

SB 1513

nishihara5 - Randy

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 02, 2011 2:08 PM
To: AGL Testimony
Cc: Leslie.Campaniano@hawaii.gov
Subject: Testimony for SB1513 on 2/3/2011 2:45:00 PM
Attachments: SB1513_AGL-2-3-2011_AGL-final.pdf

Follow Up Flag: Follow up
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Testimony for AGL 2/3/2011 2:45:00 PM SB1513

Conference room: 229
Testifier position:
Testifier will be present: Yes
Submitted by: James Nakatani
Organization: Hawaii Department of Agriculture
Address:
Phone: 973-9552
E-mail: Leslie.Campaniano@hawaii.gov
Submitted on: 2/2/2011

Comments:

NEIL ABERCROMBIE
Governor



State of Hawaii
DEPARTMENT OF AGRICULTURE
1428 South King Street
Honolulu, Hawaii 96814-2512

RUSSELL S. KOKUBUN
Chairperson, Board of Agriculture

JAMES J. NAKATANI
Deputy to the Chairperson

TESTIMONY OF RUSSELL KOKUBUN
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEE ON AGRICULTURE
THURSDAY, FEBRUARY 3, 2011
2:45 P.M.
CONFERENCE ROOM 229

SENATE BILL NO. 1513
RELATING TO AGRICULTURE

Chairperson Nishihara and Members of the Committee:

Thank you for this opportunity to provide testimony on Senate Bill 1513, which proposes to eliminate the application and license fees for milk producer, producer-distributors and distributors. The Department of Agriculture opposes the bill.

The legislature enacted the Hawaii Milk Control Act, created to ensure stability and fairness in the local dairy industry and producers are compensated in a fair manner for the milk they produce. License fees are assessed to cover all costs to administer the Act, through the Milk Control Program. Elimination of fees will result in the demise of the Milk Control Program and reduce the ability of the department to assist the producers. Without the administration of the Act, the processor can conceivably pay producers any price they choose for locally produced milk. If this price does not cover the cost of producing milk, which includes a fair return on investment, the dairies will go out of business. This may result in no local milk, and the State will be totally dependent on imported milk.

Furthermore, Sections 4-60-4 and 4-60-5, Hawaii Administrative Rules allows the department to suspend the collection of license fees or lower the fee rate if sufficient funds have been collected to meet the expenditures within a fiscal year.

Thank you for the opportunity to testify on this measure.



nishihara5 - Randy

From: Joy Gold [joy@joygoldunlimited.com]
Sent: Wednesday, February 02, 2011 1:32 PM
To: AGL Testimony
Cc: Glenn Muranaka; Adria Campbell; Joy Gold
Subject: SB 1513, Sen AGL Testimony, Thurs Feb 3
Attachments: MG_SB1513_SenAGL.pdf

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Aloha,
Please see the attached testimony submitted on behalf of Glenn Muranaka, President and General Manager of Meadow Gold Dairies for:
SB 1513, Agriculture
Sen AGL Hearing
Thursday, Feb 3, 2011 - 2:45 pm

Please call me at 526-3770 if there are any questions about the testimony submittal.
Thank you,
Joy Gold

Joy Gold Unlimited
1136 Union Mall, Ste. 403
Honolulu, Hawaii 96813
Ph: 808.526.3770 Fax: 808.540.0415
"Working with you to achieve your public policy goals and mission"
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Thank you for your cooperation



Meadow Gold Dairies



Testimony by: Glenn Muranaka
SB 1513, Relating to Agriculture
Sen AGL, Friday, Feb. 3, 2011 – 2:45 pm
Room 229
Position: Support Intent, Amendment Offered

Chair Nishihara and Members of the Senate AGL Committee:

My name is Glenn Muranaka, President and General Manager of Meadow Gold Dairies. Our company has been in Hawaii since 1897—114 years, providing Hawaii consumers with a variety of milk products and juices. Meadow Gold's long history has not come without effort. We continually adapt to our customers' and consumers' ever-changing needs, and we constantly evolve along with our industry, our community and our market. Over the years, this has required that we struggle, tighten our belts, innovate and work extremely hard, making us a better company in the process. The foundation of this work rests with the 350 employees that are committed to providing superior quality products.

We support the intent of this bill. Over time, we have seen the decline of a once vibrant dairy industry that fell from 60 to now only two farms. There are many challenges to successful dairy farming in Hawaii, ranging from feed costs, water, land, suitable climate for milk production, and selling local milk at premium prices.

Amendment Offered:

Rather than eliminate the licensing fee as proposed in SB1513, a redirection for the use of the fee is suggested. As a processor who contributes \$8,000 a month license fee to the fund, Meadow Gold would be willing to continue contribution if the Milk Control Special Fund expenses were only limited to promotional expenses or other improvements for the dairy industry. In this way, the collective dollars can be used to promote local milk consumption and assist with improved technologies or other needs of the farmers.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at 944-5911.

nishihara5 - Randy

From: mike tran [mike@hawaiitank.com]
Sent: Wednesday, February 02, 2011 2:03 PM
To: AGL Testimony
Cc: bahman
Subject: SB1513 Thursday Feb. 3rd 2:45 pm
Attachments: SB1513_Sadeghi_SenAGL.pdf

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Please find the attached testimony from Bahman Sadeghi, President of Island Dairy for:

SB1513 relating to Agriculture

Senate AGL Hearing - Thursday Feb 3rd, 2:45 pm.

If there are any questions, please call Bahman at (949) 678-4726.

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Regards,

Michael Tran
Purchasing

Hawaii Intermodal Tank Transport
2350 S. Dock St.
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P.O. Box 49 O'okala, HI 96774
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Testimony by: Bahman Sadeghi
SB 1513, Relating to Agriculture
Senate AGL Hearing
Thursday, Feb. 3, 2011 – 2:45 pm
Room 229

Position: Support

Senator Nishihara and Members of the Senate AGL Committee:

I am Bahman Sadeghi, President of Island Dairy, located in Ookala, Hawaii Island. We have a dairy farm of 1,500 cows on 2,500 acres. Our locally produced milk, Hawaii's Fresh, supplies Hawaii Island schools and community, and is available on a limited basis on Oahu. I am in Florida at this time and cannot be present to testify.

We appreciate this bill because it does two things:

- 1) It re-examines the need for license fees when there are only two dairies in Hawaii.
- 2) It also raises the question of why funds from milk producers are collected to support the operating costs of administration when no other commodity has fees collected for such administrative support.

I would be interested in continued discussion about paying the license fees if such fees are only used to support promotional expenses or other improvements to improve the dairy industry. As an individual dairy farmer, it is difficult for me to finance marketing efforts on a continuous basis to increase local milk consumption. However, I believe that if such funds were collected and used to promote local milk, regardless of individual brand, more Hawaii residents would look for and buy local milk.

I can be reached at 949-678-4726 if you have any questions. Thank you for the opportunity to testify.