

SB 593

Testimony

NEIL ABERCROMBIE
Governor



State of Hawaii
DEPARTMENT OF AGRICULTURE
1428 South King Street
Honolulu, Hawaii 96814-2512
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RUSSELL S. KOKUBUN
Chairperson, Board of Agriculture

SCOTT E. ENRIGHT
Deputy to the Chairperson

TESTIMONY OF RUSSELL S. KOKUBUN
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEE ON AGRICULTURE

TUESDAY, JANUARY 29, 2013
2:45 P.M.
ROOM 229

SENATE BILL NO 593
RELATING TO AGRICULTURE

Chairperson Nishihara and Members of the Committee

Thank you for the opportunity to testify on Senate Bill No. 593. Unfortunately, I will not be able to represent the Department of Agriculture at the hearing today. This is due to my responsibilities as Chair of the Board of Agriculture to convene the Board of Agriculture meeting which has been planned for many weeks to address several important issues that require board action.

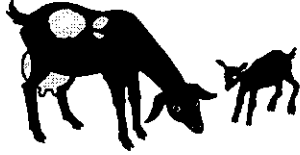
The bill proposes to provide funds to qualified farms for the cost of feed fed to livestock animals, fish and crustaceans which would only be a short term mitigation measure.

It is true that the rising cost of feed has a significant impact on the production costs for our local protein producers. Currently, only four egg farms and two major milk dairies remain. Additionally, our ranching community is also wrestling with the problems associated with higher feed costs. They are being threatened by closure which would heighten the State's dependence on imported foods and threaten the State's food security and self-sufficiency. Hawaii's livestock industry must be supported to ensure protein production in the long term.



In line with these efforts, the department is currently finalizing the contract on a pilot feed mill project per Act 122 from the 2012 Legislative Session which would help to assess the viability of growing livestock feed in Hawaii and look to reducing the cost of feed and increase profitability of our local protein producers in the long-term. Please consider providing incentives to those who will grow and develop traditional livestock feed.

Thank you for the opportunity to provide testimony on this measure.



Kauai Kunana Dairy
4552 Kapuna Road – Kilauea, Kaua'i, Hawaii 96754
(808) 828-0095

January 27, 2012

Senate Agriculture Committee
Conference Room 229
Hawaii State Capitol
Honolulu, HI

RE: Senate Bill 593

To Hon. Senators:

Our family is writing in strong support of this legislation to expand the livestock feed subsidies to other classes of livestock within our state. When the subsidies were first offered, we were very sad that goats were not included. At present, there are three fully operational goat dairies in the state and a number of meat goat producers on every island.

We have just suffered through one of the worst droughts on record and our own dairy realized huge increases in our feed costs as a result. Feed prices continue to soar...every time we receive our monthly shipment from the mainland, it seems the cost per bag rises another dollar. With a herd of 70 animals, we use between 40 and 70 bags of feed every month. We must feed our dairy animals concentrate in order to produce milk and this feed is almost \$25.00 per bag right now. With the drought, we also were purchasing additional hay to keep our pastures from suffering.

We hope you will support this Bill 593 for our goat and lamb producers. We also hope that you will work with the farming community to help create incentives for local producers to grow our own feedstock. Land that is being used to grow GMO crops could certainly produce a sustainable crop. We believe that it could even be done with organic practices.

Sincerely yours,

M. Louisa Wooton

Louisa Wooton on behalf of
Bob Wooton
Ryan Wooton
Sarah Wooton
Kauai Kunana Dairy



Hawaii's Agricultural Partnership

SENATE COMMITTEE ON AGRICULTURE

Tuesday January 29, 2013 2:45 pm Room 229

SB 593 RELATING TO AGRICULTURE

Expands livestock feed subsidies to include sheep, lamb, fish and crustaceans.

Chair Nishihara, Vice Chair Kouchi and Members of the Committees

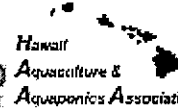
4 Ag Hawaii strongly supports SB 593

Hawaii's Livestock Farmers continue to endure the effects of a prolonged and devastating drought - as one rancher put it "a drought of almost biblical proportions". Coupled with the ongoing drought on the mainland, which has devastated this year's grain harvests resulting in rapidly escalating grain & livestock feed prices, imported feeds have skyrocketed. Hawaii's Family Owned Farmers need your help to meet these increasing costs and to be able to produce local products to help Hawaii's Food Security.

As section 1 of this bills states: "With financial support, the livestock industry will be able to continue to make investments in modern equipment, expand and improve herds and flocks, and develop new markets and products. This financial support will serve a public purpose by enabling the livestock industry to stabilize its operations, thereby contributing to food security and increasing the competitiveness of the local livestock industry with mainland suppliers."

4 Ag Hawaii is a non-profit 501[c] [3] corporation established as a public-private partnership focused on goals that include: promoting the agricultural economic welfare of Hawai'i and its counties; conducting agricultural economic; educational & media programs, and fostering statewide interest for responsible agricultural economic development of our islands.

