SYLVIA LUKE Lt. Governor



SHARON HURD Chairperson, Board of Agriculture

**MORRIS M. ATTA** Deputy to the Chairperson

State of Hawai'i DEPARTMENT OF AGRICULTURE KA 'OIHANA MAHI'AI 1428 South King Street Honolulu, Hawai'i 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613

### TESTIMONY OF SHARON HURD CHAIRPERSON, BOARD OF AGRICULTURE

## BEFORE THE HOUSE COMMITTEE ON AGRICULTURE AND FOOD SYSTEMS

WEDNESDAY, FEBRUARY 8, 2023 9:45 A.M. CONFERENCE ROOM 325 AND VIDEO CONFERENCING

#### HOUSE BILL NO. 1295 RELATING TO FARMS

Chairperson Gates and Members of the Committee:

Thank you for the opportunity to present testimony on House Bill 1295 which amends Chapter 141 and establishes a grant program within the Department of Agriculture to assist chicken farmers in meeting the costs of raising chickens for human consumption. The Department supports the intent and offers the following comments.

The Department appreciates any measure to help reduce the cost of production facing local farmers and livestock producers. In this measure, we respectfully suggests that poultry egg farmers be included since they are equally affected by the high costs of production. On page 2, lines 1 to 3, the Department recommends that language be deleted since money spent or costs incurred in the past favor existing chicken farmers but may preclude new, younger farmers from accessing proposed funding.

Finally, Article VII, section 4, of the State Constitution provides that "no grant of public money or property shall be made except pursuant to standards provided by law." On page 2, lines 4-7, this measure states the Department shall adopt rules to carry out the purpose of the grant program. While this language is appropriate, the Department



HB1295 February 8, 2023 Page 2

recommends that this bill be amended to insert additional standards, including but not limited to the following:

- (1) Any grant shall be used exclusively for the purposes of this program;
- (2) The applicant shall comply with all applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, disability, or any other characteristic protected under applicable federal or state law;
- (3) The grant shall not be used for purposes of entertainment or perquisites;
- (4) All activities undertaken with funds received shall comply with all applicable federal, state, and county statutes and ordinances;
- (5) The applicant shall indemnify and save harmless the State of Hawaii and its officers, agents, and employees from and against any and all claims arising out of or resulting from activities carried out or projects undertaken with funds provided hereunder, and procure sufficient insurance to provide this indemnification if requested to do so by the department; and
- (6) The applicant shall agree to make available to the department all records the applicant may have relating to the grant, to allow state agencies to monitor the applicant's compliance with this section.

Thank you for the opportunity to testify on this measure.



TESTIMONY OF THE DEPARTMENT OF THE ATTORNEY GENERAL KA 'OIHANA O KA LOIO KUHINA THIRTY-SECOND LEGISLATURE, 2023

# ON THE FOLLOWING MEASURE:

H.B. NO. 1295, RELATING TO FARMS.

#### **BEFORE THE:**

HOUSE COMMITTEE ON AGRICULTURE AND FOOD SYSTEMS

**DATE:** Wednesday, February 8, 2023 **TIME:** 9:45 a.m.

LOCATION: State Capitol, Room 325

**TESTIFIER(S):**Anne E. Lopez, Attorney General, or<br/>Jodi K. Yi or Bryan C. Yee, Deputy Attorneys General

Chair Gates and Members of the Committee:

The Department of the Attorney General provides the following comments regarding this bill.

This bill would appropriate money and establish within the Department of Agriculture a grant program to assist chicken farmers. The purpose of the grants is to assist farmers in meeting the costs of raising chickens for human consumption. (Page 1, lines 6-7).

The grant program would be subject to article VII, section 4, of the Constitution of the State of Hawaii, which provides, "[n]o grant of public money or property shall be made except pursuant to standards provided by law." This bill does not appear to contain sufficient standards for grants of public money. Therefore, we recommend that this bill be amended to insert appropriate standards. Examples of existing statutes that provide standards for agencies to issue grants are found in part II of chapter 9 and sections 10-17, 210D-11, and 383-128, Hawaii Revised Statutes. Additionally, we have attached draft standards to this testimony as a sample to work from and we are happy to work with you on developing more specific standards.

Thank you for the opportunity to present this testimony.

#### POSSIBLE STANDARDS FOR THE GRANTS IN THIS BILL

- (1) Any grant shall be used exclusively for the purposes of this program.
- (2) The applicant shall indicate capability to properly use the grant for costs that were incurred raising chickens for human consumption, provided that no grant shall be given unless the applicant has already spent money toward raising chickens.
- (3) The applicant shall comply with all applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, disability, or any other characteristic protected under applicable federal or state law.
- (4) The grant shall not be used for purposes of entertainment or perquisites.
- (5) The applicant shall comply with other requirements as the department may prescribe.
- (6) All activities undertaken with funds received shall comply with all applicable federal, state, and county statutes and ordinances.
- (7) The applicant shall indemnify and save harmless the State of Hawaii and its officers, agents, and employees from and against any and all claims arising out of or resulting from activities carried out or projects undertaken with funds provided hereunder, and procure sufficient insurance to provide this indemnification if requested to do so by the department.
- (8) The applicant shall agree to make available to the department all records the applicant may have relating to the grant, to allow state agencies to monitor the applicant's compliance with this section.



