

STAND. COM. REP. NO. 2001

Honolulu, Hawaii

FEB 01 2018

RE: S.B. No. 2517
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Agriculture and Environment, to which was referred S.B. No. 2517 entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the issuance of general obligation bonds and appropriate funds for the planning, designing, and constructing of a livestock feed mill.

Your Committee received testimony in support of this measure from the Department of Agriculture; Agribusiness Development Corporation; Hawai'i Farm Bureau; and Hawaii Cattlemen's Council, Inc. Your Committee received testimony in opposition to this measure from Animal Rights Hawai'i.

Your Committee finds that livestock feed costs for feed shipped to Hawaii often exceed sixty percent of overall livestock production costs in Hawaii. The Agribusiness Development Corporation seeks to broaden its waste-reduction and recycling projects by partnering with a viable and qualified entity to establish a livestock feed mill operation using waste materials, such as unusable macadamia nut fruit and shells, and converting the unusable parts and byproducts into aquaculture and livestock feed. Your Committee further finds that the Agribusiness Development Corporation will assist with the development of the plans and design of the operation and will purchase the equipment



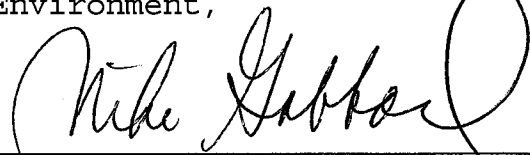
to convert and process the waste materials, while the project partners will be responsible for providing adequate warehouse space to house the equipment and the labor for the manufacture and sale of the resulting product.

Your Committee has amended this measure by:

- (1) Inserting an appropriation amount of \$4,000,000; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2517, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2517, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Agriculture and
Environment,



MIKE GABBARD, Chair



