

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

BEFORE THE HOUSE COMMITTEE ON AGRICULTURE AND FOOD SYSTEMS

**WEDNESDAY, FEBRUARY 11, 2026
9:30 AM
CONFERENCE ROOM 325 & VIDEOCONFERENCE**

**HOUSE BILL NO. 2216
RELATING TO THE AGRICULTURAL LOANS**

Chair Chun, Vice Chair Kusch and Members of the Committee:

Thank you for the opportunity to testify on House Bill No. 2216. 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.



Email: communications@ulupono.com

HOUSE COMMITTEE ON AGRICULTURE AND FOOD SYSTEMS
Wednesday, February 11, 2026 — 9:30 a.m.

Ulupono Initiative supports HB 2216, Relating to Agricultural Loans.

Dear Chair Chun and Members of the Committee:

My name is Micah Munekata, and I am the Vice President of Government Affairs at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve the quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food, renewable energy and clean transportation choices, and better management of freshwater resources.

Ulupono supports HB 2216, 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.

Local farmers and ranchers have faced many challenges in recent years, from pandemic-related market disruptions to inflation to rising operational costs. To help agricultural businesses survive and grow, we support expanding access to financing as proposed in this bill.

Following the enactment of Act 69 in 2025, demand has far exceeded available funding. Within just two months, the Agricultural Loan Division approved \$5 million in loans but received an additional \$10 million in applications that could not be funded due to the existing annual ceiling. This backlog has left many qualified farmers unable to access needed capital.

By raising the fund ceiling and unlocking capital that is currently tied up in the existing loan portfolio, this bill will help more farmers scale up operations, adopt new technologies, and compete more effectively with imported products — strengthening Hawai'i's food security and advancing our goals for a more self-sufficient agricultural economy.

Thank you for the opportunity to testify.

Respectfully,

Micah Munekata
Vice President of Government Affairs

Investing in a Sustainable Hawai'i



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February 11, 2026

HEARING BEFORE THE
HOUSE COMMITTEE ON AGRICULTURE & FOOD SYSTEMS

TESTIMONY ON HB 2216
RELATING TO AGRICULTURAL LOANS

Conference Room 325 & Videoconference
9:30 AM

Aloha Chair Chun, Vice-Chair Kusch, 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, 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.

HB 2216 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.

We support efforts that strengthen the State's agricultural financing programs and help farmers and ranchers invest in land preparation, equipment, infrastructure, diversification, and long-term productivity. Reliable access to capital is essential not only to sustain existing operations but also to grow Hawai'i's agricultural sector, support new and

beginning farmers, and advance broader goals such as increasing local food production and strengthening food system resilience.

HB 2216 represents an 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

Submitted on: 2/9/2026 11:54:21 AM

Testimony for AGR on 2/11/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Richard "Buddy" Nichols	Individual	Support	Written Testimony Only

Comments:

I would like to support HB2216.

The Department of Agriculture and Biosecurity has an excellent agriculture loan program that allows a very large variety of farmers and their organizations access to capital. All other local lending institutions who lend capital to farmers (limited number) do not allow this flexibility and limit our farmers to capital.

Capital is critical to making our islands more sustainable and food sufficient. As we look at bringing more local fresh food into our homes and schools, it is impairitive that we provide the resources. We presently have and will continue to have more demand for fresh local food than supply. When I was Agriculture Loan Administrator for the Hawaii Department of Agriculture and Biosecurity this summer, I saw the present ceiling of \$5M of capital loans approved in the first 2 months of 2026 with an additional \$10M of applications moved to the waiting list for 2027.

By allowing the Department to sell its loan on the secondary market, more available capital can be acquired to increase production and meet the demand for the future without utilizing any additional tax revenue from our citizens. These loans can be sold at least 6.5 times thus convertng a \$20M loan pool into a \$130M pool. We also found from analyzing our farmers' financial records, that every \$1 of capital generates \$3.5 of revenue to the farm and thus the community. This \$130M pool has the potential of adding over \$450M into our local economies without any additional tax burden.

Thank you for supporting our food supply and this HB2216.

Buddy Nichols

HB-2216

Submitted on: 2/9/2026 3:06:54 PM

Testimony for AGR on 2/11/2026 9:30:00 AM

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

Comments:

SUPPORT

HB-2216

Submitted on: 2/10/2026 9:02:02 AM

Testimony for AGR on 2/11/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Megan Blazak	Individual	Support	Written Testimony Only

Comments:

Honorable Chair Chun, Vice Chair Kusch, and Members of the Committee,

As a constituent of House District 2, I write in strong support of HB 2216 and urge the Committee to pass the measure. Mahalo.