

Arlina Agbayani

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, January 28, 2010 9:30 AM
To: AGRtestimony
Cc: raechele.a.joyo@hawaii.gov
Subject: Testimony for HB2293 on 1/29/2010 9:00:00 AM
Attachments: HB2293_AGR_01-29-10_AGR.pdf

Testimony for AGR 1/29/2010 9:00:00 AM HB2293

Conference room: 312
Testifier position:
Testifier will be present: No
Submitted by: Sandra Kunimoto
Organization: HDOA
Address:
Phone:
E-mail: raechele.a.joyo@hawaii.gov
Submitted on: 1/28/2010

Comments:

LINDA LINGLE
Governor



SANDRA LEE KUNIMOTO
Chairperson, Board of Agriculture

DUANE K. OKAMOTO
Deputy to the Chairperson

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 HOUSE COMMITTEE ON AGRICULTURE
FRIDAY, JANUARY 29, 2010
9:00 A.M.
ROOM 312

HOUSE BILL NO. 2293 ✓
RELATING TO DEPARTMENT OF AGRICULTURE

Chairperson Tsuji and Members of the Committee:

Thank you for the opportunity to comment on House Bill 2293. The department strongly opposes this bill, which creates an agricultural staffing special fund and eliminates the agricultural loan reserve fund. Funding for the agriculture staffing special fund would come from interest collections on agricultural loans and \$1 million or 50% of the principal collections from the revolving fund whichever is less.

A primary concern is that funds generated by one specific program are being used to fund personnel that may not be related or associated with that function. In essence it creates a tax on agricultural loan program borrowers.

Interest collection for the program averages \$765,228 annually and is not sufficient to support existing loan staff and expenses. The program is utilizing its balance in the reserve fund to cover its budget shortfalls. Due to the current poor economic environment, the Division anticipates difficulties in maintaining its interest collections which would create an even larger deficit. At this point the program would not be able to support additional staff.

Tesitmony of Sandra Lee Kunimoto
House Bill No. 2293
January 29, 2010

The revolving fund currently has \$5.8 million in available funds for loans. The program provides economic development in the State and approved 35 loans to farmers totaling \$4.8 million during the last fiscal year. The strong demand is the result of the tightening of credit by private lenders. Principal collections average \$2.5 million per year and taking away of \$1.0 million per year for the agriculture staffing fund will significantly impact the Division's ability to make loans and will deplete the fund.

The bill allows for payment of salaries from the proposed agriculture staffing fund, however, it does not address how the operational expenditures for the agricultural loan program, which is budgeted at \$334,659 annually, will be funded. In addition, it does not return funds to the agricultural loan reserve fund when it is re-enacted on June 30, 2015.

The proposed legislation will draw a total of \$11.25 million over the 5 year period from a loan portfolio that currently totals only \$18.4 million. The end result will be a program that is ineffective and which will no longer be sustainable leaving no support for the agricultural community.

Arlina Agbayani

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, January 28, 2010 1:00 PM
To: AGRtestimony
Cc: schun@hgea.org
Subject: Testimony for HB2293 on 1/29/2010 9:00:00 AM
Attachments: HB 2293 HGEA Testimony 1-29-10 House Agriculture.pdf

Testimony for AGR 1/29/2010 9:00:00 AM HB2293 ✓

Conference room: 312
Testifier position: support
Testifier will be present: Yes
Submitted by: Sanford Chun
Organization: HGEA
Address: 888 Mililani Street Honolulu, HI 96813
Phone: 543-0070
E-mail: schun@hgea.org
Submitted on: 1/28/2010

Comments:



888 Miilani Street, Suite 601
Honolulu, Hawaii 96813-2991

Telephone: 808.543.0000
Facsimile: 808.528.4059

www.hgea.org

The Twenty-Fifth Legislature, State of Hawaii
Hawaii House of Representatives

Committee on Agriculture

Testimony by
Hawaii Government Employees Association – HGEA/AFSCME, Local 152
January 29, 2010

HB 2293 – RELATING TO THE DEPARTMENT OF AGRICULTURE

The Hawaii Government Employees' Association, AFSCME Local 152, AFL-CIO supports the purpose and intent of HB 2293.

We generally support the creation and funding of a new Department of Agriculture staffing special fund with the proceeds being used to pay salary and fringe benefit costs of departmental personnel.

It is our understanding that this measure provides an opportunity to use monies collected as fees and interest under the agricultural loan revolving fund as a funding source for personnel related costs. While it does not appear that this legislation will generate "new" revenue as written, we do agree that the support of personnel related costs is very important if the department intends to continue to provide essential services to the public.

Thank you for the opportunity to comment on HB 2293.

