STAND. COM. REP. NO. 2324

Honolulu, Hawaii

FEB 1 4 2008

RE: S.B. No. 2467

S.D. 1

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

Madam:

Your Committees on Agriculture and Hawaiian Affairs and Energy and Environment, to which was referred S.B. No. 2467 entitled:

"A BILL FOR AN ACT RELATING TO LOANS TO ASSIST AGRICULTURAL AND AQUACULTURAL INDUSTRIES,"

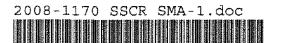
beg leave to report as follows:

The purpose of this measure is to establish a loan program to financially assist agriculture and aquaculture industries in the development of sustainable and renewable energy for their production site use.

Testimony in support of this measure was submitted by the Hawaii Farm Bureau Federation; Hawaii Aquaculture Association; Hawaiian Electric Company, Inc.; and Hamakua Springs Country Farms. The Department of Agriculture submitted testimony in support of the intent of the measure with recommendations for amendments.

Your Committees find that agriculture and aquaculture are essential industries for the State and that their long term sustainability is vital for the security and well being of the State. The development of renewable and sustainable energy is essential to the sustainability of the agriculture and aquaculture industries.

Agriculture and aquaculture production areas may have natural resources that are available for the production of on-site energy



production for use on the production facility. However, conventional financing at reasonable rates and terms may not be available for these types of projects.

The Legislature finds that the State should initiate a loan program to assist the agriculture and aquaculture industries in developing sustainable and renewable energy projects for use on their production sites.

Accordingly, your Committees have amended this measure by creating new classes of loans for farm and aquaculture sustainable projects to include such things as food safety and traceability issues.

Your Committees further note that while the Department of Agriculture believes that there are sufficient funds in the current loan programs to support the new classes of loans, that if it is determined that this is not the case, then the Department of Agriculture should report back to the Legislature and request that additional funds be appropriated for purposes of this measure.

As affirmed by the records of votes of the members of your Committees on Agriculture and Hawaiian Affairs and Energy and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2467, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2467, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Agriculture and Hawaiian Affairs and Energy and Environment,

RON MENOR, Chair

JILL/TOKUDA, Chair

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The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Agriculture and Hawaiian Affairs AHW

Bill / Resolution No.:*	Committee Referral: Date:							
SB2467 Attaltete, WAY 5 Feb 2008								
The committee is reconsidering its previous decision on this measure.								
If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Necommit 2312 Pass, with amendments Hold Recommit 2310 2313								
Members		Aye	Aye (WR)	Nay	Excused			
TOKUDA, JIII N. (C)		V .						
ENGLISH, J. Kalani (VC)		V						
GABBARD, Mike		V			/			
HEE, Clayton		V			W/ 142			
KOKUBUN, Russell S.		$\sqrt{}$			1610			
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Recommendation: Adopted Not Adopted								
Chair's or Designee's Signature: Ladami Englock								
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^{*}Only one measure per Record of Votes

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Energy and Environment ENE

Bill / Resolution No.:* SB 2467	Committee Referral: Date: AHWENE, WAM 2/5/08							
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			
MENOR, Ron (C)		V,						
HOOSER, Gary L. (VC)		<i></i>						
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TOTAL		5						
Recommendation:	Recommendation: Adopted Not Adopted							
Chair's or Designee's Signature:								
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency								

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