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 8, 2023

## HEARING BEFORE THE HOUSE COMMITTEE ON AGRICULTURE & FOOD SYSTEMS

#### TESTIMONY ON HB 1295 RELATING TO FARMS

Conference Room 325 & Videoconference 9:45 AM

Aloha Chair Gates, Vice-Chair Kahaloa, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate and advance the social, economic, and educational interests of our diverse agricultural community.

The Hawai'i Farm Bureau supports HB 1295, which appropriates funds to the department of agriculture to provide grants to certain chicken farmers.

Hawai'i's poultry 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 6 egg farms in Hawai'i. Since then 4 egg farms have gone out of business. The remaining egg farms are currently threatened with closure, due to rising production costs, primarily the cost of feed and proposed legislation imposing additional restrictions that will significantly increase production costs.

There are fewer farmers to produce eggs yet still strong demand, so egg farmers must have ways to manage more birds most efficiently. To avoid the loss of any of our local farms and the products they supply to our communities despite the very competitive free market system, we respectfully ask to support Hawai'i's chicken farmers by providing grants to assist with their production costs.

Thank you for your efforts to protect and support Hawai'i's small chicken farmers.

Officers Kaipo Kekona State President

Anabella Bruch Vice-President

Maureen Datta Secretary

Reba Lopez Treasurer

#### Chapter Presidents

Madeline Ross Kohala, Hawai'i

Odysseus Yacalis East Hawai'i

Puna, Hawai'i

Andrea Drayer Ka'ū, Hawai'i

Chantal Chung Kona, Hawai'i

Fawn Helekahi-Burns Hana, Maui

> Reba Lopez Haleakala, Maui

Kaiea Medeiros Mauna Kahalawai, Maui

Kaipo Kekona Lahaina, Maui

Rufina Kaauwai Molokai

Negus Manna Lāna'i

Brynn Foster North Shore, Oʻahu

Christian Zuckerman Wai'anae, Oʻahu

Ted Radovich Waimanalo, Oʻahu

Vincent Kimura Honolulu, Oʻahu

> Ray Maki Kauai



Aloha Chair Gates, Vice Chair Kahaloa, and Members of the House Agriculture & Food Systems Committee,

The Hawaii Farmers Union United (HFUU) is a 501(c)(5) agricultural advocacy nonprofit representing a network of over 2,500 family farmers and their supporters across the Hawaiian Islands. **HFUU supports HB1295.** 

As Hawaii's farmers, mostly recent immigrants and small, local family farms, are struggling, this bill will provide a crucial investment ensuring that they can continue farming, build new operations, and develop our state's agricultural economy. These funds would also be beneficial to rural Hawaii's health, environmental quality and cultural preservation.

The funds would be used to provide grants to chicken farmers, a critical sector of Hawaiian agriculture. Chicken farming is a growing livestock sector in Hawaii. Chicken farmers can benefit from grants to expand their operations, purchase new equipment, and hire new workers.

Mahalo for the opportunity to testify.

Kaipo Kekona, President HFUU/HFUF

Kennel S.K. Kehrene

#### <u>HB-1295</u>

Submitted on: 2/7/2023 9:10:08 AM Testimony for AGR on 2/8/2023 9:45:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Christian Zuckerman	Kuwale Ridge Farms	Support	Written Testimony Only

Comments:

I am in strong support of HB 1295. It is important that Hawaii supports the family run chicken farerms such as Shaka Moa and Mikilua. These family run businesses have been around for generations and need support to remain competitive in the market. With the first CAFO style chicken farm built in Waialua, the potential for market disruption is higher then ever. A strong agricultural system is needed as Hawaii continues down the road of food resiliency.



Hawaii Foodservice Alliance LLC, 2720 Waiwai Loop, Honolulu, HI 96819 Tel: 808.839.2004 ~ Fax: 808.839.2033 ~ <u>HFA@HFAHawaii.com</u>

February 7, 2023,

- TO: Chair Gates & Vice Chair Kahaloa Committee on Agriculture
- FROM: Chad Buck CEO Hawaii Foodservice Alliance LLC

#### RE: SUPPORT FOR HB1295

# As one of Hawaii's largest distributor of both mainland and local eggs, I fully support HB1295 to help <u>Hawaii's local egg farms</u> upgrade their facilities to meet the ever increasing rules and regulations they face.

Over the past decade, the rules and regulations pertaining to egg farms have increased dramatically. Consumer preferences have also moved toward cage-free, organic, free range, and other types of egg production.

In addition, local consumer preferences show strong support toward sustainable, locally owned, egg production that is in harmony with our environment and away from mainland eggs or eggs produced in concentrated animal feeding operations (CAFOs). CAFO operations have proven to harmful to the environment and often the communities that they operate in proximity to. The potential harm that CAFO's are capable of is of even greater concern when considering Hawaii's fragile environment, eco-systems and topography.

I strongly support HB1295 as a necessary step to help our <u>locally owned</u> egg laying operators upgrade and expand their offerings - and <u>help move Hawaii toward a more sustainable and food secure future - in an eco-friendly way.</u>

Mahalo for your time. Thank you.

Chad Buck Hawaii Foodservice Alliance LLC

HB-1295 Submitted on: 2/6/2023 11:07:46 AM Testimony for AGR on 2/8/2023 9:45:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Dana Keawe	Individual	Comments	Written Testimony Only

Comments:

What does, "certain chicken farmers" mean?

I support expanding chicken farming done humanely and organically in Hawai'i.