

NEIL ABERCROMBIE
Governor



SCOTT E. ENRIGHT
Chairperson, Board of Agriculture

KEN H. KAKESAKO
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**TESTIMONY OF SCOTT E. ENRIGHT
CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE HOUSE COMMITTEE ON AGRICULTURE
MONDAY, MARCH 17, 2014
9:00 A.M.
Room 312**

**SENATE BILL NO. 2293 SD1
RELATING TO AGRICULTURE**

Chairperson Wooley and Members of the Committee,

Thank you for the opportunity to testify on Senate Bill 2293 SD1. This bill would provide funds to reimburse qualified producers of milk, pork, eggs, poultry, beef, lamb, goats, and seafood for a percentage of each farm's feed expenses and provide funding for the administrative costs for the program.

The Department supports this bill with the realization that a feed subsidy is only a short term solution. We are working towards the longer term solution of growing our own feed to reduce our reliance on imported feed and ultimately reduce costs to our livestock producers. To that end, we are continuing our partnership with the Oceanic Institute to build a livestock feed mill on Hawaii Island that will move us closer to realizing the goal of a locally sourced livestock feed.

Thank you for the opportunity to testify.





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March 17, 2014

HEARING BEFORE THE
HOUSE COMMITTEE ON AGRICULTURE

TESTIMONY ON SB 2293
RELATING TO AGRICULTURE

Room 312
9:00 AM

Aloha Chair Wooley, Vice Chair Onishi, and Members of the Committee:

I am Christopher Manfredi, President of the Hawaii Farm Bureau Federation (HFBF). Organized since 1948, the HFBF is comprised of 1,832 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interest of our diverse agricultural community.

HFBF is in strong support of SB 2293, SD1 which provides funds to allow qualified beef cattle, dairy, hog, poultry, goat, sheep, fish, and crustacean farms to apply for funds for their farm's feed expenses.

Hawaii's livestock industry faces numerous challenges. One of their biggest challenges is the rising cost of feed for livestock production. These costs have been a contributing factor to the decline of the state's livestock industry.

In 2007, there were 5 dairies and 6 egg farms in Hawaii. Since then, 3 of those dairies and 4 off those egg farms have gone out of business. The remaining egg farms and another dairy are currently threatened with closure, due to rising production costs, primarily due to feed costs.

SB 2293, SD1 seeks to revitalize Hawaii's livestock industries by reimbursing qualified livestock producers up to sixty percent of their farm's feed expenses. This bill will help keep fresh, locally produced milk, eggs, beef, pork, poultry, sheep, lamb, fish and crustaceans available to the residents of Hawaii and will help to revitalize our dwindling livestock industry. A decrease or absence of livestock production increases the State's reliance on the importation of food and threatens the State's food security.

Thank you for the opportunity to comment on this measure.



Hawaii Cattlemen's Council, Inc.

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HOUSE COMMITTEE ON AGRICULTURE

Monday March 17, 2014 9:00 a.m. Room 312

SB 2293 SD 1 RELATING TO AGRICULTURE

Appropriates moneys to reimburse qualified producers for a percentage of each farm's feed expenses. Provides moneys for the administrative costs of the livestock revitalization program. Effective 7/1/2050

Chair Wooley, Vice Chair Onishi and Members of the Committee:

My name is Alan Gottlieb, and I am a rancher and the Government Affairs Chairperson of the Hawaii Cattlemen's Council. The Hawaii Cattlemen's Council, Inc. (HCC) is the Statewide umbrella organization comprised of the five county level Cattlemen's Associations. Our 130+ member ranchers represent over 60,000 head of beef cows; more than 75% of all the beef cows in the State. Ranchers are the stewards of approximately 25% of the State's total land mass.

The Hawaii Cattlemen's Council strongly supports SB 2293 SD1.

Many Hawaii livestock producers rely on imported grain to sustain their animals and these feed costs are a significant part of their overall expense. Furthermore, the 9 years on-going drought we have had in Hawaii in many of our largest cattle raising regions has added to the problem. We continue to hear about pilot projects for feed mills here in Hawaii, and bi-products from bio-energy crops, but these have still not come to fruition. Until such time that Hawaii does have some local feedstock for our local livestock, we will require your assistance. Otherwise we risk losing them, and putting Hawaii's Food Security in further jeopardy.

We appreciate this opportunity to provide testimony on this matter.



