

Honolulu, Hawaii
, 2026

FEB 17

RE: H.B. No. 2216
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Madame:

Your Committee on Agriculture & Food Systems, to which was referred H.B. No. 2216 entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Authorize the Department of Agriculture and Biosecurity to package and sell a portion of its loan portfolio to permitted third parties; and
- (2) Increase the expenditure ceiling for the Agricultural Loan Revolving Fund by appropriating funds of the Revolving Fund.

Your Committee received testimony in support of this measure from the Department of Agriculture and Biosecurity; Ulupono Initiative; Hawai'i Farm Bureau; and three individuals.

Your Committee finds that the amendments to the State's agricultural loan program made by Act 69, Session Laws of Hawaii 2025 (Act 69) were well received by Hawaii's agricultural community and created a strong demand for agricultural loans. Your Committee recognizes that the current expenditure ceiling for the Agricultural Loan Program is insufficient to meet the existing



loan demands, which hinders farmers' ability to start, expand, or improve their agricultural operations. Your Committee finds it necessary to increase the expenditure ceiling of the Agricultural Loan Revolving Fund to accommodate additional loans for qualifying farmers. Your Committee further finds that the option of selling a portion of the agricultural loan portfolio will bring in new capital for the Agricultural Loan Revolving Fund without the need for additional general funds.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 3000, to encourage further discussion; 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 Agriculture & Food Systems that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2216, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2216, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Agriculture & Food
Systems,



CORY CHUN, Chair



