

Honolulu, Hawaii

MAR 19 2018

RE: H.B. No. 2538
H.D. 1
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 H.B. No. 2538, H.D. 1, 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; Office of the Mayor of the County of Hawai'i; Ulupono Initiative; Hawai'i Farm Bureau; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and Hawaii Cattlemen's Council, Inc. Your Committee received testimony in opposition to this measure from Animal Rights Hawai'i, Keiko Conservation, two individuals.

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



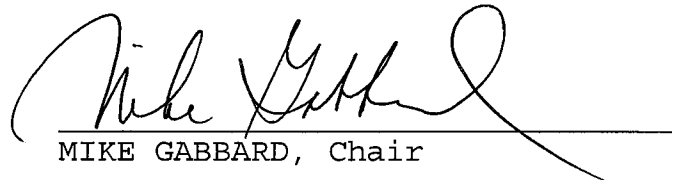
the unusable parts and byproducts into aquaculture and livestock feed. Your Committee further finds that the Agribusiness Development Corporation will assist with the development of the plans and design of the operation, and will purchase the equipment to convert and process the waste materials, while 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 authorized general obligation bond and appropriation amount of \$4,000,000; and
- (2) Changing the effective date to July 1, 2018.

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 H.B. No. 2538, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2538, H.D. 1, 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,




MIKE GABBARD, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Agriculture and Environment
AEN

Bill / Resolution No.:*	Committee Referral:	Date:
HB 2538 HD 1	AEN, WAM	3/12/18
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____		
The Recommendation is:		
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310
<input type="checkbox"/> Recommit 2313		
Members	Aye	Aye (WR)
Nay	Excused	
GABBARD, Mike (C)	X	
RIVIERE, Gil (VC)	X	
NISHIHARA, Clarence K.	X	
RHOADS, Karl	X	
RUDERMAN, Russell E.	X	
TOTAL	5	0
0	0	0
Recommendation:		
<input checked="" type="checkbox"/> Adopted		
<input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:		
		
Distribution:		
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File with Committee Report	Clerk's Office	Drafting Agency
		Goldenrod
		Committee File Copy

*Only one measure per Record of Votes