HOUSE COMMITTEE ON AGRICULTURE
Monday, March 17, 2014 – 9:00 a.m. – Room 312

Ulupono Initiative Strongly Supports SB 2293 SD 1, Relating to Agriculture

Dear Chair Wooley, Vice Chair Onishi and Members of the Committee:

My name is Kyle Datta and I am general partner of the Ulupono Initiative, a Hawai'i-based impact investment firm that strives to improve the quality of life for the people of Hawai'i by working toward solutions that create more locally grown food, increase renewable energy, and reduce/recycle waste. Ulupono invests in projects that have the potential to create large-scale, innovative change.

Ulupono strongly supports SB 2293 SD 1, which provides grants to qualified feed developers via the Department of Agriculture's Livestock Revitalization Program. Feed costs for livestock production in Hawai'i can comprise 70 percent of production cost, and our concern is that we need to keep our livestock producers in business. We anticipate through grass-fed initiatives and feed research, that the agricultural sector will be able to affordably produce its own feed within a few years. We cannot afford to lose our people – our ranchers, aquaculture and poultry farmers. While the industry works to create more homegrown feed, the subsidy is needed to help sustain the industry.

Furthermore, after conducting an analysis on the provisions for this bill, we believe it will help feed development research by Hawai'i Pacific University, the University of Hawai'i and other universities, as well as for businesses that raise animals that are currently under development.

We believe that working together we can help produce more local food, support an economically strong homegrown agriculture industry, which strengthens our community with fresh, healthy food. Thank you for this opportunity to testify.

Respectfully,

Kyle Datta
General Partner

Email: communications@ulupono.com



Monday, March 17, 2014; 9:00 A.M.; Conference Room 312

COMMITTEE ON AGRICULTURE
Rep. Jessica Wooley, Chair
Rep. Richard H.K. Onishi, Vice Chair

Testimony of Wynn Hee in **Opposition** to **SB2293 SD1** Agriculture; Livestock Industry; Appropriation. *Appropriates moneys to reimburse qualified producers for a percentage of each farm's feed expenses. Provides moneys for the administrative costs of the livestock revitalization program. Effective 7/1/2050. (SD1)*

Chair Wooley, Vice Chair Onishi, and Ag Committee Members:

SB2293 SD1 states that its purpose is to increase Hawaii's food self-sufficiency, particularly in times of natural disaster. It proposes to accomplish this by subsidizing or reimbursing some of a farm's livestock feed expenses so the business can stay solvent, if not prosper.

My heart breaks for hard working people who take risks and go bankrupt. But I OPPOSE this bill – not only because I don't want to see our state money subsidize mainland feed producers – but because there is a simpler, more direct, more environmentally-friendly, possibly more cost-effective, and definitely more locally sustainable solution: GROW THE FEED CROPS HERE.

If we grow the feed crops locally to be consumed by animals locally, doesn't that make environmental and economic sense to you? If the local cattle industry could get lower-cost, longer-term leases for more acres, they could raise more "grass fed" beef and not have to ship their animals to mainland feed lots. This is environmentally friendly because eliminating the need for shipping of animals and shipping of their feed makes up for some of the greenhouse gases attributed to cow manure.

I thought that this was my own brilliant idea, obvious to me as a layperson, but I am impressed and pleased to see from past testimony on this bill that our State Dept. of Agriculture (Board Chair Enright) has been well aware of this common sense means of resolving high feed costs by building a livestock feed mill on Hawaii Island! Please support this initiative.

However, I see that one of the introducers of this bill is my own Sen. Dela Cruz, and I don't understand why he would support this bill. He knows that the Agribusiness Development Corp. is trying to figure out what to do with all those thousands of acres of ag land between Wahiawa and the North Shore, including the Galbraith Estate. He must know that what makes the cost of locally-grown anything more expensive is the cost of the land. But if the state owns the land and truly wishes to help farmers grow crops for local consumption— whether by local people or by local animals— then the state, obviously, could charge lower rent instead of subsidizing imported feed.

If the crops grown on state land are for export, then charge higher rents! Surely this would incentivize local ag for local consumption and increase Hawaii's food self-sufficiency and food security.

There is currently another bill, SB2400, that proposes to "design a program that identifies emerging crops and productive uses" for ADC managed lands. Please don't rush to pass SB2293 SD1 while you wait for CTAHR and ADC to tell you what is obvious: GROW FEED CROPS HERE.

NOTE: I hope that if feed crops are grown here, they will NOT be genetically engineered crops. GE feed crops are too expensive because they require the continual purchase of more expensive, patented GE seeds and continual purchase of more herbicides to grow those crops. Our livestock, our environment, and we humans do not need more poisons in us.

Mahalo for considering my suggestions.