

STAND. COM. REP. NO.

20

Honolulu, Hawaii

FEB 01 2013

RE: S.B. No. 593
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Madam:

Your Committee on Agriculture, to which was referred S.B. No. 593 entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose and intent of this measure is to subsidize livestock feed costs for qualified producers of milk, including goat milk, pork, eggs, poultry, beef, sheep and lamb meat, fish, and crustaceans.

Your Committee received testimony in support of this measure from the Department of Agriculture, Kauai Kunana Dairy, 4 Ag Hawaii, the Local Food Coalition, Hawaii Aquaculture and Aquaponics Association, Hawaii Cattlemen's Council, Lani's Goats, Hawaii Farm Bureau Foundation, Ulupono Initiative, and one individual. Your Committee received testimony in opposition to this measure from Animal Rights Hawaii.

Your Committee finds that livestock feed costs can constitute up to seventy percent of total production costs. Due to the prolonged drought in the State and on the mainland, feed costs are skyrocketing. Providing subsidies to the livestock industry will prevent farm closures; promote investment in modern equipment to expand and improve livestock production; and promote development of new markets and products. Subsidies will improve the economic viability of local agriculture and increase food security.

Your Committee has amended this measure by:

2013-1057 SSCR SMA.doc



- (1) Clarifying that the subsidy applies to qualified producers who produce fish and crustaceans farmed by aquacultural practices;
- (2) Disallowing a subsidy within a fiscal quarter to a qualified producer where the herd size falls below thirty sheep or lambs in the applicable fiscal quarter;
- (3) Capping the subsidy for feed costs for sheep, lambs, fish, and crustaceans at fifty percent of the respective feed costs;
- (4) Prohibiting reimbursement of feed cost to qualified producers when the amount of reimbursement will result in an annual profit of more than eight percent for sheep, lamb meat, or seafood producers; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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 S.B. No. 593, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 593, S.D. 1, and be referred to the Committee on Ways and Means.

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

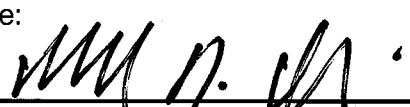


CLARENCE K. NISHIHARA, Chair



The Senate
 Twenty-Seventh Legislature
 State of Hawai'i

Record of Votes
Committee on Agriculture
AGL

Bill / Resolution No.:	Committee Referral:	Date:		
SB 593	AGL, WAM	1/29/13		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
NISHIHARA, Clarence K. (C)	✓			
KOUCHI, Ronald D. (VC)	✓			
DELA CRUZ, Donovan M.	✓			
ENGLISH, J. Kalani	✓			
THIELEN, Laura H.	✓	✓		
WAKAI, Glenn	✓	✓		
SLOM, Sam				✓
TOTAL	4	2		1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:	Original	Yellow	Pink	Goldenrod
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*Only one measure per Record of Votes