

# HB2178

# Testimony

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, 2030

**NEIL ABERCROMBIE**  
Governor



**SCOTT E. ENRIGHT**  
Chairperson, Board of Agriculture

**KEN H. KAKESAKO**  
Deputy to the Chairperson

State of Hawaii  
**DEPARTMENT OF AGRICULTURE**  
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**TESTIMONY OF SCOTT E. ENRIGHT  
CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE SENATE COMMITTEE ON AGRICULTURE  
TUESDAY, MARCH 11, 2014  
2:45 P.M.  
Room 229**

**HOUSE BILL NO. 2178, HOUSE DRAFT 2  
RELATING TO AGRICULTURE**

Chairperson Nishihara and Members of the Committee:

Thank you for the opportunity to testify on House Bill No. 2178, House Draft 2. This bill would provide funds to reimburse qualified producers of milk, pork, eggs, poultry, beef, lamb, goats, and seafood and for qualified feed developers. The Department supports the intent of this bill but would request that funds be set aside to allow for the implementation of this program.

The Department realizes 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 believe that a subsidy for feed developers could increase the number of companies interested in creating a locally sourced livestock feed. Furthermore, 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, again, for the opportunity to testify on this measure.

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**HB2178**

Submitted on: 3/9/2014

Testimony for AGL on Mar 11, 2014 14:45PM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Steve Sakala	Kona Chapter Hawaii Farmers Union United	Support	No

Comments:

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## Hawaii Cattlemen's Council, Inc.

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SENATE COMMITTEE ON AGRICULTURE  
Tuesday March 11, 2013 2:45 p.m. Room 29

### **HB 2178 HD2 RELATING TO AGRICULTURE**

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, 2030.

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

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 supports HB 2178 HD2.

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.

We support policies to strengthen the cattle industry and allow us to keep more of our Hawaii born calves in Hawaii (currently about 90% of our calves are shipped out of State by boat and airplane for pasture and finishing elsewhere). With the growing demand by restaurants and local consumers for local grown beef presents a golden opportunity for Hawaii beef cattle industry provided conditions in Hawaii are optimal for raising consistent, high quality beef.

Hawaii's cattle industry faces a number of challenges, including high fuel and transportation costs, the rising costs of livestock feed, limited and aging processing facilities, and ongoing drought conditions that disrupt cattle weight gains and interrupt the marketing of consistent high quality beef. For this reason, having a good supplemental feed, grown in Hawaii is essential in many cases.

If we can develop local feeds to feed Hawaii Livestock, this will go a long way in helping all Hawaii Livestock producers and the Hawaii cattle industry to keep more of our calves here in Hawaii for finishing for local markets.

Thank you for giving me the opportunity to testify on this important matter.



SENATE COMMITTEE ON AGRICULTURE  
Tuesday, March 11, 2014 – 2:45 p.m. – Room 229

**Ulupono Initiative Strongly Supports HB 2178 HD 2, Relating to Agriculture**

Dear Chair Nishihara, Vice Chair Kouchi 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 HB 2178 HD 2**, 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](mailto:communications@ulupono.com)





LAND USE RESEARCH  
FOUNDATION OF HAWAII

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March 7, 2014

Senator Clarence K. Nishihara, Chair  
Senator Ronald D. Kouchi, Vice Chair  
Senate Committee on Agriculture

**Testimony in Support of HB 2178, HD2, Relating to Agriculture (Establishes Within the Livestock Revitalization Program of the Department of Agriculture, a Program to Provide Grants to Qualified Feed Developers).**

**Tuesday, March 11, 2014, 2:45 p.m., in Conference Room 229**

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers and a utility company. One of LURF's missions is to advocate for reasonable, rational and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources and public health and safety.

LURF appreciates the opportunity to provide testimony **in support of HB 2178, HD2**, and to offer comments.

**HB 2178, HD2.** As an advocate for the various agricultural stakeholder groups who defend the goals of viable agricultural operations and the conservation and protection of agriculture, including important agricultural lands in Hawaii, LURF supports this measure which seeks to help revitalize the State's livestock industries by establishing within the Department of Agriculture's Livestock Revitalization Program, a program to provide grants to qualified feed developers.

**LURF's Position.** LURF members include private property owners, farmers and ranchers who own, maintain, and engage in agricultural enterprises, and who consider such measures critical to the conduct of their operations and to help sustain their businesses. These land owners and agricultural stakeholders believe HB 2178, HD2 and the ensuing establishment of such a grant program will greatly assist with feed costs which have been a contributing factor to the decline of the State's livestock industry.

As this Committee may already be aware, Hawaii's livestock industry faces numerous challenges, one if not the greatest being the unsustainable availability and cost of feed for livestock production. Most local dairies and egg and poultry farms have already gone out of business or are currently threatened with closure due to rising production (mainly feed) costs. This measure will assist in continuing to make locally produced milk, eggs, beef, pork, poultry and other products available to Hawaii residents, and will help revitalize the State's declining livestock industry.

Decreased or limited livestock production increases the State's reliance on the importation of food and threatens the State's food security. As potential issues relating to public health, and food safety and security continue to be a significant concern, LURF and its members appreciate this measure being taken to assist agricultural stakeholders.

For the reasons stated above, LURF is **in support of HB 2178, HD2**, and respectfully urges your favorable consideration of this bill.

Thank you for the opportunity to present testimony in support of this measure.





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March 11, 2014

HEARING BEFORE THE  
SENATE COMMITTEE ON AGRICULTURE

**TESTIMONY ON HB 2178, HD2**  
RELATING TO AGRICULTURE

Room 229  
2:45 PM

Aloha Chair Nishihara, Vice Chair Kouchi, and Members of the Committee:

I am Christopher Manfredi, President of the Hawaii Farm Bureau Federation (HFB). 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 interests of our diverse agricultural community.

**HFB is in strong support of HB 2178, HD2** which provides funds to allow qualified beef cattle, dairy, hog, poultry, goat, sheep, fish, and crustacean farms to apply for funds for their farms' feed expenses. It also establishes a program to provide grants for livestock feed developers.

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 the cost of feed.

HB 2178, HD2 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.

**Please support HB 2178.**

Thank you!

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**HB2178**

Submitted on: 3/10/2014

Testimony for AGL on Mar 11, 2014 14:45PM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Simon Russell	Hawaii Farmers Union United	Support	No

Comments: Please support this measure, as it is important that we establish a viable feed industry for our State. Respectfully Submitted, Simon Russell Legislative Chairman Hawaii Farmers Union United

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**HB2178**

Submitted on: 3/7/2014

Testimony for AGL on Mar 11, 2014 14:45PM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Lyn Howe	Individual	Support	No

Comments:

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**HB2178**

Submitted on: 3/10/2014

Testimony for AGL on Mar 11, 2014 14:45PM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Faith Ewbank	Individual	Support	No

Comments: I strongly support HB 2178 and its intent to support farmers who cultivate feed crops. The dependency and quality questionability of importing our islands feed needs is a serious issue. I feel that farmers who know this need and desire to farm for feed will help to make the process go well. It is a win win situation and the logistics of audit staffing will workout in minimal time because of the positive nature of this bills goal. Internal staffing adjustments can be made with the trust that balancing the successful outcomes of such a supporting measure will outweigh and eliminate the current work and damage control in related areas of concern. Thank you for supporting farming and livestock. Retired Rancher, Faith Ewbank

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