
A BILL FOR AN ACT

RELATING TO FEED MILLS.

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

1 SECTION 1. The legislature finds that feed accounts for up
2 to seventy per cent of livestock production costs. In Hawaii,
3 all feed is imported. High feed prices and rising
4 transportation costs have caused the animal agriculture industry
5 in Hawaii to shrink by over fifty per cent in the past ten
6 years.

7 The legislature further finds that a feed mill would
8 facilitate the development of local feed production to stabilize
9 and expand the animal agriculture industry in Hawaii. The feed
10 mill would verify what local products from the agricultural,
11 fishery, and bio-energy sectors can be used as ingredients in
12 feed, and showcase Hawaii as a leader in sustainable agriculture
13 development.

14 The legislature also finds that mills can only be used for
15 either production or experimental purposes. Consequently, all
16 of the mills in the western United States are used for
17 production and there are no experimental mills. Having an
18 experimental mill in Hawaii would generate income and jobs by



1 attracting companies from around the country to test their feed
2 in the State.

3 The legislature also finds that locally produced feed would
4 ensure that feed prices are controlled by internal market forces
5 and guarantee the supply and quality of feed for Hawaii's
6 livestock, resulting in the potential export of Hawaii branded
7 ingredients, feed, and specialty products. Locally produced
8 feed will also promote sustainability through the use of by-,
9 co-, and waste-products from other industry sectors.

10 The legislature finds that a feed mill would allow Hawaii
11 to reduce its dependence on imported feed and animal food
12 products, generate income, add value to other industry sectors,
13 create jobs, and reduce environmental waste, leading to a more
14 sustainable and independent Hawaii economy.

15 The purpose of this Act is to award a grant to the Oceanic
16 Institute for the construction of the feed research and pilot
17 production facility.

18 SECTION 2. There is appropriated out of the general
19 revenues of the State of Hawaii the sum of \$450,000 or so much
20 thereof as may be necessary for fiscal year 2012-2013 as a grant
21 pursuant to chapter 42F, Hawaii Revised Statutes, to the Oceanic
22 Institute for the construction of the feeds research and pilot



1 production facility; provided that no funds shall be released
2 pursuant to this Act unless matched by private funds.

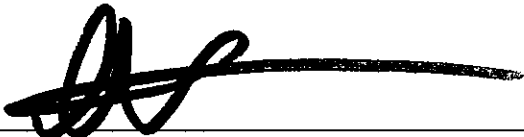

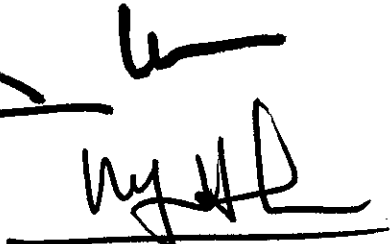
3 The sum appropriated shall be expended by the department of
4 agriculture for the purposes of this Act.

5 SECTION 3. The Oceanic Institute shall prepare a report to
6 the legislature on the progress of the feeds research and pilot
7 production facility project, including any contracts with
8 potential purchasers of the feed produced at the facility. The
9 Oceanic Institute shall submit the report to the legislature no
10 later than twenty days prior to the convening of the regular
11 session of 2013.

12 SECTION 4. This Act shall take effect on July 1, 2012.

13

INTRODUCED BY:

JAN 23 2012



H.B. NO. 2421

Report Title:

Oceanic Institute; Feed Mill; Grant; Appropriation; Project

Description:

Awards a grant to the Oceanic Institute for the construction of the feeds research and pilot production facility. Requires the Oceanic Institute to report to the legislature on the progress of the project. Appropriation.

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