

STAND. COM. REP. NO. 1350

Honolulu, Hawaii

March 22, 2007

RE: S.B. No. 1308

S.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Agriculture, to which was referred S.B. No. 1308, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LOANS FOR AGRICULTURAL AND
AQUACULTURE PURPOSES,"

begs leave to report as follows:

The purpose of this bill is to improve efforts to assist aquacultural businesses and streamline the aquaculture loan program by, among other things:

- (1) Establishing class E loans for new aquaculturists;
- (2) Raising the loan ceilings on class A and class B aquaculture loans to \$800,000;
- (3) Conforming aquaculture loan program requirements more closely to those of the agriculture loan program by allowing a qualified aquaculturalist to obtain a loan under the program if two, instead of three, lenders deny credit;
- (4) Repealing the Aquaculture Loan Revolving Fund and making the Agricultural Loan Revolving Fund the funding source for aquacultural loans; and

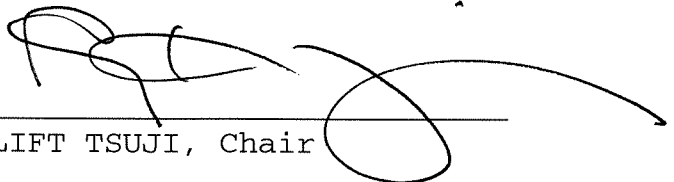


- (5) Requiring the Director of Finance to increase the budget expenditure ceiling of the Agricultural Loan Revolving Fund by the amount of the budget expenditure ceiling of the Aquaculture Loan Revolving Fund.

The Department of Agriculture, Hawaii Farm Bureau Federation, Hawaii Agriculture Research Center, Hawaii Aquaculture Association, and a concerned individual supported this bill.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1308, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Agriculture,



CLIFT TSUJI, Chair



