

STAND. COM. REP. NO.

1742

Honolulu, Hawaii

March 24, 2017

RE: S.B. No. 612
S.D. 2
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Agriculture, to which was referred S.B. No. 612, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Make a housekeeping amendment to the Department of Agriculture's Livestock Revitalization Program;
- (2) Appropriate funds to reimburse qualified producers of milk, pork, eggs, poultry, beef, sheep, lamb, goats and seafood, for the cost of feed for beef cattle, dairy cows or milking goats, goats raised for meat, sheep, hogs, fish, crustaceans, and poultry; and
- (3) Appropriate funds to reimburse qualified feed developers for the costs of development of feed for sale to qualified producers.

For purposes of holding a public hearing on this measure, your Committee circulated a Proposed S.B. No. 612, H.D. 1 (Proposed Draft) and notified the public that it would be

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accepting testimony on the Proposed Draft. The Proposed Draft amended this measure by:

- (1) Specifying a total appropriation amount of \$2,000,000, with:
 - (A) \$1,000,000 allocated to reimburse qualified producers; and
 - (B) \$1,000,000 allocated to reimburse qualified feed developers;
- (2) Inserting a new part authorizing the issuance of general obligation bonds in an amount of \$4,000,000 for the planning, designing, and purchasing of a livestock feed mill by the Agribusiness Development Corporation;
- (3) Changing its effective date to July 1, 2017; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

The Department of Agriculture, Agribusiness Development Corporation, Ulupono Initiative, Land Use Research Foundation, Hawaii Farm Bureau, and Hawaii Cattlemen's Council, Inc., supported the Proposed Draft. Animal Rights Hawaii and an individual opposed the Proposed Draft. The Department of the Attorney General and Meadow Gold Dairies submitted comments on the Proposed Draft.

After careful consideration, your Committee has amended this measure by adopting the Proposed Draft and making the following changes to the Proposed Draft:

- (1) Clarifying that reimbursement funds can also be appropriated for feed research and to feed researchers;
- (2) Changing all appropriations to unspecified sums and deleting the specific amount of the general obligation bonds that the Director of Finance is authorized to issue;
- (3) Changing its effective date to July 31, 2150, to encourage further discussion; and



- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes that should this measure be deliberated further, the use of industrial hemp as animal feed should be considered.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 612, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 612, S.D. 2, H.D. 1, and be referred to your Committee on Finance.

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



RICHARD P. CREAGAN, Chair



