SYLVIA LUKE Lt. Governor



SHARON HURD Chairperson, Board of Agriculture

DEAN M. MATSUKAWA Deputy to the Chairperson

State of Hawai'i **DEPARTMENT OF AGRICULTURE** KA 'OIHANA MAHI'AI 1428 South King Street Honolulu, Hawai'i 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613

TESTIMONY OF SHARON HURD CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON AGRICULTURE AND FOOD SYSTEMS

JANUARY 29, 2025 9:30 AM CONFERENCE ROOM 325

HOUSE BILL NO. 452 RELATING TO MEAT PROCESSING

Chair Kahaloa, Vice Chair Kusch, and Members of the Committee:

Thank you for the opportunity to testify on House Bill 452. HB 452 requires the Department of Business, Economic Development, and Tourism to develop and implement a grant program to expand the meat processing capacity in the State and appropriate funds. The grant program established by this measure may include financial assistance to establish new meat processing facilities or expand existing facilities to enable hunters to donate meat from axis deer and other wild game to these facilities. Conditions for grants require that no grants shall be given unless money has been spent by the applicant toward expanding the meat processing capacity in the State.

The Hawaii Department of Agriculture (Department) supports HB 452. Increasing meat processing capacity in the state increases food production and benefits food security.

Thank you for the opportunity to testify on this measure.





ON THE FOLLOWING MEASURE: H.B. NO. 452, RELATING TO MEAT PROCESSING.

BEFORE THE:

HOUSE COMMITTEE ON AGRICULTURE & FOOD SYSTEMS

DATE:	Wednesday, January 29, 2025	TIME: 9:30 a.m.
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LOCATION: State Capitol, Room 325 and Videoconference

TESTIFIER(S): Anne E. Lopez, Attorney General, or Elise A. Amemiya or Christopher J.I. Leong, Deputy Attorneys General

Chair Kahaloa and Members of the Committee:

The Department of the Attorney General provides the following comments.

The purpose of this bill is to require the Department of Business, Economic Development and Tourism to develop and implement a grant program to expand meat processing capacity in the State and it makes an appropriation for this purpose.

This bill does not appear to contain legally sufficient standards for grants of public money as required by article VII, section 4, of the Constitution of the State of Hawaii--"[n]o grant of public money or property shall be made except pursuant to standards provided by law." Therefore, we recommend that this bill be amended to insert appropriate standards. Examples of existing statutes that provide standards for agencies to issue grants are part II of chapter 9 and sections 10-17, 210D-11, and 383-128, Hawaii Revised Statutes.

We have attached draft standards to this testimony as a sample to work from. These standards could be inserted on page 3, line 5 as a new subsection (d), with subsequent subsections appropriately re-alphabetized. Additionally, we are happy to work with you on developing more specific standards.

Thank you for the opportunity to provide comments.

POSSIBLE STANDARDS FOR THE GRANTS IN THIS BILL

(d) Applications for grants shall be made to the department of business, economic development and tourism and contain the information as shall be required by rules adopted thereunder. At a minimum, the applicant shall:

- Be licensed or accredited, in accordance with federal, state, or county statutes, rules, or ordinances, to conduct the activities or provide the services for which a grant is awarded;
- (2) Provide a detailed plan outlining the scope, objectives, and projected impact of the project or projects and a clear breakdown of how grant funds will be utilized;
- (3) Agree to use state funds exclusively for the purposes of this program;
- (4) Indicate capability to properly use the grant for the purpose of the grant program. [Specific applicant qualifications should be described for the different types of grants.];
- (5) Comply with all applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, disability, or any other characteristic protected under applicable federal or state law;
- (6) Agree not to use state funds for purposes of entertainment or perquisites;
- (7) Comply with other requirements as the department may prescribe;
- (8) Comply with all applicable federal, state, and county statutes, rules, and ordinances;
- (9) Agree to indemnify and save harmless the State of Hawaii and its officers, agents, and employees from and against any and all claims arising out of or

resulting from activities carried out or projects undertaken with funds provided hereunder and procure sufficient insurance to provide this indemnification if requested to do so by the department.

(10) Agree to make available to the department all records the applicant may have relating to the grant, to allow state agencies to monitor the applicant's compliance with this section.

JOSH GREEN, M.D. GOVERNOR

> SYLVIA LUKE LT. GOVERNOR

JAMES KUNANE TOKIOKA DIRECTOR

> DANE K. WICKER DEPUTY DIRECTOR



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

ka 'oihana ho'omohala pā'oihana, 'imi waiwai A ho'omāka'ika'i

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804 Web site: dbedt.hawaii.gov Telephone:(808) 586-2355Fax:(808) 586-2377

Statement of JAMES KUNANE TOKIOKA Director Department of Business, Economic Development, and Tourism before the HOUSE COMMITTEE ON AGRICULTURE AND FOOD SYSTEMS

Wednesday, January 29, 2025 9:30 AM State Capitol, Conference Room 325

In consideration of HB 452 RELATING TO MEAT PROCESSING

The Department of Business, Economic Development, and Tourism (DBEDT) appreciates the opportunity to **provide comments** on HB452, which seeks to require and appropriate funds for the Department of Business, Economic Development, and Tourism to develop and implement a grant program to expand the meat processing capacity in the State.

