

STAND. COM. REP. NO.

639

Honolulu, Hawaii

FEB 14 , 2025

RE: H.B. No. 984  
H.D. 1

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Madame:

Your Committee on Agriculture & Food Systems, to which was referred H.B. No. 984 entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURAL LOANS,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Lower and fix the state agricultural loan program's interest rates, increase loan limits, and reduce the required number of credit denials;
- (2) Establish a program for a secured line of credit and create a new loan initiative to encourage larger scale agriculture for import replacement and crops grown for farm to state programs; and
- (3) Appropriate funds into and out of the Agricultural Loan Revolving Fund to meet the anticipated increase in loan demand and to accommodate the increased loan limits.

Your Committee received testimony in support of this measure from the Department of Agriculture; Department of Research and Development of the County of Hawai'i; Ulupono Initiative; Hawai'i Farm Bureau; Hawai'i Farmers Union; Hawaii Cattlemen's Council; and



Hawai'i Food+ Policy. Your Committee received comments on this measure from one individual.

Your Committee finds that Hawaii's farmers and ranchers face significant challenges in securing affordable capital to cover rising costs related to land, water, labor, and infrastructure. Access to financing is often a major barrier to expanding agricultural operations and increasing local food production. By providing farmers with the necessary financial tools, this measure promotes agricultural expansion, strengthens local food security, and ensures the long-term viability of Hawaii's farming industry.

Your Committee has amended this measure by:

- (1) Clarifying language in the preamble related to small and mid-sized farms being essential to Hawaii's food security, economic resilience, and self-sufficiency;
- (2) Including food hubs as an eligible entity for Class E loans;
- (3) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture & Food Systems that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 984, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 984, H.D. 1, and be referred to your Committee on Finance.



Respectfully submitted on  
behalf of the members of the  
Committee on Agriculture & Food  
Systems,

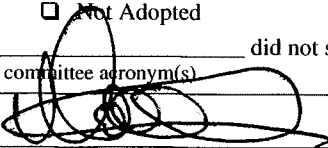
  
KIRSTIN KAHALOA, Chair



State of Hawaii  
House of Representatives  
The Thirty-third Legislature

HSCR 639

**Record of Votes of the Committee on Agriculture & Food Systems**

<b>Bill/Resolution No.:</b> <div style="font-size: 1.2em; font-family: cursive;">HB 984</div>	<b>Committee Referral:</b> <div style="font-size: 1.2em; font-family: cursive;">AGR, FIN</div>	<b>Date:</b> <div style="font-size: 1.2em; font-family: cursive;">2/7/2025</div>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
<b>AGR Members</b>	<b>Ayes</b>	<b>Ayes (WR)</b>	<b>Nays</b>	<b>Excused</b>
1. KAHALOA, Kirstin (C)	X			
2. KUSCH, Matthias (VC)	X			
3. LOWEN, Nicole E.	X			
4. PERRUSO, Amy A.	X			
5. QUINLAN, Sean	X			
6. WARD, Gene				X
<b>TOTAL (6)</b>	5			1
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: 0.8em;">committee acronym(s)</div>				
<b>Vice Chair's or designee's signature:</b> _____ <div style="text-align: center; font-size: 1.5em; font-family: cursive;">  </div>				
<b>Distribution:</b> Original (White) – Committee      Duplicate (Yellow) – Chief Clerk's Office      Duplicate (Pink) – HMSO				