Thank you for the opportunity to provide testimony on this matter.



Local Food Coalition

SENATE COMMITTEE ON AGRICULTURE
Tuesday January 29, 2013 2:45 pm Room 229

SB 593 RELATING TO AGRICULTURE

Expands livestock feed subsidies to include sheep, lamb, fish and crustaceans. Appropriates funds.

Chair Nishihara, Vice Chair Kouchi and Members of the Committees:

My name is Alan Gottlieb, and I represent the Local Food Coalition on this matter.

The Local Food Coalition (LFC) brings together farmers, ranchers, livestock producers, investors and other leading organizations, who collectively manage more than 1 million acres of land, and produce the majority of food in our state. Solving our challenge of increasing the local food supply — putting more local food on local plates — can best be accomplished by bringing people and organizations together who can work on the entire food value chain in a systematic way.

The Local Food Coalition strongly supports SB 593

This year is particularly urgent for our Hawaii Livestock Producers due to the devastating drought which has decimated this year's grain harvests in at least four Midwestern states resulting in rapid increases in grain and livestock feed prices, as well as the ongoing drought in Hawaii. In order for Hawaii's livestock producers to meet these much higher-than-normal feed costs, a feed subsidy is needed.

We appreciate this opportunity to provide testimony on this matter.



THE SENATE
THE TWENTY-SEVENTH LEGISLATURE
REGULAR SESSION OF 2013

COMMITTEE ON AGRICULTURE
Senator Clarence K. Nishihara, Chair
Senator Ronald D. Kouchi, Vice Chair

DATE: Tuesday, January 29, 2013
TIME: 2:45 p.m.
PLACE: Conference Room 229
State Capitol
415 South Beretania Street

RE: Testimony in strong support of SB 593 RELATING TO AGRICULTURE

Expands livestock feed subsidies to include sheep, lamb, fish and crustaceans. Appropriates funds.

Chair Nishihara, Vice Chair Kouchi, and Members of the Committees:

The Hawaii Aquaculture and Aquaponics Association representing aquaculture and aquaponics producers and researchers statewide strongly supports SB 593.

A devastating drought has decimated the grain harvests in at least four Midwestern states this past year resulting in rapid increases in grain and livestock feed prices. Aquaculture and other livestock producers dependent on such imported feeds are experiencing significant feed price increases and such increases are projected by the USDA Farm Service Agency to continue for the rest of 2013 until the next successful grain harvest. In the meantime, farmers and ranchers can expect to pay much higher than normal prices for imported grains and feeds. In order for Hawaii's aquaculture and livestock producers to meet these essential feed costs, a feed subsidy is badly needed.

As section 1 of this bills states: "With financial support, the livestock industry will be able to continue to make investments in modern equipment, expand and improve herds and flocks, and develop new markets and products. This financial support will serve a public purpose by enabling the livestock industry to stabilize its operations, thereby contributing to food security and increasing the competitiveness of the local livestock industry with mainland suppliers."

Again we strongly support this measure and appreciate the opportunity to provide testimony.

Ron Weidenbach
HAAA President



Hawaii Cattlemen's Council, Inc.

P O Box 437199 Kamuela HI 96743
Phone (808) 885-5599 • Fax (808) 887-1607
e-mail: HCattlemens@hawaii.rr.com

SENATE COMMITTEE ON AGRICULTURE
Tuesday January 29, 2013 2:45 pm Room 229

SB 593 RELATING TO AGRICULTURE

Expands livestock feed subsidies to include sheep, lamb, fish and crustaceans. Appropriates funds.

Chair Nishihara, Vice Chair Kouchi and Members of the Committees:

My name is Alan Gottlieb, and I am 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 593.

Subsidies are often a dirty word. One might argue that farmers get used to subsidies and then expect them year after year. However, this year is particularly urgent for our Hawaii Livestock Producers. In particular, a devastating drought has decimated this year's grain harvests in at least four Midwestern states resulting in rapid increases in grain and livestock feed prices. Livestock producers dependent on such imported feeds are experiencing significant feed price increases and such increases are projected by the USDA Farm Service Agency to continue for the rest of 2013 until the next successful grain harvest. In the meantime, farmers and ranchers can expect to pay premium prices for imported grains and feeds. In order for Hawaii's livestock producers to meet these much higher-than-normal feed costs, a feed subsidy is needed.

As section 1 of this bills states: "With financial support, the livestock industry will be able to continue to make investments in modern equipment, expand and improve herds and flocks, and develop new markets and products. This financial support will serve a public purpose by enabling the livestock industry to stabilize its operations, thereby contributing to food security and increasing the competitiveness of the local livestock industry with mainland suppliers."

We appreciate this opportunity to provide testimony on this matter.

