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OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY

LATE

TESTIMONY BY LAUREL A. JOHNSTON
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON WAYS AND MEANS
ON
SENATE BILL NO. 2434

February 21, 2018
10:08 A.M.
Room 211

RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO
KUNOA CATTLE COMPANY, LLC.

Senate Bill No. 2434 authorizes the issuance of Special Purpose Revenue Bonds (SPRB) to assist Kunoa Cattle Company, LLC, to fund the construction of a multi-species livestock farm, expansion of the slaughter and processing infrastructure, development of distribution assets and agritourism services, and expanding renewable energy assets pursuant to Part X, Chapter 39A, Hawaii Revised Statutes.

The Department is providing comments only to advise the Legislature and prospective SPRB parties that should the legislation be approved, approval of the SPRB issuance and conduit loan will require further review of the financing proposal to ensure compliance with all federal, state and credit underwriting requirements. For additional information, please consult our FAQ located at the following link:

<http://budget.hawaii.gov/wp-content/uploads/2012/11/SPRB-FAQ.pdf>.

Thank you for your consideration of our comments.



Hawaii Cattlemen's Council, Inc.

LATE

COMMITTEE ON WAYS AND MEANS
Senator Donovan M. Dela Cruz, Chair
Senator Gilbert S.C. Keith-Agaran, Vice Chair

DATE: Wednesday, February 21, 2018
TIME: 10:08 A.M.
PLACE: Conference Room 211

SB 2434 – RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO KUNOA CATTLE COMPANY, LLC.

Authorizes the issuance of special purpose revenue bonds to assist Kunoa Cattle Company, LLC, to fund the construction of a multi-species livestock farm, expansion of the slaughter and processing infrastructure, development of distribution assets and agritourism services, and expanding renewable energy assets.

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee:

My name is Dale Sandlin, and I am Managing Director of the Hawaii Cattlemen's Council. The Hawaii Cattlemen's Council, Inc. (HCC) is the Statewide umbrella organization comprised of the four county level Cattlemen's Associations. Our 150+ 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** SB 2434 as this measure will provide funding to improve the processing infrastructure for livestock in Hawaii.

As the cattle industry in Hawaii is undergoing a renaissance with more cattle being produced for local consumption, the weakest link in our chain is processing capacity. This SPRB would provide funding to improve the processing capacity for livestock in our state, as well as other potential plans for agro-tourism and energy production.

With the mandate to doubling food production, the cattle industry is poised to meet this challenge. High demand, consumer interest and expanding markets are promising signs for our industry's success. Anything we can do to provide an increase in processing capacity is a step in the right direction.

We respectfully ask this committee to pass SB 2434 and we appreciate the opportunity to testify on this important matter.



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SB-2434

Submitted on: 2/20/2018 9:40:51 PM

Testimony for WAM on 2/21/2018 10:08:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Rachel L. Kailianu	Testifying for Ho`omana Pono, LLC	Support	Yes

Comments: