



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
Monday, February 3, 2014
9:40 A.M.
Capitol Auditorium

HOUSE BILL NO. 2178
RELATING TO AGRICULTURE

Chairperson Wooley and Members of the Committee,

Thank you for the opportunity to testify on House Bill 2178. 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 Hawaii Department of Agriculture 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.



The Department would like to point out that implementing this bill will require the Department to evaluate and verify a qualified feed developer as well as collect and collate quarterly and annual financial statements filed by the businesses; resources and staffing would be required to do this.

Thank you for the opportunity to testify on SB2293.

Written Testimony Presented Before the
House Committee on Agriculture
Monday, February 3, 2014; 9:40 am

By

J. Kenneth Grace

HB 2178 RELATING TO AGRICULTURE

Chair Wooley, Vice Chair Onish, and members of the House Committee on Agriculture, thank you for the opportunity to in support of HB 2178, which establishes within the Livestock Revitalization Program of the Department of Agriculture a program to provide grants to qualified feed developers.

My name is J. Kenneth Grace, and I am employed as the Interim Associate Dean and Associate Director for Research in the College of Tropical Agriculture and Human Resources (CTAHR), University of Hawaii at Manoa. I am providing personal testimony today on HB 2178.

The availability and cost of feed are the greatest limitations for livestock and dairy producers in Hawaii. The limited availability and high cost of water for pasture during the 6+ year drought in Hawaii has greatly exacerbated the problem. Efforts are being made in CTAHR and elsewhere to cultivate nutritional and drought tolerant pasture grass varieties. Significant strides have also been made at CTAHR's Mealani Experiment Station in breeding cattle for quality grass-fed or grass-finished beef products, and these efforts have benefited Hawaii's cattle industry. However, the increasing high cost of imported feed and continued absence of sufficient local alternatives has essentially driven the once-thriving pork, chicken and dairy industries out of business, although the very high quality of these local products has allowed a boutique market to remain viable for a small number of local producers. Aquaculture and aquaponics, increasingly popular farming alternatives, particularly in urban areas of the state, face the same problem of continually escalating feed costs.

HB 2178 addresses this significant need by providing grants to farmers who grow and sell feed crops to local feed producers. In my view, this is a very proactive addition to the current livestock feed subsidy program within the Department of Agriculture. While continuing to assist farmers and ranchers with the high costs of imported feed, this new grants program is intended to provide incentives for development of an economically viable local feed program with a focus on import replacement with local feed crops and local feed products.

Within the limits of what resources are available for such a grants program, I support HB 2178, and this effort to stimulate local feed development and production for our livestock industries.



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

HOUSE COMMITTEE ON AGRICULTURE
Monday February 3, 2014 9:40 a.m. Auditorium

HB 2178 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, 2014.

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 supports HB 2178.

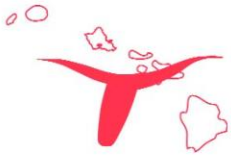
Many Hawaii livestock producers rely on imported grain to sustain their animals and these feed costs are a significant part of their overall expense. Furthermore, the 9 years on-going drought we have had in Hawaii in many of our largest cattle raising regions has added to the problem. We continue to 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.



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

My name is Dr. Ashley Stokes, and I am a veterinarian and member of the health and welfare committee for 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.

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onishi2-Micah-Seth

From: mailinglist@capitol.hawaii.gov
Sent: Sunday, February 02, 2014 8:34 AM
To: AGRtestimony
Cc: afrancokaupo@gmail.com
Subject: Submitted testimony for HB2178 on Feb 3, 2014 09:40AM

HB2178

Submitted on: 2/2/2014

Testimony for AGR on Feb 3, 2014 09:40AM in Conference Room Auditorium

Submitted By	Organization	Testifier Position	Present at Hearing
Alex Franco	Maui Cattle Company	Support	No

Comments: Developing economical feed resources are critical to the viability to the livestock industry we must do all we can to utilize by products as a major resource for this project. Thank you

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To: AGRtestimony
Cc: mgalimba@kuahiwiranch.com
Subject: *Submitted testimony for HB2178 on Feb 3, 2014 09:40AM*

HB2178

Submitted on: 2/2/2014

Testimony for AGR on Feb 3, 2014 09:40AM in Conference Room Auditorium

Submitted By	Organization	Testifier Position	Present at Hearing
Michelle Galimba	Individual	Support	No

Comments:

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To: AGRtestimony
Cc: chris@ponoholo.com
Subject: *Submitted testimony for HB2178 on Feb 3, 2014 09:40AM*

HB2178

Submitted on: 2/2/2014

Testimony for AGR on Feb 3, 2014 09:40AM in Conference Room Auditorium

Submitted By	Organization	Testifier Position	Present at Hearing
Christopher English	Individual	Support	No

Comments:

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From: mailinglist@capitol.hawaii.gov
Sent: Saturday, February 01, 2014 9:22 PM
To: AGRtestimony
Cc: jasonmoniz73@gmail.com
Subject: *Submitted testimony for HB2178 on Feb 3, 2014 09:40AM*

HB2178

Submitted on: 2/1/2014

Testimony for AGR on Feb 3, 2014 09:40AM in Conference Room Auditorium

Submitted By	Organization	Testifier Position	Present at Hearing
Jason Moniz	Individual	Support	No

Comments:

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