appropriated out of the general  
7 revenues of the State of Hawaii the sum of \$1 or so much thereof  
8 as may be necessary for fiscal year 2008-2009 to pay for the  
9 increased costs of the University of Hawaii sea grant extension  
10 service and to provide for state matching funds to attract  
11 federal funding for the program.

12 The sum appropriated shall be expended by the department of  
13 agriculture for the purposes of this part.

14 PART II

15 SECTION 3. The future of animal agriculture in Hawaii is  
16 being threatened by rising costs of imported feeds and the  
17 absence of a feed mill industry to develop local ingredients as  
18 viable alternatives to imported feeds. High feed prices have  
19 driven the beef cattle industry to feedlot in Canada and  
20 California and are challenging the viability of Hawaii's hog,  
21 poultry, and dairy cattle industries. Similarly, the promise of  
22 a nascent, yet growing offshore aquaculture industry in the



1 State is being dampened by high feed costs. Unless innovative  
2 solutions are found, the animal agriculture industry in Hawaii  
3 is destined to collapse and ultimately threaten the food supply  
4 and security of the State. As Hawaii becomes more dependent on  
5 imported food products, consumers throughout the State will have  
6 less options to select fresh, locally grown food products.

7 The ultimate solution to sustaining Hawaii's animal  
8 agriculture industry is to develop feeds using local products.  
9 The Hawaii Feed Mill project, being undertaken by the Oceanic  
10 Institute at the University of Hawaii at Hilo research farm at  
11 Panaewa, Hawaii, will engage in pilot-scale testing and  
12 development of local ingredients and feeds under commercial  
13 processing conditions to improve the competitiveness and help  
14 the long-term sustainability of animal agriculture in the State.

15 SECTION 4. There is appropriated out of the general  
16 revenues of the State of Hawaii the sum of \$ or so  
17 much thereof as may be necessary for fiscal year 2008-2009 for  
18 the completion of the Hawaii Feed Mill project by the Oceanic  
19 Institute.

20 The sum appropriated shall be expended by the University of  
21 Hawaii at Hilo, College of Agriculture, Forestry, and Natural  
22 Resource Management.



1 PART III  
2 SECTION 5. This Act shall take effect on July 1, 2020.



**Report Title:**

Aquaculture; Statewide Technical Assistance; Hawaii Feed Mill

**Description:**

Appropriates funds to pay for the increased costs of, and to attract federal funding for, statewide technical assistance provided to the aquaculture industry through the University of Hawaii Sea Grant Extension Service. Appropriates funds to the Oceanic Institute to develop the Hawaii Feed Mill project to develop locally produced animal agriculture feeds. (SD1)

