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SENATE COMMITTEE ON WATER, LAND, & AGRICULTURE Wednesday, February 10, 2016 — 3:30 p.m. — Room 224

Ulupono Initiative <u>Strongly Supports</u> SB 2959 <u>with an Amendment</u>, Relating to Agriculture

Dear Chair Inouye, Vice Chair Gabbard, 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 company that strives to improve the quality of life for the people of Hawai'i by working toward solutions that create more locally grown 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 <u>strongly supports</u> **SB 2959**, which provides grants to qualified feed developers via the Department of Agriculture's Livestock Revitalization Program, because it aligns with our goal of providing 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

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