

**"CHAPTER 155D  
LIVESTOCK REVITALIZATION PROGRAM**

Section

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" **§155D-1 Definitions.** As used in this chapter:

"Administrative costs" means costs associated with reviewing, approving, and recording expenditures and completing any reporting requirements associated with the grant program.

"Department" means the department of agriculture.

"Milk" means the lacteal secretion, practically free from colostrums, obtained by the milking of healthy cows or goats normally produced or marketed through the channels of the fluid milk trade or for further processing into milk products.

"Poultry products" means chicken eggs, uncooked in shell, egg-laying chicks, meat bird chicks, pullets, broilers, fryers, and laying chicken hens.

"Qualified feed developer" means any person that, at the time of application for and disbursement of funds under this chapter, is in the business of cultivating feed crops or manufacturing feed for qualified producers.

"Qualified producer" means any person that at the time of application for and disbursement of funds under this chapter is in the business of producing:

- (1) Milk from a herd, located in Hawaii, of not less than ten cows or twenty-five lactating milking goats;
- (2) Poultry products from a flock, raised and located in Hawaii, of not less than thirty birds;
- (3) Pork from a herd, raised and located in Hawaii, of not less than ten sows;
- (4) Beef that is grown, slaughtered, processed, and marketed in Hawaii. Producers who finish at least twenty head of beef cattle annually shall be eligible for this program;
- (5) Sheep, lambs, or goats that are grown, slaughtered, processed, and marketed in Hawaii, with current annual sales of not fewer than thirty sheep, lambs, or goats; or
- (6) Fish or crustaceans, farmed by aquacultural practices, with current annual sales of not less than two thousand pounds. [L 2007, c 221, pt of §2; am L 2013, c 200, §2; am L 2016, c 221, §3]

" **§155D-2 Grants; qualified producer.** (a) Applications for grants by qualified producers shall be submitted on a form furnished by the department and shall be filed with accompanying documentation of animal feed costs; provided that:

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

- (2) The applicant shall have applied for or received all applicable licenses or permits;
- (3) The applicant shall indemnify and hold harmless the State and its officers, agents, and employees from all claims arising out of or resulting from the feed purchased;
- (4) The subsidy shall not be allowed within a fiscal quarter if the flock or herd size or, in the case of fish or crustaceans, sale weight, falls five per cent or more below the required minimum of:
  - (A) Thirty birds;
  - (B) Ten cows;
  - (C) Ten sows in any two months of the applicable fiscal quarter;
  - (D) Twenty finished beef cattle annually;
  - (E) Twenty-five lactating milking goats;
  - (F) Thirty sheep, lambs, or goats raised for meat annually; or
  - (G) Sales of five hundred pounds of fish or crustaceans in the applicable fiscal quarter; and
- (5) The department may request an applicant to provide necessary information for the purposes of verifying flock or herd size or sale weight, as applicable, and feed purchases.

(b) Documentation of animal feed costs, as requested by the department, shall be filed for feed purchased within the immediate preceding fiscal quarter of filing.

(c) The applicant shall submit a quarterly financial statement of farm revenues and expenses along with other supporting documents as deemed necessary by the department, and filed with the documentation of the feed costs. An annual financial statement shall be filed with the department within ninety days following the close of the business' fiscal year for final reconciliation of any reimbursement paid during the previous three quarters within the fiscal year. The financial statements shall be certified as accurate by the applicant and the preparer of the financial statement on forms prepared by the department.

(d) Funds shall be disbursed upon approval by the department to the qualifying producer for up to:

- (1) Sixty per cent of the feed costs incurred for production of poultry products;
- (2) Forty per cent of the feed costs incurred for milk production;
- (3) Fifty per cent of the feed costs incurred for pigs raised in Hawaii and slaughtered for local consumption;

- (4) Fifty per cent of the feed costs for beef cattle raised in Hawaii and slaughtered in Hawaii for local consumption;
- (5) Fifty per cent of the feed costs for sheep, lambs, and goats raised in Hawaii and slaughtered in Hawaii for local consumption; or
- (6) Fifty per cent of the feed costs for fish or crustaceans raised in Hawaii and processed for local consumption.

(e) Feed costs shall be limited to only the feed fed to the qualifying flock, herd, fish, or crustaceans and shall not include the feed purchases for resale or gift, or the cost of transportation to Hawaii. In no case shall costs be reimbursed to a qualified producer when, after evaluation and verification by the department, the department determines that the amount of reimbursement will result in an annual profit of more than:

- (1) Twelve per cent for milk producers;
- (2) Eight per cent for poultry producers;
- (3) Eight per cent for pork producers;
- (4) Eight per cent for beef producers;
- (5) Eight per cent for sheep, lamb, or goat meat producers; or
- (6) Eight per cent for seafood producers.

(f) The department shall aggregate the total grant claims pursuant to this section and divide and distribute the available grant funds on a pro rata basis. [L 2007, c 221, pt of §2; am L 2013, c 200, §3; am L 2016, c 221, §4]

" **[\$155D-2.5] Grants; qualified feed developer.** (a) Applications for grants submitted by qualified feed developers shall be submitted on a form furnished by the department and shall be filed with accompanying documentation of feed development costs; provided that:

- (1) The applicant shall comply with applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, or disability;
- (2) The applicant shall have applied for or received any applicable licenses or permits;
- (3) The applicant shall indemnify and hold harmless the State and its officers, agents, and employees from all claims arising out of or resulting from the feed sold;
- (4) The grant shall not exceed a total of \$200,000 per qualified feed developer per year; and

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

(b) Documentation of animal feed development costs, as requested by the department, shall be filed for feed sold to qualified producers within the immediately preceding fiscal quarter of the filing and shall be effective for feed development costs incurred after July 1, 2016.

(c) The applicant shall submit a quarterly financial statement of revenues and expenses along with other supporting documents as deemed necessary by the department and filed with the documentation of the feed development costs. An annual financial statement shall be filed with the department within ninety days following the close of the business' fiscal year, for final reconciliation of any reimbursement paid during the previous three quarters within the fiscal year. The financial statement shall be certified as accurate by the applicant and the preparer of the financial statement on forms prepared by the department.

(d) Funds shall be disbursed upon approval by the department to the qualified feed developer for up to fifty per cent of the development costs of feed sold to qualified producers, as verified by a certified public accountant.

(e) In no case shall costs be reimbursed to a qualified feed developer when, after evaluation and verification by the department, the department determines that the amount of reimbursement will result in an annual profit of more than ten per cent.

(f) The department shall aggregate the total grant applications pursuant to this section and divide and distribute the available grant funds on a pro rata basis. [L 2016, c 221, §2]

" **[\$155D-3] Exemption from chapter 42F.** Chapter 42F shall not apply to the grants made pursuant to this chapter, but all reimbursements shall be made only in accordance with the standards and conditions specified in section 155D-2. [L 2007, c 221, pt of §2]