STAND. COM. REP. NO. 2577

Honolulu, Hawaii

FEB 28 2008

RE: S.B. No. 2639 S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2008 State of Hawaii

## Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 2639 entitled:

"A BILL FOR AN ACT RELATING TO LOANS FOR AGRICULTURAL AND AQUACULTURE PURPOSES,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Increase aquaculture loan limits for class A and B loans to \$800,000;
- (2) Make credit denial requirements for aquaculture loans consistent with the requirements for agricultural loans;
- (3) Create the New Aquaculturist Program within the Aquaculture Loan Program;
- (4) Transfer and incorporate aquaculture loan funds into the Agricultural Loan Revolving Fund; and
- (5) Increase the expenditure ceiling of the Agricultural Loan Revolving Fund up to the combined ceiling total for the agricultural and aguaculture loan revolving funds.

The Department of Agriculture; HECO Utilities; and Hawaii Oceanic Technology, Inc. submitted testimony in support of this measure.

Currently, the Department of Agriculture administers two separate loan programs, one for agriculture and one for aquaculture. This measure will provide greater funding flexibility by combining the two programs and allowing for increased loan limits.

Upon further consideration, your Committee has amended this measure by:

- (1) Clarifying that on July 1, 2008, the Director of Finance shall transfer all unexpended and unencumbered balances remaining in the Aquaculture Loan Reserve Fund to the credit of the Agricultural Loan "Reserve" Fund, rather than the Agricultural Loan "Revolving" Fund; and
- (2) 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 Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2639, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2639, S.D. 1.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

ROSALYN 🗗 BAKER, Chair

## The Senate Twenty-Fourth Legislature State of Hawaii

## Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*  SB2 43 9			1. 1.		?
The committee is reconsidering its previous decision on this measure.  If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)					
TSUTSUI, Shan S. (VC)					
CHUN OAKLAND, Suzanne					
ENGLISH, J. Kalani					energi (Tirareko) (Tirareko) 1925 - Garanda II. (1921) 1931 - Garanda II. (1921)
FUKUNAGA, Carol		1			
HOOSER, Gary L.					
INOUYE, Lorraine R.		/			
KIM, Donna Mercado					
MENOR, Ron	endotasso :	/			
TOKUDA, JIII N.					
HEMMINGS, Fred					
WHALEN, Paul					
TOTAL		IV.	0	0	O
Recommendation:  Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution:         Original         Yellow         Pink         Goldenrod           File with Committee Report         Clerk's Office         Drafting Agency         Committee File Copy					

<sup>\*</sup>Only one measure per Record of Votes