

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 S. KOKUBUN
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON FINANCE
WEDNESDAY, MARCH 30, 2011
11:00 A.M.
CONFERENCE ROOM 308

SENATE BILL NO. 249, SD2, HD1
MAKING AN APPROPRIATION OF THE DEPARTMENT OF AGRICULTURE

Chair Oshiro and Members of the Committee:

Thank you for the opportunity to comment on Senate Bill No. 249, SD2, HD1. The Department of Agriculture strongly supports the intent of this bill.

The purpose of this bill is to appropriate moneys to the Department of Agriculture to purchase the slaughterhouse in Campbell Industrial Park and to make necessary capital improvements to the facility. The slaughterhouse is an essential component of the State's livestock industry. It is the largest slaughterhouse on Oahu and one of the most modern in the State. In order for Hawaii to increase food self-sufficiency it will need centrally located USDA inspected slaughterhouses to ensure a safe food supply for its citizens, provide hog producers and ranchers access to retail markets and to ensure that local hogs and cattle are humanely processed.

Since there are structures on the parcel already owned by the State and to clarify previous testimony, the Department would suggest language be included to clarify that the purchase is to consist of the Cooperative's existing slaughter equipment, refrigeration units and capital improvements to the leasehold. The Department is also investigating possible capital improvements to the facility that could increase efficiency, such as the installation of a photovoltaic system that would allow the facility to become more energy self-sufficient, thus reducing operating expenses.

Thank you for the opportunity to testify on this measure.



**THE HUMANE SOCIETY
OF THE UNITED STATES**

TO: Honorable Chair Oshiro, Vice-Chair Lee and Committee Members

House Finance Committee 3-30-11, 1100am, Rm 308

RE: Testimony in Opposition with Comments; SB 249 SD 1 HD1; Appropriation to the HDOA

Submitted by: Inga Gibson, Hawaii State Director, The Humane Society of the United States, P.O. Box 89131, Honolulu, HI 96830, igibson@hsus.org, 808-922-9910

The Humane Society of the United States pursues the reduction of animal suffering in the raising, housing, care, transportation, and slaughter of animals raised or caught for food. We seek to ensure that animal production systems are *humane, sustainable, and environmentally sensitive*. We support those farmers and ranchers who give proper care to their animals, act in accordance with the basic ethic of compassion to sentient creatures under their control, and practice and promote humane and environmentally sustainable agriculture.

Our greatest efforts on behalf of farm animals in Hawaii has been to reduce the long-distance transport of animals, specifically, thousands of pigs who are transported annually from the mainland Midwest to Oahu for slaughter. These efforts are in partnership with the World Society for the Protection of Animals (WSPA) and other local and national animal welfare groups, which instead encourages residents to only buy humanely, locally raised animals or to purchase (non-live) frozen/chilled products from the mainland.

Concerns with SB 249:

- **Continued funding for the Hawaii Livestock Cooperative Slaughterhouse does not support local agriculture or local food sustainability.** According to a 2008 Report to the Legislature, in 2007, 67% of animals (pigs) slaughtered at the Hawaii Livestock Cooperative Slaughterhouse were from the mainland. While this number has likely increased, records have not been made available to determine the exact number or species of animals slaughtered at this facility, raising serious concerns about transparency and accountability in its operations and information provided to the public/consumers: See:http://hawaii.gov/hdoa/meetings_reports/legislativereports/2008LegReports/Livestock%20Report.PDF
- **The continued long-distance transport of animals, especially pigs, to HLC is inhumane and increases food safety risks.** More than 10,000 live pigs are shipped via Matson from Oakland to Honolulu each year, most of them having first been shipped by truck from farms as far away as South Dakota and Iowa. Once on Matson boats, the pigs endure a sea journey which can last as long as eight days before reaching their final destination in Hawaii, at which point they're slaughtered at the Oahu slaughterhouse (Hawaii Livestock Cooperative) There is considerable scientific evidence that long distance transport of live farm animals causes severe suffering, especially in pigs, who are

especially susceptible to motion sickness, which is worsened by vehicular movements, particularly in bad weather conditions or in rough ocean conditions. An animal's immune system is his or her main defense mechanism against infection, and extreme stress impairs immune function. During long-distance transport these animals are exposed simultaneously to a variety of stressors. Such stressors include food and water deprivation, mixing of animals from different herds and farms, handling by humans, noise and vibration, and extremes of temperature and humidity. All these factors activate a stress response in the animal through different physiological pathways that lead to decreased immunity, increased vulnerability to disease and injury, which then facilitate the spread of disease and infections and increases the suffering of the animals. Pigs often die on these long-distance sea voyages. Again, frozen or chilled pork purchased from the mainland are a much safer and humane alternative. If "fresh" pork is preferred, efforts should be focused on supporting the local raising of pigs, not the continued funding of slaughtering mainland-raised and transported animals.

