

ACT 189

S.B. NO. 2005-78

A Bill for an Act Relating to Farm Loans.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Act 19, Special Session Laws of Hawaii 1977, is amended by adding a new section to read as follows:

“SECTION 3.5 There is appropriated out of the general revenues of the State of Hawaii the sum of \$750,000, or so much thereof as may be necessary, for the purposes of making farm loans to independent sugar growers as provided in section 2 of this Act. The sum appropriated shall be expended by the department

of agriculture for the purposes of this Act. All sums appropriated under this section which are not expended or encumbered twenty-four months after the effective date of this Act shall lapse."

SECTION 2. Act 19, Special Session Laws of Hawaii 1977, is amended by amending section 2 to read as follows:

"SECTION 2. In addition to any loans under Section 1 of this Act the department of agriculture shall make loans to independent sugar growers as provided in this Section. As used in this section, "independent sugar grower" means a grower of raw sugar, testing 96 sugar degrees by the polariscope, determined in accordance with regulations of the United States Department of Agriculture; provided that this term shall not include any producer of sugar, other than as a member of a processing cooperative, who processes his own sugar cane; provided further that as to the grower, sugar production shall not exceed 3,000 tons per year.

The department of agriculture shall make loans to independent sugar growers under this section at an interest rate not to exceed two per cent per year for which no collateral shall be required and there shall be no limit on the amount of a loan to the independent sugar growers as defined herein. The loans shall be made to independent sugar growers upon such terms as provided by rules adopted by the department of agriculture under chapter 91, Hawaii Revised Statutes. The loans shall be administered by the farm loan division of the department of agriculture. In making such loans the department of agriculture shall follow the intent of the legislature that loans made under this section are to assist independent sugar growers with supplemental direct loans to cover deficits through this time period in which there are insufficient national protections concerning sugar importation. The term deficit as used herein shall include (1) any shortages for repayment of loans made by commercial lending institutions for crop production expenses which shall be repaid from revenues of sugar crop harvest and (2) that portion of the total loan required for production expenses, but which amount is not available from commercial lending institutions without requiring collateral other than the crop itself, for crop plantings over the next 24 months. Loans shall be made under this section from appropriations in section 3 of this Act for a period of not more than twenty-four months after July 5, 1977. Loans shall be made under this section from appropriations in section 3.5 of this Act for a period of not more than twenty-four months after the effective date of this Act."

SECTION 3. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material, or the underscoring.*

SECTION 4. This Act shall take effect upon its approval.

(Approved June 3, 1978.)

*Edited accordingly.