DBEDT recognizes the importance of initiatives that strengthen Hawaii's food and product innovation sectors and acknowledges the role that value-added facilities play in anchoring and scaling up critical industries such as agriculture and meat processing.

Our Department's fiscal year 2026 budget includes funding requests for:

- 1. Proof of Concept for Food and Product Innovation Facilities
 - a. This initiative is designed to explore, plan, and develop facilities that enable the production of value-added agricultural products. By providing infrastructure that fosters innovation, we aim to help local producers increase competitiveness, expand market reach, and enhance Hawaii's food security.
- 2. Small Animal Slaughter and Processing Facility
 - a. Funding for this facility is intended to address the significant gap in Hawaii's meat processing capacity, particularly for small and medium-

DBEDT Testimony HB 452 Page 2 of 2

> scale producers. This facility will provide critical infrastructure to process locally raised animals, reducing reliance on imported meat and bolstering the local livestock industry.

Both projects are strategically targeted to anchor and scale up meat processing statewide, contributing to Hawaii's agricultural self-sufficiency and supporting the state's food security goals. Additionally, they align with the broader objectives of HB452 by fostering economic diversification, creating jobs, and addressing barriers faced by Hawaii's producers.

DBEDT emphasizes that these projects are not only infrastructure investments but also key drivers for building resilient, sustainable supply chains in Hawaii. We appreciate the Legislature's continued support in addressing the systemic challenges within the state's agricultural ecosystem and look forward to collaborating with stakeholders to advance these priorities.

Mahalo for the opportunity to provide these comments. We are available to answer any questions and provide further details on DBEDT's budgetary requests and initiatives.



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January 29, 2025

HEARING BEFORE THE HOUSE COMMITTEE ON AGRICULTURE & FOOD SYSTEMS

TESTIMONY ON HB 452 RELATING TO MEAT PROCESSING

Conference Room 325 & Videoconference 9:30 AM

Aloha Chair Kahaloa, Vice-Chair Kusch, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate, and advance the social, economic, and educational interests of our diverse agricultural community.

The Hawai'i Farm Bureau supports HB 452, which requires the Department of Business, Economic Development, and Tourism to develop and implement a grant program to expand the meat processing capacity in the State.

Across the State, various invasive species are creating havoc in agriculture as well as the ecosystems in which they exist. Maui County's Axis Deer population is a good example of nature getting out of control, with populations exploding due to abundant forage following rainfall events. They continue to destroy crops and pasture lands by devouring living vegetation as they spread. Feral pigs damage crops by consuming them or trampling of crops. They will eat almost any crop. Feral pigs damage pasture grasses, killing desired plant species and often encouraging the growth of undesired weed species. They can also devastate orchards by consuming fruit, citrus, and nuts, and their rooting can severely damage or even kill saplings, shrubs, and vines directly or by facilitating the spread of soil-based fungal diseases. Feral pigs can also break irrigation lines, rip or tear nets, drying racks, and other agricultural structures and equipment.

These and other feral populations can pose a danger, especially as populations grow and their health is jeopardized due to inadequate food. Diseases that they usually tolerate will become serious debilitating illnesses that could put our domestic livestock industry in jeopardy. Such fears are not unreasonable, as incidences such as bovine tuberculosis spread from feral pigs have been documented in Molokai.

Hawai'i's farmers and ranchers are working to provide Hawai'i with an increased level of self-sufficiency but will not be able to do so if their products are consumed or damaged by feral animals. Axis Deer, feral pigs, and other invasive species can cause significant damage to property, agriculture (crops and livestock), Hawai'i's native species and ecosystems, and Hawai'i's cultural and historic resources. They can also threaten the health of people, wildlife, pets, and other domestic animals. As Hawai'i's feral animal populations continue to expand, these damages, costs, and risks will only keep rising.

Wild game can be a significant source of protein for Hawai'i's residents in need. Wild game can provide a beneficial outlet for meat harvested from invasive species and provide a tool for long-term sustainable invasive management for Axis Deer, feral pigs, and wild goats.

In order to sell Axis deer meat, the meat must first be inspected by a USDA-FSIS inspector under voluntary USDA inspection. The USDA defines Axis Deer as a non-amenable species or exotic meat, which means that the cost of the inspection is not covered by the federal government, unlike other meats such as beef, pork, sheep, and domesticated birds. Increased processing capacity with a revived Hawai'i State Meat and Poultry Inspection Program could provide an alternative to FSIS inspection. It could help increase processing capacity, diversify processing options and reduce processing bottlenecks, allow producers to find a local facility to slaughter and process livestock in remote/rural locations, reduce transportation time and costs, and support producers' ability to donate locally produced me to food banks and other community feeding programs. State MPIs are often more flexible and responsive to the unique needs of producers than USDA-FSIS. Under a cooperative agreement, USDA-FSIS can provide up to 50 percent of Hawai'i's operating funds, as well as training and other assistance.

