

STAND. COM. REP. NO.

1282

Honolulu, Hawaii

MAR 17 , 2025

RE: S.B. No. 1547
S.D. 1
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Agriculture & Food Systems, to which was referred S.B. No. 1547, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS TO ASSIST ALOUN KAUAI FARMING, AN AGRICULTURAL ENTERPRISE, IN THE FINANCE, OPERATION, AND MAINTENANCE OF A PROJECT TO REVITALIZE THE DAIRY INDUSTRY,"

begs leave to report as follows:

The purpose of this measure is to authorize the issuance of special purpose revenue bonds to assist Aloun Kauai Farming LLC, in the planning, design, construction, and maintenance of an integrated dairy industry.

Your Committee received testimony in support of this measure from the Hawai'i Farm Bureau; The Maritime Group; Ulupono Initiative; and Aloun Farms. Your Committee received testimony in opposition to this measure from the Surfrider Foundation, Kauai Chapter; Hawai'i Reef and Ocean Coalition; Animal Rights Hawai'i; and four individuals. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that Hawaii's dairy industry has dwindled over time, forcing the State to depend heavily on imported milk and dairy products. This dependence increases

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vulnerability to market price shifts and disruptions in the supply chain, posing risks to food security and economic resilience. This measure seeks to counter these issues by authorizing the issuance of special purpose revenue bonds to support Aloun Kauai Farming LLC, in establishing a sustainable dairy sector and expanding local dairy production.

Your Committee has amended this measure by:

- (1) Clarifying the purpose of the special purpose revenue bonds authorized to be issued to Aloun Kauai Farming LLC;
- (2) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture & Food Systems that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1547, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1547, S.D. 1, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Agriculture & Food
Systems,


KIRSTIN KAHALOA, Chair



