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## A BILL FOR AN ACT

RELATING TO AGRICULTURE.

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

1           SECTION 1. Chapter 155D, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4           "§155D-           Grants; qualified feed developer. (a)  
5 Applications for grants submitted by qualified feed developers  
6 shall be submitted on a form furnished by the department and  
7 shall be filed with accompanying documentation of feed  
8 development costs; provided that:

9           (1) The applicant shall comply with applicable federal and  
10 state laws prohibiting discrimination against any  
11 person on the basis of race, color, national origin,  
12 religion, creed, sex, age, sexual orientation, or  
13 disability;

14           (2) The applicant shall have applied for or received all  
15 applicable licenses or permits;

16           (3) The applicant shall indemnify and hold harmless the  
17 State and its officers, agents, and employees from all  
18 claims arising out of or resulting from the feed sold;



1       (4) The grant shall not exceed a total of \$200,000 per  
2       qualified feed developer per year; and

3       (5) The department may request an applicant to provide  
4       necessary information for the purposes of verifying  
5       actual sales to qualified producers.

6       (b) Documentation of animal feed development costs, as  
7       requested by the department, shall be filed for feed developed  
8       within the immediate preceding fiscal quarter of filing and  
9       shall be effective for feed development costs incurred after  
10      June 30, 2014.

11      (c) The applicant shall submit a quarterly financial  
12      statement of farm revenues and expenses along with other  
13      supporting documents as deemed necessary by the department, and  
14      filed with the documentation of the feed development costs. An  
15      annual financial statement shall be filed with the department  
16      within ninety days following the close of the business' fiscal  
17      year after June 28, 2014, for final reconciliation of any  
18      reimbursement paid during the previous three quarters within the  
19      fiscal year. The financial statements shall be certified as  
20      accurate by the applicant and the preparer of the financial  
21      statement on forms prepared by the department.



1        (d) Funds shall be disbursed upon approval by the  
2 department to the qualified feed developer for up to fifty per  
3 cent of the feed development costs incurred.

4        (e) Feed development costs shall be limited to only the  
5 feed developed for qualifying producers and shall not include  
6 the feed developed for resale or gift, or the cost of  
7 transportation to Hawaii. In no case shall costs be reimbursed  
8 to a qualified feed developer when, after evaluation and  
9 verification by the department, the department determines that  
10 the amount of reimbursement will result in an annual profit of  
11 more than ten per cent."

12        SECTION 2. Section 155D-1, Hawaii Revised Statutes, is  
13 amended by adding a new definition to be appropriately inserted  
14 and to read as follows:

15        "Qualified feed developer" means any person that, at the  
16 time of application of and disbursement of funds under this  
17 chapter, is in the business of cultivating feed crops to be sold  
18 to qualified producers."

19        SECTION 3. There is appropriated out of the general  
20 revenues of the State of Hawaii the sum of \$4,000,000 or so much  
21 thereof as may be necessary for fiscal year 2014-2015 for the  
22 livestock revitalization program of the agricultural development



1 division of the department of agriculture that shall be  
2 allocated as follows:

3 (1) \$3,000,000 to reimburse qualified producers of milk,  
4 pork, eggs, poultry, beef, lamb, goats, and seafood,  
5 for the cost of feed for beef cattle, dairy cows or  
6 milking goats, goats raised for meat, sheep, hogs,  
7 fish, crustaceans, and poultry; and

8 (2) \$1,000,000 to reimburse qualified feed developers for  
9 the costs of development of feed for sale to qualified  
10 producers.

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

13 SECTION 4. The appropriation made for the purpose  
14 authorized under section 3 of this Act shall not lapse at the  
15 end of the fiscal year for which the appropriation is made;  
16 provided that any balance of any appropriation that is not  
17 encumbered as of June 30, 2016, shall lapse as of that date.

18 SECTION 5. New statutory material is underscored.

19 SECTION 6. This Act shall take effect on July 1, 2014.

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*[Handwritten signatures: Harold Antonio, Roy M. Smith, Jon Bern]*  
INTRODUCED BY: *[Handwritten signature]*  
*[Handwritten signature]*  
*[Handwritten signature]*

H.B. NO. 2178

Gregg Pakyn

CA

Jessica Webb

Janet

Hokanson

JAN 21 2014



# H.B. NO. 2178

**Report Title:**

Agriculture; Livestock Revitalization Program; Qualified Feed Developer Grants; Appropriation

**Description:**

Establishes within the Livestock Revitalization Program of the Department of Agriculture a program to provide grants to qualified feed developers. Appropriates funds. Effective July 1, 2014.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