From: mailinglist@capitol.hawaii.gov
To: [AGL Testimony](#)
Cc: akaai2674@hotmail.com
Subject: Submitted testimony for SB593 on Jan 29, 2013 14:45PM
Date: Monday, January 28, 2013 10:51:36 AM

SB593

Submitted on: 1/28/2013

Testimony for AGL on Jan 29, 2013 14:45PM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Lani's Goats	Lani's Goats	Support	Yes

Comments: Please include susidiaries for goats and for feeding ducks. We sell thousands of island grown grassfed goats and most recently we are giving away free ducks with purchase. However the ducks need to be fed bread and better foods than what we can provide. We are fortunate that we have lots of grass that grows like crazy at our lication. And we are fortunate that we have the Waimalu River to keep our ducks happy. But feeding the ducks is always our concern in addition buying powder goat milk to feed tge young baby goats that we occasionally get. We run and operate a goat distribution facility in central Oahu. An ideal location and we are established on privately owned lands distributing thousands of island grown grassfed goats each year. Providing employment to our workers- ranchers- and cowboys and supplying an awesome food source "delicacy" for thousands of hawaii's people. However- we dont bother anyone yet out 2 neighboring squakers and stalkers are determined to stop our distribution operation. The Newtown Association have complained that we are in violation of their codes and covenants claiming that we have non-domesticated farm animals in kennels. Yet we have hundreds running around on property because our property is part of a forest and mixed zoning urban/conservation exists surrounded by Agriculture. The association claims we are in violation. This kind of mentality jeopardizes the efforts of new laws and wastes legislatures efforts and times. Perhaps a fine should be implemented to those who contradicts our states efforts in sustaining agriculture. I support this bill and any other bills that will help to ensure Hawaii's food safety and help to utilize our islands resources. Lani Kaahue Lani's Goats Located in Waimalu Valley-Aiea
[Www.waimaluvallyranch.com](http://www.waimaluvallyranch.com) 808-852-9663 Yee- Haw!

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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January 29, 2013

To: Senate Agriculture Committee

Re: **SB 593: Senate Agriculture Committee**

Date: Tuesday, January 29, 2013

Time: 2:45 pm

Place: Conference Room 229

State Capitol

415 South Beretania Street

Dear Chairman Clarence Nishihara and members of the Senate Agriculture Committee,

My name is Jeffrey Peterson.

I was born and raised on a poultry egg farm in Wahiawa where my family still farms poultry today. For the last 12 years I have been the manager for Land O Lakes Purina Feeds which sells animal livestock feeds here in the State of Hawaii. My personal testimony comes from being both raised on a local family poultry farm and also working with the feed industry.

Back in 1999 there were 14 dairy farms, 17 poultry operations and numerous hog farms across the islands. Today we have two dairy, 4 poultry farms and a handful of hog farms in the state. In 2007 a livestock revitalization bill passed allowing for the livestock industry time and assistance to adjust to the increase in costs and change their business model to survive in the future in Hawaii.

I ask myself did the 2007 Livestock Revitalization program help the livestock industry. I know first hand it has saved a number of family farms from going out of business. I know they are still struggling as they continue to change. As examples, I have seen some of the farmers change their business models by selling directly to the end user, another processing their own products to sell to the market as opposed to going to a middle man, another upgrading some of their old equipment to be more efficient with the best management practices. This is very positive.

Costs have continued to increase rapidly since 2007 due to the continued increase demand of ethanol, the world demand on corn/proteins, and transportation costs. Comparing January 2007 to January 10th 2013 a combined total of feed and shipping costs have increased more than 32%. When broken apart feed costs have gone up more than 47%. When dealing with commodities and agriculture costs to produce a food product this 32% total increase is a large increase.

As these local livestock business try to reposition their business's for the future there is more that should be done in a effort to stabilize this Hawaii livestock industry. Guam has lost their commercial poultry and their slaughter house. Today they are offering programs and incentives to entice locals to start farming. So far Guam has had no takers that. I feel once it is gone it is very hard to get it back due to the investments etc.

The total funds put aside for the 2007 Livestock Revitalization program were never totally released. There are still many challenges in front of the farmers we have left producing food in Hawaii. Sustainability and growth through change needs to be achieved by current farmers. They have proved to be receptive to change and responsibly putting money back into their farms for the future. More importantly I see opportunities in Hawaii livestock agriculture both now and in the future.

I ask for your support of SB 593.

Respectively submitted,

Jeffrey A. Peterson
808-783-5505
P.O. Box 860329
Wahiawa, Hawaii 96786

From: mailinglist@capitol.hawaii.gov
To: [AGL Testimony](#)
Cc: cochonlibre@gmail.com
Subject: Submitted testimony for SB593 on Jan 29, 2013 14:45PM
Date: Monday, January 28, 2013 2:18:21 PM

SB593

Submitted on: 1/28/2013

Testimony for AGL on Jan 29, 2013 14:45PM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Cathy Goeggel	Animal Rights Hawai'i	Oppose	Yes

Comments: This proposed subsidy is a waste of precious tax dollars for an industry that has been and continues to be a drain on the State. Please vote no on SB 593

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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