Expanding our meat processing capacity and reestablishing a Hawai'i meat and poultry inspection program will help manage invasive species while providing a valuable protein source.

Thank you for the opportunity to testify on this measure.



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TO: Committee on Agriculture and Food Systems

FROM: HAWAII FOOD INDUSTRY ASSOCIATION Lauren Zirbel, Executive Director

DATE: January 29, 2025 TIME: 9:30am

RE: HB452 Relating to Meat Processing Position: Support

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, manufacturers and distributors of food and beverage related products in the State of Hawaii.

A grant program to increase the meat processing capacity in the state can have a range of positive benefits. Generally, increasing local food production helps diversify our economy and makes our state more self-sufficient and resilient. Increasing local protein processing also makes our local food systems more diverse and creates opportunities for more types of local agriculture to thrive.

By specifically enabling the processing of axis deer this program will also help mitigate the environmental destruction caused by these invasive animals, lessen the burden on farmers and ranchers to deal with axis deer individually, and provide an inexpensive local protein that can be used by local consumers and businesses.

We encourage the committee to pass this measure and we thank you for the opportunity to testify.



January 24, 2025

Representative Kirstin Kahaloa, Chair Representative Matthias Kusch, Vice Chair House Committee on Agriculture & Food Systems

Testimony in Support of HB 452, Relating to Meat Processing (Requires the Department of Business, Economic Development, and Tourism [DBEDT] to develop and implement a grant program to expand the meat processing capacity in the State. Appropriates funds.)

Wednesday, January 29, 2025, 9:30 a.m. State Capitol, Conference Room 325, Via Videoconference.

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers, and utility companies. LURF's mission is to advocate for reasonable, rational, and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources, and public health and safety.

LURF appreciates the opportunity to express its **support of HB 452** and of the various agricultural stakeholder groups who defend the goals of viable agricultural operations and the conservation and protection of agriculture in Hawaii.

HB 452. The purpose of this measure is to require and to appropriate funds for DBEDT to develop and implement a grant program to expand the meat processing capacity in the State.

LURF understands that consumer demand for locally grown beef, together with the drastic surge in the axis deer population in Maui County have resulted in a need for expansion of the State's meat processing capacity to allow for processing and distribution of such meat to assist with addressing current demand as well as environmental issues.

LURF's Position. LURF members include property owners, farmers and ranchers who own, maintain, and engage in agricultural enterprises, and who consider efforts to protect and support agriculture significant to the continued conduct of their operations and to help sustain and preserve farming and ranching businesses into the future.

House Committee on Agriculture & Food Systems January 24, 2025 Page 2

LURF supports HB 452 because the bill could allow expansion and diversification of the local meat processing capacity; assist in meeting the demand of Hawaii consumers; and advance the State's goals of sustainability and food security.

This measure makes a significant effort to develop resilient and secure sources of local food and to advance and facilitate needed meat production in Hawaii. By recognizing the issues faced by local farmers and ranchers, and by identifying the need to assist the local agriculture and ranching industries and implement measures which help to support the viability and maintenance of agriculture and ranching in the State, this bill significantly helps to promote economically viable agriculture, increased food production, and food self-sufficiency in Hawaii.

For the reasons stated above, LURF **supports HB 452**, and respectfully urges your favorable consideration of this measure.

Thank you for the opportunity to present testimony regarding this matter.

<u>HB-452</u>

Submitted on: 1/27/2025 8:00:23 PM Testimony for AGR on 1/29/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Theresa M Thompson	Individual	Support	Written Testimony Only

Comments:

I support 452 HB RELATING TO MEAT PROCESSING.

Mahalo,

Theresa Thompson

HB-452 Submitted on: 1/27/2025 8:47:39 PM Testimony for AGR on 1/29/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Abraham Antonio sr	Individual	Support	Written Testimony Only

Comments:

Support need this in Hawaii the pono way

<u>HB-452</u>

Submitted on: 1/29/2025 6:42:45 AM Testimony for AGR on 1/29/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
David E Shormann	Individual	Oppose	Written Testimony Only

Comments:

Bill is too vague and seems catered only to businesses already involved in meat processing. Says hunters can donate their meat, but I'm not sure why they would want to do that. Most Hawaii hunters already know how to process their own meat, and if they have extra, they share with others. What would the donated meat be used for? The bill appears to be an effort to use taxpayer funds to support a very small group of applicants.

What is really needed is better hunter access to private lands, especially on Maui. Bills like HB12 are providing this, and are a better fit for the community as a whole than HB452.

Another suggestion is to develop a hunter certification program, where hunters are certified based on skill and experience, and then landowners can choose from this list of certified hunters. Certification courses could be offered once or twice annually. Certified hunters could also be permitted to use suppressors (silencers) in combination with subsonic ammunition to reduce noise and length of bullet travel. Land surveys can be conducted to identify safety zones (no hunting) on each property. All of this could be coordinated by a small handful of DLNR employees, providing state jobs with a low burden to taxpayers, while accomplishing wildlife management goals and also food for the community.

David Shormann, PhD, Wildlife&Fisheries Sciences, Texas A&M 1996