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**TESTIMONY OF SCOTT E. ENRIGHT
CHAIRPERSON, BOARD OF AGRICULTURE**

BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS

March 31, 2016
9:05 A.M.
CONFERENCE ROOM 211

**HOUSE BILL NO. 1999 HD1 SD1
RELATING TO AGRICULTURE**

Chairperson Tokuda and Members of the Committee:

Thank for the opportunity to testify on House Bill No. 1999 HD1 SD1, relating to agriculture. The bill proposes to 1) establish a grant program for qualified feed developers within the Livestock Revitalization Program, 2) appropriate funds for feed developers and reimbursements to qualified producers for feed costs and 3) conduct a survey of local feed ingredient sources. The department supports this bill provided that it does not impact the priorities established in the Department's executive budget.

Hawaii's livestock farmers have indicated that feed comprises approximately seventy percent of the total production cost. This financial support will serve a public purpose by enabling the livestock farmers to stabilize their operations, expand and improve their herds and flocks, thus contributing to food self-sufficiency and become more competitive with mainland suppliers.

Thank you for the opportunity to testify on this measure.





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March 31, 2016

HEARING BEFORE THE
SENATE COMMITTEE ON WAYS AND MEANS

TESTIMONY ON HB 1999, HD1, SD1
RELATING TO AGRICULTURE

Room 211
9:05 AM

Aloha Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

I am Randy Cabral, President of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,900 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interest of our diverse agricultural community.

HFB is in strong support of HB 1999, HD1, SD1, which establishes within the Livestock Revitalization Program a grant program for qualified feed developers. It also appropriates funds for the Feed Developer Grant Program, reimbursements to Qualified Producers for feed costs, and a survey of local feed ingredient sources.

Hawaii's livestock industry faces numerous challenges. One of their biggest challenges is the rising cost of feed for livestock production. These costs have been a contributing factor to the decline of the state's livestock industry.

In 2007, there were 5 dairies and 6 egg farms in Hawaii. Since then, 3 of those dairies and 4 off those egg farms have gone out of business. The remaining egg farms and another dairy are currently threatened with closure, due to rising production costs, primarily the cost of feed.

HB 1999, HD1, SD1 will help to keep fresh, locally produced milk, eggs, beef, pork, poultry, sheep, lamb, fish and crustaceans available to the residents of Hawaii and will help to revitalize our dwindling livestock industry. A decrease or absence of livestock production increases the State's reliance on the importation of food and threatens the State's food security.

Thank you for the opportunity to comment on this measure.



March 29, 2016

Senator Jill Tokuda, Chair
Senator Donovan M. Dela Cruz, Vice Chair
Senate Committee on Ways and Means

Testimony in Support of HB 1999, H.D.1, S.D.1, Relating to Agriculture (Establishes Within the Livestock Revitalization Program, a Grant Program for Qualified Feed Developers; Appropriates Funds for the Feed Developer Grant Program, Reimbursements to Qualified Producers for Feed Costs, and a Survey of Local Feed Ingredient Sources).

Thursday, March 31, 2016, 9:05 a.m., in Conference Room 211

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 a utility company. One of LURF's missions 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 provide testimony in support of HB 1999, H.D.1, S.D.1, and to offer comments.

HB 1999, H.D.1, S.D.1. As an advocate for the various agricultural stakeholder groups who defend the goals of viable agricultural operations and the conservation and protection of agriculture, including important agricultural lands in Hawaii, LURF supports this measure which seeks to help revitalize the State's livestock industries by establishing within the Livestock Revitalization Program, a grant program for qualified feed developers, as well as appropriating funds for the Feed Developer Grant Program; reimbursing qualified producers for feed costs; reimbursing qualified feed developers for the costs of development of feed for sale to qualified producers; and a survey of local feed ingredient sources.

LURF's Position. LURF members include private property owners, farmers and ranchers who own, maintain, and engage in agricultural enterprises, and who consider such measures critical to the conduct of their operations and to help sustain their businesses. These land owners and agricultural stakeholders believe HB 1999, H.D.1, S.D.1 and the ensuing establishment of such a grant program will

greatly assist with feed costs which have been a contributing factor to the decline of the State's livestock industry.

As this Committee may already be aware, Hawaii's livestock industry faces numerous challenges, one if not the greatest being the unsustainable availability and cost of feed for livestock production. Most local dairies and egg and poultry farms have already gone out of business or are currently threatened with closure due to rising production (mainly feed) costs. This measure will assist in continuing to make locally produced milk, eggs, beef, pork, poultry and other products available to Hawaii residents, and will help revitalize the State's declining livestock industry.

Decreased or limited livestock production increases the State's reliance on the importation of food and threatens the State's food security. As potential issues relating to public health, and food safety and security continue to be a significant concern, LURF and its members appreciate this measure being taken to assist agricultural stakeholders.

For the reasons stated above, LURF is **in support of HB 1999, H.D.1, S.D.1**, and respectfully urges your favorable consideration of this bill.

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



Email: communications@ulupono.com

SENATE COMMITTEE ON WAYS & MEANS
Thursday, March 31, 2016 — 9:05 a.m. — Room 211

**Ulupono Initiative Strongly Supports HB 1999 HD 1 SD 1 with an Amendment,
Relating to Agriculture**

Dear Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

My name is Kyle Datta and I am General Partner of the Ulupono Initiative, a Hawai'i-based impact investment firm that strives to improve the quality of life for the people of Hawai'i by working toward solutions that create more locally produced food; increase affordable, clean, renewable energy; and reduce waste. We believe that self-sufficiency is essential to our future prosperity and will help shape a future where economic progress and mission-focused impact can work hand in hand.

Ulupono strongly supports HB 1999 HD 1 SD 1, which provides grants to qualified feed developers via the Department of Agriculture's Livestock Revitalization Program, because it aligns with our goal of creating more locally produced food.

Feed costs for livestock production in Hawai'i can comprise 70 percent of production cost, and our concern is that we need to keep our livestock producers in business. We anticipate through grass-fed initiatives and feed research, that the agricultural sector will be able to affordably produce its own feed within a few years. We cannot afford to lose local food producers like ranchers, aquaculture farmers, and poultry farmers. While the industry works to create more homegrown feed, the subsidy is needed to help sustain the industry.

Furthermore, after conducting an analysis on the provisions for this bill, we believe it will help feed development research by universities, as well as for businesses that raise animals that are currently under development.

However, the language as written makes it unclear whether these funds could be used for "feed research." We propose on page 5, line 6, the words "researching and/or", after the words "cultivating feed crops or." Since there are no local feed mill operations in Hawai'i at the present time, we feel that funds appropriated under this bill should be allowed for identifying, assessing, and validating local feed ingredients rather than only subsidizing feeds.

Investing in a Sustainable Hawai'i

As Hawai'i's local food issues become more complex and challenging, organizations need additional resources and support to address and overcome them. We appreciate this committee's efforts to look at policies that support local food production.

We believe that by collaborating, we can help produce more local food and support an economically robust homegrown agriculture industry, which strengthens our community with fresh, healthy food. Thank you for this opportunity to testify.

Respectfully,

Kyle Datta
General Partner