

JAN 24 2007

A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF AGRICULTURE LOANS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 155-4, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§155-4 Powers and duties of the department.** The
4 department of agriculture shall have the following powers:

5 (1) Employ a secretary, who may be exempt from chapter 76,
6 and other full-time and part-time employees, subject
7 to chapter 76, as are necessary to effectuate the
8 purposes of this chapter, subject further to the
9 limitation of funds in the agricultural loan reserve
10 fund;

11 (2) Designate agents throughout the State as may be
12 necessary for property appraisal, the consideration of
13 loan applications, and the supervision of farming
14 operations of borrowers. The agents may be
15 compensated for their services at rates the department
16 in its discretion may fix;



- 1 (3) Initiate and carry on a continuing research and
2 education program, utilizing and coordinating the
3 services and facilities of other government agencies
4 and private lenders to the maximum, to inform
5 qualified farmers concerning procedures for obtaining
6 loans and to inform private lenders concerning the
7 advantages of making loans to qualified farmers;
- 8 (4) Cooperate with private and federal government farm
9 loan sources to increase the amount of loan funds
10 available to qualified farmers in the State;
- 11 (5) Assist individual qualified farmers in obtaining loans
12 from other sources. Insofar as available funds and
13 staff permit, counsel and assist individual farmers in
14 establishing and maintaining proper records to prove
15 their farming ability for loan purposes;
- 16 (6) Insure loans made to qualified farmers and food
17 manufacturers by private lenders under section 155-5;
- 18 (7) Participate in loans made to qualified farmers and
19 food manufacturers by private lenders under section
20 155-6;
- 21 (8) Make direct loans to qualified farmers and food
22 manufacturers under section 155-8;



- 1 (9) Borrow money for loan purposes;
- 2 (10) Assign and sell mortgages;
- 3 (11) Hold title to, maintain, use, manage, operate, sell,
- 4 lease, or otherwise dispose of personal and real
- 5 property acquired by way of foreclosure, voluntary
- 6 surrender, or otherwise, to recover moneys loaned;
- 7 (12) Sue and be sued in the name of the "State of Hawaii";
- 8 (13) Exercise incidental powers as are deemed necessary or
- 9 requisite to fulfill its duty in carrying out the
- 10 purposes of this chapter;
- 11 (14) Delegate authority to its chairperson to approve
- 12 loans, where the requested amount plus any principal
- 13 balance on existing loans to the applicant, does not
- 14 exceed [~~\$25,000~~] \$50,000 of state funds; and
- 15 (15) Adopt rules pursuant to chapter 91 necessary for the
- 16 purpose of this chapter."

17 SECTION 2. Section 219-5, Hawaii Revised Statutes, is
18 amended by amending subsection (b) to read as follows:

19 "(b) The chairperson may approve loans, where the
20 requested amount[7] plus any principal balance on existing loans
21 to the applicant, does not exceed [~~\$25,000~~] \$50,000 of state
22 funds."

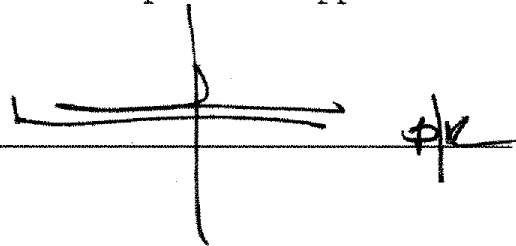


1 SECTION 3. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

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

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INTRODUCED BY:

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Report Title:

Ag Loans; Approval

Description:

Increases from \$25,000 to \$50,000 the chairperson's authority to approve agricultural loans and aquacultural loans.

