

**SB 2467**



State of Hawaii  
DEPARTMENT OF AGRICULTURE  
1428 South King Street  
Honolulu, Hawaii 96814-2512

TESTIMONY OF SANDRA LEE KUNIMOTO  
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEES ON AGRICULTURE AND HAWAIIAN AFFAIRS  
AND ENERGY AND ENVIRONMENT

FEBRUARY 5, 2008  
2:00 P.M.  
SENATE BILL NO. 2467  
RELATING TO LOANS TO ASSIST  
AGRICULTURAL AND AQUACULTURAL INDUSTRIES

Chairpersons Tokuda and Menor and Members of the Committees:

Thank you for the opportunity to comment on Senate Bill 2467. The bill's intent is to create a loan program for renewable sustainable energy projects for farmers and aquaculturists. The department supports the intent of the bill but would recommend that the renewable energy loan program be incorporated into the existing statutes as a new class of loans under the agricultural and aquacultural loan programs. This would eliminate the need to create a new revolving fund with the accompanying appropriation and the need to develop rules and procedures allowing faster implementation.

In addition, we recommend that the definition be expanded to include all sustainable projects such as food safety and traceability issues which may keep the operation sustainable but may not add directly to the operation's profitability. In order to market their products, farmers need to comply with increased government regulations. Market demands for certified products have been increasing. The amendment to include these types of projects will help to make the operation more sustainable.

Attached is the proposed SB2467 which includes the recommendations.

**HAWAII FARM BUREAU FEDERATION  
2343 ROSE STREET  
HONOLULU, HI 96819**

FEBRUARY 5, 2008

HEARING BEFORE THE  
SENATE COMMITTEE ON AGRICULTURE AND HAWAIIAN AFFAIRS  
&  
SENATE COMMITTEE ON ENERGY AND ENVIRONMENT

TESTIMONY ON SB 2467  
RELATING TO LOANS TO ASSIST AGRICULTURAL AND  
AQUACULTURAL INDUSTRIES.

Chair Tokuda and Menor and Members of the Committee:


My name is Alan Takemoto, Executive Director, of the Hawaii Farm Bureau Federation, which is the largest non-profit general agriculture organization representing approximately 1,600 farm and ranch family members statewide.

The Hawaii Farm Bureau Federation supports SB 2467, which establishes the Hawaii farm renewable sustainable energy loan program to provide financial assistance for the development of sustainable energy by farmers and aquaculturalists.

The intent of this measure was to broaden the qualifications of the current ag loan program and increase the dollar amount of loans needed to develop alternative energy type farm operations. Farms, or agricultural lands, offer the natural resources and land to best pursue alternative energy farm production. Some farmers have access to the natural resources on their land that can produce energy for the farm so that they can be either self contained and/or less dependent on county power and, therefore reduce their power expenses. However, these farmers lack the financial assistance to carry out this innovative program that will allow farmers to further diversify their operations.

Offering this ag loan program will have an impact on reducing Hawaii's reliance on fossil fuels, reduce farm productions costs, and create new business opportunities for farmers interested in alternative energy production.

Thank you for allowing us to testify on this measure.



# **Hawaii Aquaculture Association**

To:

THE SENATE  
THE TWENTY-FOURTH LEGISLATURE  
REGULAR SESSION OF 2008

COMMITTEE ON AGRICULTURE AND HAWAIIAN AFFAIRS  
Senator Jill N. Tokuda, Chair  
Senator J. Kalani English, Vice Chair

COMMITTEE ON ENERGY AND ENVIRONMENT  
Senator Ron Menor, Chair  
Senator Gary L. Hooser, Vice Chair

## HEARING

DATE: Tuesday, February 5, 2008  
TIME: 2:00pm  
PLACE: Conference Room 414, State Capitol  
415 South Beretania St

From: Ron Weidenbach, President, Hawaii Aquaculture Association  
Phone: 429-3147, Email: hawaiiifish@gmail.com

Re: **SB 2467 Relating to loans to assist agricultural and aquacultural industries**

Chairs Tokuda and Menor, Vice-Chairs English and Hooser, and Members of the Committees:

The Hawaii Aquaculture Association (HAA) strongly supports Senate Bill 2467, which establishes the Hawaii farm renewable sustainable energy loan program to provide financial assistance for the development of sustainable energy by farmers and aquaculturists.

Aquaculture is one of the fastest growing segments of diversified agriculture in the State, reaching \$21.3M in wholesale product value in 2006. However, this industry is largely comprised of family farm operations that often struggle to make ends meet. Developing sustainable and renewable energy projects is in the best interest of long term sustainability for both the industry and state, but such ventures will be nearly impossible for aquaculturists without financial support. Eligibility to apply for loans specific to energy projects as well as non-energy related loans allows our aquaculturists to utilize their natural resources and develop new products and processes vital to their continued success.

HAA strongly supports this bill, and encourages the committee to vote for it so that the Hawaii aquaculture industry can continue to expand and contribute increasingly to Hawaii's economy. Thank you for the opportunity to testify.