

Honolulu, Hawaii

MAR 24 2006

RE: H.B. No. 3067
H.D. 2
S.D. 1

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committees on Commerce, Consumer Protection, and Housing and Water, Land, and Agriculture, to which was referred H.B. No. 3067, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO STATE FUNDS,"

beg leave to report as follows:

The purpose of this measure is to establish, and authorize the State to invest in, linked investments to provide loan funds for agriculture. The measure contains an effective date of July 1, 2020, for purposes of further discussion.

Testimony in support of the intent of the measure was submitted by the Department of Agriculture. The Department of Budget and Finance expressed concerns and requested two amendments to the measure.

Your Committees find that this measure will expand the amount of affordable loan funds for agriculture by allowing private lending institutions to provide operating loan funds at favorable rates to agricultural enterprises that would not otherwise qualify for loans from the Department of Agriculture.

Your Committees have amended the measure to:

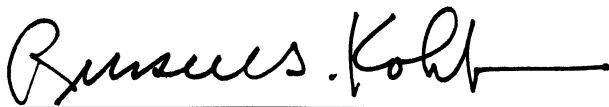
- (1) Prohibit state liability for payment of an outstanding loan;



- (2) Prevent investment of state funds at below-market yields;
- (3) Provide a definition of real property for purposes of the measure;
- (4) Require that viability of an agricultural business plan be determined by the Agribusiness Development Corporation; and
- (5) Make technical, nonsubstantive amendments for clarity and style.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Housing and Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 3067, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 3067, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Commerce,
Consumer Protection, and
Housing and Water, Land, and
Agriculture,



RUSSELL S. KOKUBUN, Chair

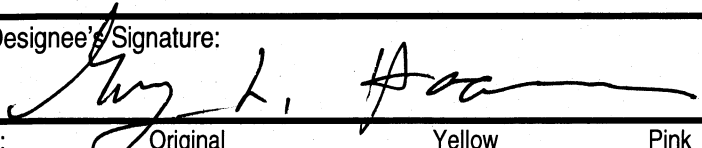


RON MENOR, Chair



The Senate
Twenty-Third Legislature
State of Hawaii

Record of Votes of the
Committee on Water, Land and Agriculture
(Bills and Resolutions)

Measure:* HB 3067 HD2	Committee Referral: CPH/WLA, WAM	Date: 3/21/06		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is to: <input type="checkbox"/> Pass, unamended (2312) <input checked="" type="checkbox"/> Pass, with amendments (2311) <input type="checkbox"/> Hold (2310) <input type="checkbox"/> Recommit (2313)				
Members	Ayes	Ayes(WR)	Nays	Excused
KOKUBUN, Russell S. (C)	✓			
HOOSER, Gary L. (VC)	✓			
ENGLISH, J. Kalani				✓
FUKUNAGA, Carol				✓
HEMMINGS, Fred	✓			
TOTAL	3			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Do not list more than one measure per Record of Votes.