STAND. COM. REP. NO. 5

Honolulu, Hawaii FEB 0 4 2021 RE: S.B. No. 336

Honorable Ronald D. Kouchi President of the Senate Thirty-First State Legislature Regular Session of 2021 State of Hawaii

Sir:

Your Committee on Agriculture and Environment, to which was referred S.B. No. 336 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to authorize the Chairperson of the Board of Agriculture to approve agricultural and aquacultural loans in a requested amount not to exceed \$50,000, rather than \$25,000.

Your Committee received testimony in support of this measure from the Department of Agriculture, Hawai'i Farm Bureau, Ulupono Initiative LLC, and one individual.

Your Committee finds that under existing law the Chairperson of the Board of Agriculture may approve agricultural loans up to \$25,000. The Chairperson's approval authority of \$25,000 has not increased since it was originally authorized in 1982. Since that time, the costs and speed of business have increased significantly.

Your Committee further finds that access to agricultural loan resources in a timely and streamlined manner benefits local farmers and researchers. In calendar year 2020, forty percent of loans approved were for \$25,000 and sixty percent of the loans approved were for amounts less than \$25,000, indicating an intense need for faster small loan approval decisions. This measure will



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expedite the approval of small loans for farmers and ranchers by increasing the loan ceiling to \$50,000 to allow for more funds to be dispersed via fewer loans, which reduced overall costs and time expended by the Department of Agriculture.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 336 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

> Respectfully submitted on behalf of the members of the Committee on Agriculture and Environment,

MIKE GABBARD, Chair



The Senate Thirty-First Legislature State of Hawai'i

Record of Votes Committee on Agriculture and Environment AEN

Bill / Resolution No.:*	Committee Referral:			Date:		
SB 336	AEN, WAM			02/01/2021		
The Committee is reconsidering its previous decision on this measure.						
The Recommendation is:						
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313						
Members		Ауе	Aye (WF	R)	Nay	Excused
GABBARD, Mike (C)		\checkmark				
NISHIHARA, Clarence K. (VC)		\checkmark				
ACASIO, Laura		\checkmark				
RHOADS, Karl		\checkmark				
FEVELLA, Kurt		\checkmark	<u> </u>			
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TOTAL		5				
Recommendation:						
Chairle or Destanoste Signatures						
Chair's or Designee's Signature:						
Distribution: Original Vellow Pink Goldenrod						
File with Committee Report Clerk's Office Drafting Agency Committee File Copy						

*Only <u>one</u> measure per Record of Votes