DAVID Y. IGE Governor

DOUGLAS S. CHIN Lt. Governor



SCOTT E. ENRIGHT Chairperson, Board of Agriculture

PHYLLIS SHIMABUKURO-GEISER
Deputy to the Chairperson

State of Hawaii **DEPARTMENT OF AGRICULTURE**

1428 South King Street Honolulu, Hawaii 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613

TESTIMONY OF SCOTT E. ENRIGHT CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEE ON WAYS & MEANS

FEBRUARY 21, 2018 10:08 A.M. CONFERENCE ROOM 211

SENATE BILL NO. 2434
RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO KUNOA CATTLE COMPANY LLC

Chairperson Dela Cruz and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill No. 2434, relating to the issuance of special purpose revenue bonds to Kunoa Cattle Company LLC, to fund the construction of a multi-species livestock farm, expansion of slaughter and processing infrastructure development, development of distribution assets and agritourism services, and expanding renewable energy assets. The Department strongly supports this bill.

Kunoa Cattle Company is committed to land stewardship, holistic management and renewable energy to provide a sustainable future. They have purchased the slaughterhouse on Oahu and intend to expand the current slaughter and processing operations which will open new options for Hawaii ranchers and farmers to raise more livestock for local consumption and encourage food sustainability.

Thank you for the opportunity to testify on this measure.





P.O. Box 253, Kunia, Hawai'i 96759 Phone: (808) 848-2074; Fax: (808) 848-1921 e-mail info@hfbf.org; www.hfbf.org

February 21, 2018

HEARING BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS

TESTIMONY ON SB 2434

RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO KUNOA CATTLE COMPANY. LLC

Room 211 10:08 AM

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, 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 SB 2434, which authorizes the issuance of special purpose revenue bonds to assist Kunoa Cattle Company, LLC, to fund the construction of a multispecies livestock farm, expansion of the slaughter and processing infrastructure, development of distribution assets and agritourism services, and expanding renewable energy assets.

Hawaii's livestock industry faces numerous challenges. These challenges have been a contributing factor to the decline of the state's livestock industry. Sustainability, self-sufficiency and growing agriculture are popular concepts seen in many of the measures before the legislature this year.

Kunoa Cattle has shown a commitment to Hawaii agriculture and has demonstrated their capacity to grow and expand their business. This operation will provide a basis for other livestock products and is a good example of agriculture acting as an economic engine to grow Hawaii's economy. This request is designed to provide not only needed capacity but also allow new technologies to enhance energy and waste management, food safety and animal welfare.

Thank you for this opportunity to provide our opinion on this important matter.



Email: communications@ulupono.com

SENATE COMMITTEE ON WAYS & MEANS Wednesday, February 21, 2018 — 10:08 a.m. — Room 211

Ulupono Initiative <u>Strongly Supports</u> SB 2434, Relating to the Issuance of Special Purpose Revenue Bonds to Kunoa Cattle Company, LLC.

Dear Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee:

My name is Kyle Datta and I am General Partner of 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 better management of waste and fresh water. Ulupono believes 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 SB 2434, which authorizes the issuance of special purpose revenue bonds to assist Kunoa Cattle Company, LLC, because it aligns with our goal of creating more locally produced food.

In Hawai'i, there is a shortage of slaughter and processing facility infrastructure, which hinders local protein production. The slaughterhouses on Hawai'i Island are running at full capacity. Similarly, the additional new cattle initiative in Maui will require a further capacity expansion. Against this backdrop, the 5,000 head capacity of Kunoa Cattle Company should not only allow Oʻahu to rebuild its cattle industry, but also support the neighbor islands by alleviating capacity constraints.

Our pasture-raised beef joint venture with Parker Ranch, Paniolo Cattle Company, intends to both expand production and ship cattle to Kunoa on Oʻahu to alleviate Hawaiʻi Island's capacity constraints.

As Hawai'i's local food production 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 SB-2434

Submitted on: 2/18/2018 2:19:06 PM

Testimony for WAM on 2/21/2018 10:08:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	Testifying for OCC Legislative Priorities Committee, Democratic Party of Hawai'i	Support	No

Comments:

PRESENTATION OF THE

OAHU COUNTY COMMITTEE ON LEGISLATIVE PRIORITIES

DEMOCRATIC PARTY OF HAWAI'I

TO THE COMMITTEE ON WAYS AND MEANS

THE SENATE

TWENTY-NINTH LEGISLATURE

REGULAR SESSION OF 2018

Wednesday, February 21, 2018

10:08 a.m.

Hawaii State Capitol, Conference Room 211

RE: Testimony in Support of SB 2434 RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO KUNOA CATTLE COMPANY, LLC.

To the Honorable Donovan M. Dela Cruz, Chair; the Honorable Gilbert S.C. Keith-Agaran, Vice-Chair, and Members of the Committee on Ways and Means:

Good morning, my name is Melodie Aduja. I serve as Chair of the Oahu Priorities Committee ("OCC") of the Democratic Party of Hawai'i. Thank you for the opportunity to provide written testimony on Senate Bill No. 2434, relating to the Kunoa Cattle Company; Capital Improvement Programs; Special Purpose Revenue Bonds; and Appropriation.

The OCC Legislative Priorities Committee is in favor of Senate Bill No. 2434 and support its passage.

Senate Bill No. 2434, is in accord with the Platform of the Democratic Party of Hawai'i ("DPH") as it authorizes the issuance of special purpose revenue bonds to assist Kunoa Cattle Company, LLC, to fund the construction of a multi-species livestock farm, expansion of the slaughter and processing infrastructure, development of distribution assets and agritourism services, and expanding renewable energy assets.

Specifically, the Platform of the Democratic Party of Hawai'i provides that "[a]griculture in our state must be preserved and its future strengthened. Sufficient prime agricultural lands must be maintained for the health, economic well-being and sustenance of the people. We believe in an integrated approach to agricultural innovation and sustainability.

We will promote the ethical and safe production of livestock, dairy products, poultry, and eggs.

As an island state, securing affordable food for all is a priority. We support healthy, sustainable, and diversified local food production, and "Buy Local" strategies to assure greater food security and food safety.

We support land use planning and infrastructure development to support sustainable diversified agriculture, including low-cost inter-island transportation of agricultural products, We, likewise, support publicly funded research and development for agricultural diversification and value-added products. (Platform of the DPH, P. 2, Lines 76-78, 88, 97-99, 104-107 (2016)).

Given that Senate Bill No.2434 authorizes the issuance of special purpose revenue bonds to Kunoa Cattle Company, LLC, for expansion and diversification, it is the position of the OCC Legislative Priorities Committee to support this measure.

Thank you very much for your kind consideration.

Sincerely yours,

/s/ Melodie Aduja

Melodie Aduja, Chair, OCC Legislative Priorities Committee

Email: legislativeprorities@gmail.com, Tel.: (808) 258-8889