STAND. COM. REP. NO. 2001

Honolulu, Hawaii FEB 0 1 2018

RE: S.B. No. 2517 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Ninth State Legislature Regular Session of 2018 State of Hawaii

Sir:

Your Committee on Agriculture and Environment, to which was referred S.B. No. 2517 entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the issuance of general obligation bonds and appropriate funds for the planning, designing, and constructing of a livestock feed mill.

Your Committee received testimony in support of this measure from the Department of Agriculture; Agribusiness Development Corporation; Hawai'i Farm Bureau; and Hawaii Cattlemen's Council, Inc. Your Committee received testimony in opposition to this measure from Animal Rights Hawai'i.

Your Committee finds that livestock feed costs for feed shipped to Hawaii often exceed sixty percent of overall livestock production costs in Hawaii. The Agribusiness Development Corporation seeks to broaden its waste-reduction and recycling projects by partnering with a viable and qualified entity to establish a livestock feed mill operation using waste materials, such as unusable macadamia nut fruit and shells, and converting the unusable parts and byproducts into aquaculture and livestock feed. Your Committee further finds that the Agribusiness Development Corporation will assist with the development of the plans and design of the operation and will purchase the equipment

to convert and process the waste materials, while the project partners will be responsible for providing adequate warehouse space to house the equipment and the labor for the manufacture and sale of the resulting product.

Your Committee has amended this measure by:

- (1) Inserting an appropriation amount of \$4,000,000; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2517, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2517, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Agriculture and Environment.

MÌKE GABBARD, Chair

The Senate Twenty-Ninth Legislature State of Hawaiʻi

Record of Votes Committee on Agriculture and Environment AEN

Bill / Resolution No.:*	Committee Referral:			Date:	
SB 2517	AEN, WAM			1/29/18	
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
GABBARD, Mike (C)		X			
RIVIERE, Gil (VC)		K			
NISHIHARA, Clarence K.		>			
RHOADS, Karl		%			
RUDERMAN, Russell E.		*			
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TOTAL		5	_ ර		0
Recommendation: Adopted			Not Adopted		
Chair's or Designee's Signature:					
Distribution: Original File with Committee Re		ellow 's Office D	Pink Prafting Agenc		denrod ee File Copy