- **Only a small number of cattle are being slaughtered at the HLC facility.** Calves from Hawaii, who are primarily born on the Big Island, are routinely shipped, reared and slaughtered at mainland facilities. If the basis for continuing the funding and operation of the slaughterhouse is that in the future cattle may be slaughtered on Oahu, the continued funding and operation of HLC should be revisited at that time; allowing for ample public and community input especially given the financial burden on local taxpayers. In addition, The neighbor-islands, who represent the vast majority of locally raised animals, already have access to USDA-regulated slaughterhouses

Recommendations:

- **Defer the measure for future consideration**, if and when a local (Oahu) cattle slaughter industry is necessary and after analyzing USDA regulated mobile-slaughterhouses as a more cost-effective and humane alternative to slaughtering locally raised animals or;
- **Extend effective date** pending and contingent upon additional information and assessments from the Department's of Health, Agriculture and Environmental Quality Council to determine the environmental, financial and other impacts of the continued operation of the slaughterhouse.

It is also our understanding that should this measure pass, Hawaii may be the *only* state in the nation that has a publicly owned slaughterhouse. The slaughterhouse industry has typically been operated by private businesses, not funded by tax-payers or operated by the state, raising both ethical and fiscal concerns.

In closing, if the goal is to support local agriculture and production, efforts should instead focus on appropriating more local agriculturally zoned lands to produce humanely locally raised animals and the animal feed necessary for production.

Thank you for the opportunity to testify.



Healthy Hawai'i Coalition

Hawai'i State Legislature House Finance Committee
The Honorable Representative Marcus Oshiro, Chair
The Honorable Representative Marilyn Lee, Vice Chair

March 30, 2011

Re: SB 249- STRONG OPPOSITION

Aloha Chair Oshiro, Vice Chair Lee, and Committee Members,

HHC would like to voice its strong opposition to SB 249. There are currently many dire concerns for our state, as you are well aware; our budget shortfall, environmental degradation, and failing community health. With massive economic concerns at the state and city levels our Governor and Mayor have both asked all citizens to make sacrifices for the overall good of the state. In connection with this, our economy is deeply intertwined with our tourism. People from all over the world come to Hawai'i for its environmental beauty. The image that draws people and their dollars is the clean beaches, the fresh air, the blue water—a clean and healthy place.

This image is marred by Hawai'i's unfortunate reputation for having close to 30% of our youth enter kindergarten as overweight or obese. The statistics for Hawai'i obese adults is similarly shocking. Meat-based diets have been proven to lead to obesity, as well as diabetes, heart disease, and many other serious ailments.

Along with our reputation for obesity, do we really want to also become known as the only state that owns a slaughterhouse? It does not make sense for a state that is already facing community health problems and an economic crisis to be spending money to support a slaughterhouse.

Please reconsider this bill and realize that this type of legislation bloodies Hawai'i's image as a beautiful, clean, healthy place more than we can afford—for the sake of our economy, our environment, our tourism, our health, and our keiki.

Let's focus our efforts and funds on improving the well-being of Hawaii and her people, not further degrading it.

Sincerely,

Alison Riggs, Program Coordinator

Healthy Hawai'i Coalition (HHC) is a 501(c)3 non-profit, educational organization made up of concerned citizens from across the state, whose two-fold purpose is to protect the environment and to improve individual and community health.

The Hawai'i Watershed Experience: Watershed Education Program
Healthy Hawai'i Coalition
P.O. Box 75505 Kapolei, Hawaii 96707
808-778-4243 alieriggs@gmail.com
www.healthyhawaiicoalition.com

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, March 28, 2011 3:35 PM
To: FINTestimony
Cc: laurelee@hawaii.rr.com
Subject: Testimony for SB249 on 3/30/2011 11:00:00 AM

Testimony for FIN 3/30/2011 11:00:00 AM SB249

Conference room: 308
Testifier position: oppose
Testifier will be present: No
Submitted by: Laurelee Blanchard, Director
Organization: Leilani Farm Sanctuary
Address:
Phone:
E-mail: laurelee@hawaii.rr.com
Submitted on: 3/28/2011

Comments:

Leilani Farm Sanctuary is in strong opposition to this wasteful bill, especially during the State's serious financial crisis.

