STAND. COM. REP. NO. 1759

Honolulu, Hawaii

APR 1 3 2007

RE:

S.R. No. 123

S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Madam:

Your Committee on Water, Land, Agriculture, and Hawaiian Affairs, to which was referred S.R. No. 123 entitled:

"SENATE RESOLUTION REQUESTING HAWAII'S CONGRESSIONAL DELEGATION TO LEGISLATE A REDUCTION IN FEDERALLY REGULATED FEES OR AN EXEMPTION FROM FEDERAL STATUTES FOR TRANSPORTATION COSTS FOR LIVESTOCK FEED TO HAWAII,"

begs leave to report as follows:

The purpose of this measure is to protect and ensure the longevity of Hawaii's livestock industry by requesting Hawaii's Congressional delegation to the United State Congress to legislate a reduction in federally regulated shipping or transportation fees for livestock feed, or an exemption from federal statutes relating to livestock feed shipping and transportation costs from the mainland to Hawaii.

Testimony in support of this measure was submitted by the Department of Agriculture; the Hawaii Farm Bureau Federation; the Hawaii Cattlemen's Council, Inc.; the Hawaii Egg Producers Association; and Horizon Lines, LLC. Testimony in opposition to this measure was submitted by the Hawaii Ports Maritime Council, and two individuals. Alexander and Baldwin, Inc. and Matson Navigation Company, Inc. submitted comments.

Your Committee finds that the cost of feeding livestock in Hawaii is significantly higher than on the mainland and this higher cost threatens local livestock producers with closure. Hawaii relies heavily on overseas shipping for a majority of its

food and products for food production; thus, if local livestock producers go out of business, the State will become even more dependent on imported foods and will lose the option of buying perishable goods, such as beef, milk, eggs, poultry, and pork, at their freshest. Your Committee believes that requesting Hawaii's Congressional delegation to legislate for a reduction in federally regulated shipping or transportation fees for livestock feed, or an exemption from federal statutes relating to livestock feed shipping and transportation costs will assist in the longevity of a diversified livestock industry in Hawaii.

Your Committee has amended this measure by:

- (1) Deleting any references to the Jones Act throughout the measure; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water, Land, Agriculture, and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 123, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 123, S.D. 1.

Respectfully submitted on behalf of the members of the Committee on Water, Land, Agriculture, and Hawaiian Affairs,

RUSSELL S. KOKUBUN, Chair

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Water, Land, Agriculture and Hawaiian Affairs WAH

Bill / Resolution No.:*	Committee Referral: WAH		Da [·]	Date: 4-4-07	
52 123	7-9-01				
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
KOKUBUN, Russell S. (C)		\boldsymbol{X}			
TOKUDA, Jill N. (VC)		×			
FUKUNAGA, Carol			 		X
HEE, Clayton		メ			
SLOM, Sam					X
TOTAL	ĺ	<u>3</u>	P	Ø	2-
Recommendation: Not Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency					

*Only one measure per Record of Votes