

Honolulu, Hawaii

April 5, 2013

RE: S.B. No. 757
S.D. 2
H.D. 2

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 757, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose of this measure is to help ensure the viability of the State's livestock industry by:

- (1) Appropriating unspecified funds to continue the Livestock Revitalization Program;
- (2) Adjusting the amount of the subsidy received under the Program to the lesser of an unspecified amount per year or an unspecified percentage of food costs incurred per year for production of poultry products; milk; pigs, beef cattle, sheep, and lamb raised and slaughtered in Hawaii for local consumption; and fish or crustaceans aquaculturally farmed in Hawaii for local consumption;
- (3) Expanding the livestock subsidy to include feed costs incurred by qualified producers of goat milk with a herd of at least 25 lactating milking goats per fiscal quarter;



- (4) Expanding the livestock subsidy to include feed costs incurred by qualified producers of sheep or lamb that are raised, slaughtered, processed, and marketed in the State with annual sales of at least 30 sheep or lambs; provided that the herd shall not fall five percent below 30 sheep or lambs per fiscal quarter;
- (5) Expanding the livestock subsidy to include feed costs incurred by qualified producers of fish or crustaceans, farmed by aquacultural practices, with current annual sales of at least 2,000 pounds; provided that sales shall not fall five percent below 500 pounds per fiscal quarter;
- (6) Amending the livestock subsidy to include feed costs incurred by qualified producers of pork from sows that are raised, slaughtered, processed, and marketed in the State with annual sales of at least 20 sows; provided that the herd shall not fall five percent below 20 sows per fiscal quarter;
- (7) Prohibiting the reimbursement of feed costs to qualified producers when the amount of reimbursement will result in an annual profit of more than an unspecified percentage for sheep, lamb meat, or seafood producers; and
- (8) Requiring funds for the Livestock Revitalization Program to be expended from the Agricultural Development and Food Security Special Fund.

For purposes of the public hearing on this bill, your Committee circulated a proposed S.B. No. 757, H.D. 2 (Proposed Draft), and notified the public that your Committee would be accepting testimony on the Proposed Draft, which:

- (1) Deletes the contents of S.B. No. 757, H.D. 1; and
- (2) Inserts the substantive contents of H.B. No. 486, H.D. 1 and H.B. No. 734, H.D. 1.

The Proposed Draft, among other things:

- (1) Appropriates funds for the implementation and operation of the Future Farmers of America and 4-H programs to support youth in agricultural careers;



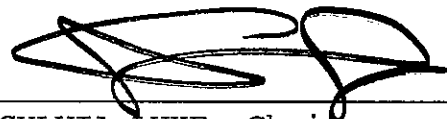
- (2) Amends public land classifications by adding taro lands for wetland cultivation as the fourth class of lands for intensive agricultural use;
- (3) Includes retention of supporting structures for taro fields in the list of permitted uses for certain agricultural lands;
- (4) Adds growth and perpetuation of all traditional Hawaiian crops to agricultural planning objectives; and
- (5) Contains an effective date of July 1, 2030, to encourage further discussion.

Ulupono Initiative; Taro Security and Purity Task Force; Hawaii Farm Bureau Federation; East Maui Taro Festival, Inc.; and a few concerned individuals submitted testimony in support of the Proposed Draft. Animal Rights Hawaii; Hawaii Reserves, Inc.; Land Use Research Foundation of Hawaii; and Hawaii Building and Construction Trades Council, AFL-CIO submitted testimony in opposition to the Proposed Draft. The Department of Education offered comments on the Proposed Draft.

Your Committee has amended this measure as referred to your Committee by adopting the Proposed Draft and incorporating additional technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 757, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 757, S.D. 2, H.D. 2.

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



SYLVIA LUKE, Chair



Record of Votes of the Committee on Finance

Bill/Resolution No.: SB757 SD2 HD1	Committee Referral: AGR, FIN	Date: 04/03/13
---------------------------------------	---------------------------------	-------------------

The committee is reconsidering its previous decision on the measure.

The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold
 Pass short form bill with HD to recommit for future public hearing (recommit)

FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)	/			
2. NISHIMOTO, Scott Y. (VC)	/			
3. JOHANSON, Aaron Ling (VC)	/			
4. CULLEN, Ty J.K.	/			
5. HASHEM, Mark J.	/			
6. ING, Kaniela	/			
7. JORDAN, Jo	/			
8. KOBAYASHI, Bertrand	/			
9. LOWEN, Nicole E.	/			
10. MORIKAWA, Dee	/			
11. ONISHI, Richard H.K.	/			
12. TAKAYAMA, Gregg	/			
13. TOKIOKA, James Kunane	/			
14. WOODSON, Justin H.	/			
15. YAMASHITA, Kyle T.	/			
16. FUKUMOTO, Beth	/			
17. WARD, Gene	/			
TOTAL (17)	17			

The recommendation is: Adopted Not Adopted
If joint referral, _____ did not support recommendation.
 committee acronym(s)

Vice Chair's or designee's signature: _____

Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO