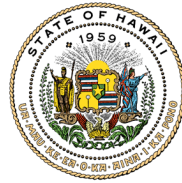


JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



SHARON HURD
Chairperson
Board of Agriculture & Biosecurity

DEAN M. MATSUKAWA
Deputy to the Chairperson

State of Hawai'i
DEPARTMENT OF AGRICULTURE & BIOSECURITY
KA 'OIHANA MAHI'AI A KIA'I MEAOLA
1428 South King Street
Honolulu, Hawai'i 96814-2512
Phone: (808) 973-9560 FAX: (808) 973-9613

**TESTIMONY OF SHARON HURD
CHAIRPERSON, BOARD OF AGRICULTURE AND BIOSECURITY**

BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS

**THURSDAY, APRIL 9, 2026
10:55 AM**

CONFERENCE ROOM 211 & VIDEOCONFERENCE

**HOUSE BILL NO. 2216 HOUSE DRAFT 2, SENATE DRAFT 1
RELATING TO THE AGRICULTURAL LOANS**

Chair Dela Cruz, Vice Chair Moriwaki and Members of the Committee:

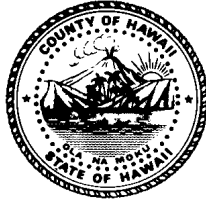
Thank you for the opportunity to testify on House Bill No. 2216, House Draft 2, Senate Draft 1. The bill authorizes the Department of Agriculture and Biosecurity (DAB) to package and sell a portion of its loan portfolio to permitted third parties with proceeds deposited into the agricultural loan revolving fund. Appropriates funds out of the agricultural loan revolving fund to increase its expenditure ceiling to \$10 million. The Department strongly supports the bill.

Act 69, Session Laws of Hawaii 2025 revitalized the agricultural loan program and created strong demand for agricultural loans. The current budgetary ceiling limit of \$5.0 million for the agricultural loan program is proving insufficient to meet current loan demand and hinders farmers' ability to start, expand, or improve their agricultural operations. The option of selling a portion of the loan portfolio will bring in new capital without the need for additional general funds and makes economic sense.

The Act also allowed the agricultural loan program to offer lines of credit to farmers and ranchers. The program is currently finalizing its rules for lines of credit, and it anticipates increased demand for funds as these lines of credit are issued. Affordable credit is a key component to agricultural development in the state and the proposed increase in the expenditure ceiling will allow the program to provide adequate financing to support Hawaii's agricultural producers.

Thank you for the opportunity to testify.

C. Kimo Alameda, Ph.D.
Mayor



Benson Medina
Director

Dennis Lin
Deputy Director

County of Hawai'i

DEPARTMENT OF RESEARCH AND DEVELOPMENT

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April 8, 2026
HEARING BEFORE THE
COMMITTEE ON WAYS AND MEANS

THURSDAY, April 9, 2026
10:55 AM
CONFERENCE ROOM 211

TESTIMONY ON HB 2216 HD2 SD1: Relating to Agricultural Loans

Aloha Chair Dela Cruz, Vice Chair Moriwaki and Members of the Committee,

I am Benson Medina, Director of the Department of Research and Development, County of Hawai'i. One of the agricultural objectives of this department is to support collaboration, innovation, resource development, and programmatic sustainability throughout the food system to reduce food waste, improve producer viability and resilience, develop workforce development pathways, or increase access to locally produced food among low-income residents.

The County of Hawai'i provides written testimony in **SUPPORT of HB2216 HD2 SD1**, which authorizes the Department of Agriculture and Biosecurity to package and sell a portion of its agricultural loan portfolio to permitted third parties, and appropriates funds out of the Agricultural Loans Revolving Fund to increase its expenditure ceiling.

We support the increase in the Agricultural Loan Revolving Fund's expenditure ceiling. Access to capital is one of the top five issues restricting economic viability for Hawai'i farmers (HDOA, 2024). Farmers' most frequently identified solution for accessing capital is low-interest loans or grants (Hawaii Farmer Needs Assessment, 2018). The loan program modifications in Act 69 (2025) offer higher loan limits and favorable interest rates to encourage farmers and ranchers to expand their current operations. The increase to the Agricultural Loan Revolving Fund proposed in HB2216 HD2 SD1 will help more producers access these modified loan programs to expand operations and assist the state in becoming more self-sufficient in food production.

Thank you for the opportunity to provide testimony in **SUPPORT of HB2216 HD2 SD1**.

Respectfully,

A handwritten signature in black ink, appearing to read "B Medina".

Benson Medina
Director



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April 9, 2026

HEARING BEFORE THE
SENATE COMMITTEE ON WAYS AND MEANS

TESTIMONY ON HB 2216, HD2, SD1
RELATING TO AGRICULTURAL LOANS

Conference Room 211 & Videoconference
10:55 AM

Aloha Chair Dela Cruz, Vice-Chair Moriwaki, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate, and advance the social, economic, and educational interests of our diverse agricultural community.

The Hawai'i Farm Bureau supports HB 2216, HD2, SD1, which expands lending capacity within the Department of Agriculture and Biosecurity's Agricultural Loan Division by authorizing the sale of a portion of its loan portfolio and increasing the expenditure ceiling of the agricultural loan revolving fund.

Access to affordable capital remains one of the most significant challenges facing farmers and ranchers in Hawai'i. While Act 69 of 2025 expanded access to agricultural loans at favorable interest rates, demand has quickly exceeded available funding. As noted in the bill's findings, within a short period, the Agricultural Loan Division approved nearly \$5,000,000 in loans and received additional unfunded applications that were placed on hold due to the revolving fund's annual ceiling. This underscores the strong need for expanded financing options for agricultural producers.

This need has become even more urgent in light of the recent Kona Low storms that have caused an estimated \$40 million in losses and damage to Hawai'i's agricultural sector. Farmers and ranchers across the State are facing crop losses, infrastructure damage, and significant recovery costs. Access to timely and affordable financing is critical for producers to recover, rebuild, and continue operations.

HB 2216, HD2, SD1 provides a practical, fiscally responsible approach to increasing lending capacity by allowing the Agricultural Loan Division to reinvest proceeds from the sale of a portion of its existing loan portfolio into the revolving fund. This approach

leverages existing assets to meet demand without reducing oversight or changing eligibility standards.

Strengthening access to agricultural financing is essential not only for day-to-day operations, but also for disaster recovery, risk management, and long-term resilience. Ensuring that farmers have the tools to respond to events like the Kona Lows will help stabilize local food production and support Hawai'i's broader food security goals.

SB 2216, HD2, SD1 represents a timely and important step toward ensuring that State agricultural loan programs can continue to meet demand and support the viability of agriculture across Hawai'i.

Thank you for the opportunity to provide testimony.

HB-2216-SD-1

Submitted on: 4/7/2026 7:51:57 PM

Testimony for WAM on 4/9/2026 10:55:00 AM

Submitted By	Organization	Testifier Position	Testify
Glen Kagamida	Individual	Support	Written Testimony Only

Comments:

STRONG SUPPORT!!!

Will be a great help to our local farmers.

Mahalo!