

Honolulu, Hawaii

February 19, 2015

RE: H.B. No. 508

H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Eighth State Legislature  
Regular Session of 2015  
State of Hawaii

Sir:

Your Committee on Agriculture, to which was referred H.B. No. 508 entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish and fund a grant program within the Department of Agriculture for Qualified Feed Developers based on their feed development costs;
- (2) Appropriate funds to reimburse Qualified Producers of certain products for their cost of feed; and
- (3) Appropriate funds to reimburse Qualified Feed Developers for their cost of development of feed for sale to Qualified Producers.

The Hawaii Farm Bureau Federation, Ulupono Initiative, Hawaii Cattlemen's Council, Inc., and Land Use Research Foundation of Hawaii supported this measure. The Department of Agriculture supported the intent of this measure. Animal Rights Hawaii opposed this measure.



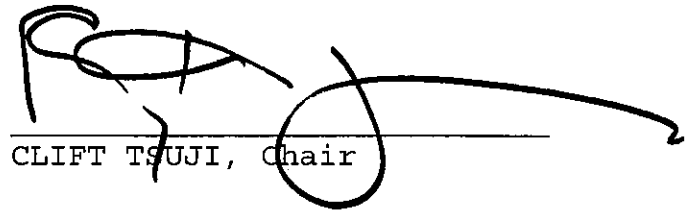
Your Committee has amended this measure by:

- (1) Adding a purpose and findings section to provide context to the need for locally developed livestock feed;
- (2) Requiring that the amount of grant funds disbursed to a Qualified Feed Developer be based on cost of goods sold, as verified by a certified public accountant, rather than the feed development costs incurred by the Developer;
- (3) Deleting the condition that feed development costs be limited to feed developed for Qualifying Producers and not for feed developed for resale or gift or the cost of transportation to Hawaii;
- (4) Requiring the Department of Agriculture to aggregate the total grant applications and divide and distribute the available grant funds on a pro rata basis;
- (5) Allowing qualified feed developer businesses to manufacture feed, rather than only cultivating feed, for Qualified Producers;
- (6) Requiring and funding the Department of Agriculture to conduct a survey to identify, assess, and validate locally sourced feed ingredients that are available to Qualified Feed Developers; and
- (7) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 508, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 508, H.D. 1, and be referred to the Committee on Finance.



Respectfully submitted on  
behalf of the members of the  
Committee on Agriculture,



CLIFT TSUJI, Chair



State of Hawaii  
House of Representatives  
The Twenty-eighth Legislature

HSCR 353

**Record of Votes of the Committee on Agriculture**

Bill/Resolution No.: <b>HB 508</b>	Committee Referral: <b>AGR, FIN</b>	Date: <b>2/12/2015</b>
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The committee is reconsidering its previous decision on the measure.

The recommendation is to:     Pass, unamended (as is)     Pass, with amendments (HD)     Hold  
 Pass short form bill with HD to recommit for future public hearing (recommit)

AGR Members	Ayes	Ayes (WR)	Nays	Excused
1. TSUJI, Clift (C)	/			
2. ONISHI, Richard H.K. (VC)	/			
3. BROWER, Tom	/			
4. CACHOLA, Romy M.	/			
5. CHOY, Isaac W.	/			
6. ITO, Ken	/			
7. KAWAKAMI, Derek S.K.	/			
8. KONG, Sam Satoru	/			
9. OHNO, Takashi	/			
10. TOKIOKA, James Kunane	/			
11. WOODSON, Justin H.	/			
12. MATSUMOTO, Lauren Kealohilani	/			
13. WARD, Gene	2	1		
<b>TOTAL (13)</b>	<b>12</b>	<b>1</b>		

The recommendation is:     Adopted     Not Adopted  
 If joint referral, \_\_\_\_\_ did not support recommendation.  
committee acronym(s)

Vice Chair's or designee's signature: \_\_\_\_\_

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