

Thank you for allowing me to testify. My name is Lisa Mitchell & I Oppose SB 2970, for the following reasons:

SB 2970 authorizes issuance of special revenue bonds for a total amount of \$50million dollars to Biotork Company; without offering any specific analysis of the BENEFITS for this issuance.

This Bill simply ASSUMES that the biofuel industry is of Public Benefit without giving any Reports, Evidence or even any Information on how this industry can & or does contribute to the publics' health, safety and general welfare...as is stated in this bill.

I do not doubt there could be useful applications for biofuels;

but I am in opposition of SB 2970, because I believe Biofuel production for the State of Hawaii is NOT a good LONG TERM INVESTMENT for the Hawaii Agricultural industry; and is NOT a good LONG TERM ECONOMIC STRATEGY for the State of Hawaii; and is NOT a good LONG TERM VISION for the State of Hawaii!!!

Its been recently reported that the US military dept of defense; together with the state of hawaii is seeking contracts for biofuel development with private companies such as biotork.

But Because, the US Military is the SINGLE LARGEST CONSUMER OF ENERGY IN THE WORLD!!! & According to Sharon Burke, assistant Secretary of Defense for operational energy plans; the US Military accounts for 80% of the US federal governments' energy use.... & So the US Military has proven itself... to be an Unsustainable Economic Industry & is Needing to make many Cut backs, directly related to its Excessive Energy Use.

Last year, it COST TAX PAYERS OVER \$20BILLION for its Military ENERGY USE..& According to David Kreutzer, a research fellow at the Heritage Foundation, the costs of using biofuels to replace the current use of oil for the military would be even more expensive...! So although biofuel technology is able to produce cleaner energy emissions for the world; Fuel Costs to the Tax Payer will still be Exorbitantly HIGH!!!...Especially if used for military operations!!!

Additionally, the report states that the state dept of Energy says that 600 million gallons per yr of biofuels can be produced in Hawaii by 2030.....is anyone saying where the land will come from to grow biofuels?.....Will we need to sacrifice FOOD Production in the place of biofuels to feed a military Establishment?.....And what is the Benefit to the residents of Hawaii who foot the bill for this industry....? This Bill does not answer many important questions to consider as both Hawaii & the military...& even the world...face unprecedented global challenges... Which is...GLOBAL CLIMATE CHANGE...for which biofuels.....APPEARS to be the solution for!

NEIL ABERCROMBIE  
Governor



JAMES J. NAKATANI  
Executive Director

STATE OF HAWAII  
**AGRIBUSINESS DEVELOPMENT CORPORATION**

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LATE

TESTIMONY OF JAMES J. NAKATANI  
EXECUTIVE DIRECTOR  
AGRIBUSINESS DEVELOPMENT CORPORATION

BEFORE THE SENATE  
COMMITTEES ON ENERGY AND ENVIRONMENT  
AND  
AGRICULTURE

Thursday, February 06, 2014  
3:30 p.m.  
State Capitol  
Conference Room 225

SENATE BILL NO. 2970  
RELATING TO ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST  
BIOTORK HAWAII, LLC

Chairperson Gabbard, Nishihara and Members of the Committees:

Thank you for the opportunity to testify on Senate Bill No. 2970 relating to issuance of special purpose revenue bonds to assist Biotork Hawaii, LLC. This measure seeks to financially assist industrial enterprises through the issuance of special purpose revenue bonds. The Agribusiness Development Corporation (ADC) supports this bill.

ADC is committed to convert crops, crop residues, dedicated energy crops and agricultural wastes into economically and environmentally sustainable biofuels and value added co-products.

Biotork in collaboration with USDA Pacific Basin Agricultural Research Center (PBARC), Hawaii Department of Agriculture and the Agribusiness Development Corporation conducted a mini-pilot scale production of biofuel and animal feed from Heterotrophic Algae

as a part of the Zero Waste Program (ZWP) at the USDA PBARC facility. The project originated in 2010 with a focus to develop a prototype of algae/fungi from papaya waste to produce oil and feed products. The project results thus far have been phenomenal with the conversion of papaya waste into oil and protein using algae/fungi. We concur with Biotork that this project is a viable commercial operation that could help the agricultural industry. ADC respectfully requests that the Committee pass this bill.

Thank you for the opportunity to testify.

LAIFE