Senate Bill 249 proposes to spend \$1.6 million of taxpayer money for the state to purchase the Hawai'i Livestock Cooperative's slaughterhouse. Hawaii Livestock Cooperative, the current owner of the slaughterhouse, is already \$100,000 in arrears on a loan to the State. A further subsidy by taxpayers should be completely out of the question!

The slaughterhouse is located in an environmentally-sensitive area and poses a serious threat to the environment because it discharges its waste into a "lagoon" located just yards from the ocean. This creates the potential for ground water contamination and ocean pollution.

With so many public services getting nixed due to the budget shortfall, the last place the government should be directing our funds is toward a slaughterhouse.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, March 29, 2011 10:09 AM
To: FINTestimony
Cc: puaa@hawaii.rr.com
Subject: Testimony for SB249 on 3/30/2011 11:00:00 AM

Testimony for FIN 3/30/2011 11:00:00 AM SB249

Conference room: 308
Testifier position: oppose
Testifier will be present: Yes
Submitted by: Cathy Goeggel
Organization: Animal Rights Hawai'i
Address:
Phone:
E-mail: puaa@hawaii.rr.com
Submitted on: 3/29/2011

Comments:
ANIMAL RIGHTS HAWAI'I
Advocates for animals since 1975
PO BOX 10845 HONOLULU. HI 96816
animalrightshawaii.org

Testimony on SB 249, SD2, HD1
(HSCR1077)

Position: oppose

March 30, 2011

House Committee Finance

Rep. Marcus R. Oshiro, Chair
Rep. Marilyn B. Lee, Vice Chair

I am Cathy Goeggel, President of Animal Rights Hawai'i.

Furlough Fridays, community school closures, taxes on senior citizens' benefits- This is how some of our politicians are dealing with the downturn of our economy. We are told that we should tighten our belts...unless, of course, you are the moribund livestock industry which has just asked for another bail out of several million dollars...

Sound familiar?

In 1995, the Legislature approved an \$11million bond Palama Meat Company and the Livestock Cooperative to build a new slaughterhouse and a processing facility in Campbell Industrial Park on State land. Palama Meat was to guarantee the bond.

In 2004, Palama Meat filed for Chapter 11 bankruptcy

Then HLC received a grant of \$2 million from USDA (RETA-H funds)

Then, the Members of the Livestock Cooperative borrowed \$600,000 from the state- \$119,000 of which is still outstanding. Only one payment has been made in the past three years.

But wait, there's more: HLC borrowed \$1.5 million from Central Pacific Bank, guaranteed by the USDA Rural Development Agency--upon which they defaulted and the taxpayers (you and me) had to make good that loan.

Two years ago, the Legislature approved \$600,000 to pay for chicken and pig feed as well as shipping costs.

Now, the livestock industry has asked even more--for a two year \$2 million grant to pay for feed, plus an unspecified amount to renovate the current facility, which the State now owns.

There are several questions that have not been answered: what is the lease rent and has the Coop been paying it? how much money is the Coop getting from subleasing the land to a trucking company and is any of it going to repay loans? Who paid for the "Living Machine" installation? Does the equipment in the slaughterhouse really belong to the Coop? Did they actually use their own money to pay for anything?

We have all heard the litany from the Livestock Cooperative, the DoA and the Agriculture Committees that the industry needs a slaughterhouse in order for the industry to survive- but with all the financial support it has received, it is failing, and prudence suggests stop throwing good money after bad.

On the mainland there are a growing number of mobile slaughter facilities that would, if implemented on O'ahu, provide rural farmers with a service not currently available. Why should the taxpayers of our State provide a service that lines the pockets of a few companies. It is Wong's Meat Market and Hawai'i Food Products that are using the HLC slaughterhouse the most--for the several thousand pigs they import live from the mainland just to be slaughtered here, and whose corpses are then sold as "island processed."

Agriculture Chair Tsuji called for a full and open accounting of the financial condition of the HLC slaughterhouse. Our request to his office on March 14 resulted in our being referred to to Legislature website- sadly, the info is not available to the taxpayers, only to the decision makers whose minds seem already made up- after all, it's only money, and we have SO MUCH that we are closing schools...and by the way, we learned that HLC owes the almost \$600,000 to the state (us) - even more than we thought...

