SHAN S. TSUTSUI Lt. Governor



SCOTT E. ENRIGHT Chairperson, Board of Agriculture

PHYLLIS SHIMABUKURO-GEISER Deputy to the Chairperson

State of Hawaii DEPARTMENT OF AGRICULTURE 1428 South King Street Honolulu, Hawaii 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613

TESTIMONY OF SCOTT E. ENRIGHT CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEE ON WAYS & MEANS

MARCH 30, 2017 1:40 P.M. CONFERENCE ROOM 211

HOUSE BILL NO. 632 HD1 SD1 RELATING TO WATER INFRASTRUCTURE LOANS.

Chairpersons Tokuda and Members of the Committee:

Thank you for the opportunity to testify on House Bill 632 HD1 SD1, which broadens the Water Infrastructure Loan Program. The Department supports this bill.

This bill broadens the water infrastructure loan program to allow funding of water utilities. The bill also amends the definition of water infrastructure equipment, water infrastructure loans and loan program to include water tanks.

Water is a vital resource for the state, its citizens and the agricultural industry. The water infrastructure loan program will provide funding to help ensure efficient use and management of private and public water resources. Expansion of the program will allow it to assist more entities and help to keep water rates affordable for water utility customers.

Thank you for the opportunity to testify on this measure.



BOARD OF WATER SUPPLY

CITY AND COUNTY OF HONOLULU 630 SOUTH BERETANIA STREET HONOLULU, HI 96843 www.boardofwatersupply.com



March 30, 2017

KIRK CALDWELL, MAYOR

BRYAN P. ANDAYA, Chair ADAM C. WONG, Vice Chair DAVID C. HULIHEE KAPUA SPROAT KAY C. MATSUI

ROSS S. SASAMURA, Ex-Officio FORD N. FUCHIGAMI, Ex-Officio

ERNEST Y. W. LAU, P.E. Manager and Chief Engineer

ELLEN E. KITAMURA, P.E. Deputy Manager and Chief Engineer

The Honorable Jill N. Tokuda, Chair and Members Committee on Ways and Means State Senate Hawaii State Capitol, Room 207 Honolulu, Hawaii 96813

Dear Chair Tokuda and Members:

Subject: House Bill 632, HD1, SD1 Relating to Water Infrastructure Loans

The Board of Water Supply (BWS) strongly supports House Bill 632, HD1, SD1. This measure expands the Water Infrastructure Loan Program, administered by the Department of Agriculture, to include loans made to water utilities and amends various corresponding definitions to include water tanks. House Bill 632, HD1, SD1 will provide BWS with an additional option to finance waterworks projects. The savings realized from lower interest rates will ultimately help keep water rates affordable for BWS customers.

Thank you for your consideration of our written testimony on House Bill 632, HD1, SD1.

Very truly yours,

ERNEST X.W. LAU, P.E.



Email: communications@ulupono.com

SENATE COMMITTEE ON WAYS & MEANS Thursday, March 30, 2017 — 1:40 p.m. — Room 211

Ulupono Initiative <u>Strongly Supports</u> HB 632 HD 1 SD 1, Relating to Water Infrastructure Loans

Dear Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committees:

My name is Kyle Datta and I am General Partner of Ulupono Initiative, a Hawai'i-based impact investment firm that strives to improve the quality of life for the people of Hawai'i by working toward solutions that create more locally produced food; increase affordable, clean, renewable energy; and reduce waste. Ulupono believes that self-sufficiency is essential to our future prosperity and will help shape a future where economic progress and mission-focused impact can work hand in hand.

Ulupono <u>strongly supports</u> **HB 632 HD 1 SD 1**, which allows loans to water utilities, because it aligns with our goal of creating more locally produced food.

Hawai'i's agricultural industry relies on a constant supply of water, but in times of drought, farmers and ranchers often struggle to keep their businesses alive. In recent years, the state has suffered through severe drought conditions including a two to three decade downward trend in rainfall, which heavily impacts our local agricultural communities. As droughts are increasing, it becomes more important for managers of water to have the financing ability to develop water infrastructure to protect our island's most valuable natural resource.

As Hawai'i's local food issues become more complex and challenging, organizations need additional resources and support to address and overcome them. We appreciate this committee's efforts to look at policies that support local food production.

We believe that by collaborating, we can help produce more local food and support an economically robust homegrown agriculture industry, which strengthens our community with fresh, healthy food. Thank you for this opportunity to testify.

Respectfully,

Kyle Datta General Partner

Investing in a Sustainable Hawaiʻi