

**SB 2559**

LINDA LINGLE  
Governor



SANDRA LEE KUNIMOTO  
Chairperson, Board of Agriculture

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Deputy to the Chairperson

State of Hawaii  
DEPARTMENT OF AGRICULTURE  
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TESTIMONY OF SANDRA LEE KUNIMOTO  
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND HAWAIIAN AFFAIRS

JANUARY 31, 2008  
2:45 P.M.

SENATE BILL NO. 2559  
RELATING TO AGRICULTURAL LOANS

**LATE**

Chairperson Tokuda and Members of the Committee:

Thank you for the opportunity to comment on Senate Bill 2559. The bill's intent is to create a micro-loan program for agricultural projects by producers of products produced in Hawaii intended to be marketed and consumed in Hawaii. The department appreciates the intent of the legislation but feels that it is unnecessary as HDOA already has a micro loan program which is in operation and broader than the one proposed in this bill.

The department already makes these types of loans under the existing agricultural loan program and would like to enhance our program further. Last session, HB 1219 sought to expand the current micro-loan program by increasing the Chairperson's approval authority from \$25,000 to \$75,000. This would allow the department to assist more farmers, providing faster access to capital which is especially important during times of emergencies. HB1219 has already passed through the House and the department has requested that this bill be revived by the Senate Committee on Agriculture and Hawaiian Affairs. We would be appreciative of support and passage of HB 1219.

**LATE**

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Director of Council Services  
Ken Fukuoka

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TO: Honorable Jill N. Tokuda, Chair  
Senate Committee on Agriculture and Hawaiian Affairs

FROM: G. Riki Hokama  
Council Chair

SUBJECT: **HEARING OF JANUARY 31, 2008; TESTIMONY IN SUPPORT OF  
SB 2559, RELATING TO AGRICULTURAL LOANS**

Thank you for the opportunity to testify in support of this important measure. The purpose of this measure is create an agricultural micro loan program authorizing the Department of Agriculture to issue loans up to \$25,000 for agricultural projects by Hawaii producers for local markets.

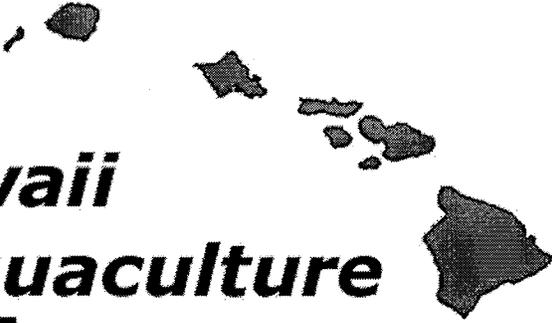
The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

I support this measure for the following reasons:

1. The agricultural micro loan revolving fund program would provide the opportunity for local farmers to receive financial assistance for products intended to be marketed and consumed in Hawaii.
2. This program would help diversify the agricultural economy by expanding the number of products available for the local market, thereby lessening the impact of a volatile global economy on local producers.
3. This measure would encourage greater self sufficiency for the residents of the State by decreasing our dependence on imported agricultural products.

For the foregoing reasons, I support this measure.

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# **Hawaii Aquaculture Association**

**LATE**

To:

THE SENATE  
THE TWENTY-FOURTH LEGISLATURE  
REGULAR SESSION OF 2008

COMMITTEE ON AGRICULTURE AND HAWAIIAN AFFAIRS  
Senator Jill N. Tokuda, Chair

HEARING

DATE: Thursday, January 31, 2008  
TIME: 2:45 PM  
PLACE: Conference Room 224, State Capitol  
415 South Beretania Street

From: Ron Weidenbach, President, Hawaii Aquaculture Association  
Phone: 429-3147, Email: hawaiiifish@gmail.com

Re: SB 2559 Relating to Agriculture Loans

Chair Tokuda, and Committee Members:

The Hawaii Aquaculture Association (HAA) strongly supports Senate Bill No. 2559, which creates the agriculture micro loan program authorizing the Department of Agriculture to issue loans up to \$25,000 for projects by Hawaii producers for local markets and appropriates funds into the agriculture loan revolving fund.

The Hawaii aquaculture industry is largely comprised of family farm operations instead of well-funded corporate entities backed by venture capitalists. As such, they continually struggle to make ends meet and although they may have good ideas are short on the financing required to develop these ideas for a local market, which would mean the difference between a successful operation compared to one that is not diversified sufficiently with different product centers. This idea of small short term loans help to bridge the development of new products and processes.

The HAA strongly requests the passage of SB 2559, which creates the agriculture micro loan program authorizing the Department of Agriculture to issue loans up to \$25,000 for projects by Hawaii producers for local markets and appropriates funds into the agriculture loan revolving fund. Thank you for the opportunity to testify.