Respectfully submitted,

Nora A. Nomura
Deputy Executive Director

Arlina Agbayani

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, January 28, 2010 4:10 PM
To: AGRtestimony
Cc: mnakahata@gmail.com
Subject: Testimony for HB2293 on 1/29/2010 9:00:00 AM
Attachments: HB2293 ag loan special fund Agr.pdf

Testimony for AGR 1/29/2010 9:00:00 AM HB2293

Conference room: 312
Testifier position: support
Testifier will be present: Yes
Submitted by: Mae Nakahata for Luella Costales
Organization: HFBF
Address:
Phone: 808 2819716
E-mail: mnakahata@gmail.com
Submitted on: 1/28/2010

Comments:
Testifier will be Luella Costales



Hawaii Farm Bureau
F E D E R A T I O N

2343 Rose Street, Honolulu, HI 96819
Phone: (808) 848-2074; Neighbor Islands: 1-800-482-1272
Fax: (808) 848-1921; e-mail: info@hfbf.org

TESTIMONY

HB 2293 RELATING TO THE DEPARTMENT OF AGRICULTURE

Chair Tsuji and Members of the Committee:

Hawaii Farm Bureau Federation on behalf of our farmer and ranch families and organizations support HB 2293 requiring the deposit of a portion of the agricultural loan repayments into a special fund.

The industry has recognized the dire state of the State Budget. We believe that an evolution to a true fee for services structure will help ensure protection of public interests while continuing business in a timely manner.

We believe a long term evaluation of the State Ag Loan program is necessary. However, there are loans already in place that need to be serviced and so we see this as an interim solution.

HFBF strongly requests your support of this measure along with timely passage of rules and regulations so the measure can be implemented as soon as possible. If there are any questions, please contact Luella Costales at 848 2074. Thank you

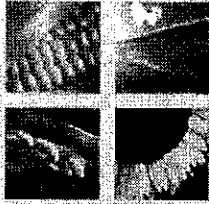
Arlina Agbayani

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, January 27, 2010 9:33 PM
To: AGRtestimony
Cc: admin@hciaonline.com
Subject: Testimony for HB2293 on 1/29/2010 9:00:00 AM
Attachments: HB2293_Agriculture_HseAGR.pdf

Testimony for AGR 1/29/2010 9:00:00 AM HB2293 ✓

Conference room: 312
Testifier position: support
Testifier will be present: Yes
Submitted by: Alicia Maluafiti
Organization: Hawaii Crop Improvement Association
Address: 91-1012 Kahi'uka Street Ewa Beach, HI 96706
Phone: (808) 224-3648
E-mail: admin@hciaonline.com
Submitted on: 1/27/2010

Comments:



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Alicia Maluafiti

Hawaii Crop Improvement Association

Growing the Future of Worldwide Agriculture in Hawaii

Testimony By: Alicia Maluafiti
HB 2293, Relating to the Department of Agriculture
The House Committee on Agriculture
Friday, January 29, 2010
Room 312, 9:00 am

Position: Support

Aloha Chair Tsuji, Vice Chair Wooley and members of the Committee:

My name is Alicia Maluafiti, Executive Director of the Hawaii Crop Improvement Association. HCIA is a nonprofit trade association representing the agricultural seed industry in Hawaii. Now the state's largest agricultural commodity, the seed industry contributes to the economic health and diversity of the islands by providing high quality jobs in rural communities, keeping important agricultural lands in agricultural use, and serving as responsible stewards of Hawaii's natural resources.

HCIA reiterates our continued support of providing the Dept. of Agriculture with fiscal alternatives that minimize their reliance on the general fund to sustain their department. HB 2293 provides the Department with another opportunity to continue its directive to support and promote the agricultural industry.

Mahalo for the opportunity to comment.

91-1012 Kaha'uka Street
Ewa Beach, HI 96706
Tel: (808) 224-3648
director@hciaonline.com
www.hciaonline.com

MONSANTO HAWAII
2104 Lauwiliwili Street, Suite 101k
Kapolei, Hawaii 96707

January 29, 2009

HEARING BEFORE THE
HOUSE COMMITTEE ON AGRICULTURE

TESTIMONY ON
HB 2293
RELATING TO THE DEPARTMENT OF AGRICULTURE.

Chair Tsuji and committee members:

My name is Alan Takemoto and I am the Community Affairs Manager for Monsanto.

We support HB 2293 which requires the deposit of a portion of the agricultural loan repayments into a new department of agriculture staffing special fund.

As part of the farming community, we want to support every effort to making the Hawaii Department of Agriculture capable of meeting the needs of all farmers and related organizations. We hope that by establishing a special fund specifically for the services rendered, the HDOA can provide the necessary services that are necessary to promote and expand Hawaii's agricultural industry.

Thank you for the opportunity to submit testimony.