Please do not pass this bill

Cathy Goeggel
President
Animal Rights Hawai'i
808.721.4211
puaa@hawaii.rr.com

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, March 29, 2011 12:31 PM
To: FINTestimony
Cc: organicrawsome@gmail.com
Subject: Testimony for SB249 on 3/30/2011 11:00:00 AM

Testimony for FIN 3/30/2011 11:00:00 AM SB249

Conference room: 308
Testifier position: oppose
Testifier will be present: No
Submitted by: Amira~Sally Attia
Organization: Organic Rawsome
Address:
Phone:
E-mail: organicrawsome@gmail.com
Submitted on: 3/29/2011

Comments:
This is cruel and inhumane and extremely harmful to our environment.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, March 28, 2011 5:20 PM
To: FINTestimony
Cc: bellr007@hawaii.rr.com
Subject: Testimony for SB249 on 3/30/2011 11:00:00 AM

Testimony for FIN 3/30/2011 11:00:00 AM SB249

Conference room: 308
Testifier position: oppose
Testifier will be present: No
Submitted by: Robert J Bell
Organization: Down to Earth
Address:
Phone:
E-mail: bellr007@hawaii.rr.com
Submitted on: 3/28/2011

Comments:

Please stop Slaughterhouse bill SB 249 from moving on to committee. It only serves the purpose of spending our hard earned tax dollars on an unnecessary expense to our already hard pressed State Budget.

SB 249

We received over 350
similar/form testimony
in opposition.

March 29, 2011

To: House Representatives – Committee on Finance

Dear Legislators,

Aloha. My family and I are shocked to learn of Senate Bill 249 which would use taxpayer dollars for the State to purchase Hawaii Livestock Cooperative's slaughterhouse in Campbell Industrial Park. We do not want our hard-earned taxpayer dollars being used in this manner, and strongly oppose this bill for the reasons listed below. We humbly ask that you also oppose SB 249:

1. **We do not have the money; there are more important priorities:** So many public services are being cut, schools are being closed, and workers are being furloughed, etc. due to State budget short-falls. The last place we should be spending taxpayer dollars is on an unnecessary slaughterhouse. There are much more "vital" needs towards which our taxpayer dollars should appropriately be used.
2. **Taxpayer money should not be used to bail out failing businesses:** Taxpayer dollars should never be used to buy, build, or operate a slaughterhouse, or any business for that matter. No other states own slaughterhouses—there are obvious reasons and logic in that. In addition, this slaughterhouse has been so unsuccessful that nobody in the private sector even wants to buy it. If the State operates this slaughterhouse through enactment of SB 249 it will likely be a severe ongoing drain on our State budget, something we just cannot afford.
3. **It unnecessarily promotes bad health for the people of Hawaii:** Hawaii is all about "food"—it is our multi-racial tradition and through which we express our aloha to our visitors and for each other. As a result, Hawaii has an overwhelming obesity problem, our children included. Many Hawaii healthcare organizations and individual professionals are working very hard (some for many years now) to try to eliminate that problem by educating our people on how to incorporate a more plant-based diet as part of a healthy aloha lifestyle. It therefore makes no sense (as well as being completely unnecessary) for the State to use taxpayer money to promote a meat-based diet, which has been linked to increased risk of heart disease, diabetes, obesity, cancer, and many other illnesses. The people of Hawaii just do not need it.
4. **It is detrimental to our precious Hawaii environment:** The slaughterhouse is located in an environmentally-sensitive area and poses a serious threat to the environment because it discharges its waste into a "lagoon" located just yards from the ocean. This creates the potential for ground water contamination and pollution of the ocean—contributing to the possible creation of dead zones, coral reef suffocation, and fish depopulation. Additionally, the meat industry is bad for the environment as it is an inefficient use of resources and is the most significant contributor to global warming. Our Hawaii oceans and coral reefs are already under huge threat from so many things. It is our/your job to protect them, not to establish business interests that will add to that threat.
5. **Animal slaughtering is inhumane:** The slaughtering of innocent animals for food is unnecessary because nature has provided ample vegetables, fruits, grains, legumes and dairy products for human sustenance. Slaughtering animals for food is an unnecessary "luxury". To use taxpayer dollars to support an activity that takes the innocent life from animals is morally wrong.

In the interests of the people of Hawaii, the innocent animals, and maintaining the proper business of State Government, we kindly ask that you please do not schedule a hearing of Senate Bill 249 before the House Finance Committee. If Senate Bill 249 is heard before the Committee, we request that you please vote against it.

Mahalo for your time and support,

The Anthony Family
Kailua, Hawaii
Tel. 808-263-3561