

**HB 1248, HD1**



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

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March 16, 2011

**TESTIMONY**

**RE:HB1248HD1 RELATING TO AGRICULTURAL LOANS**

Chair Nishihara and Members of the Committee:

Hawaii Farm Bureau Federation on behalf of our commercial farm and ranch families and organizations across the State **STRONGLY SUPPORTS** HB1248HD1, making it easier for new farmers and ranchers to obtain loans.

Across the State, there are efforts to “preserve” agricultural lands. Farm Bureau’s initiative to designate Important Agricultural Lands is a form of preserving agricultural lands by having viable farms and ranches. One of the goals of the program is to have affordable farmland. However, this means there is less collateral to the bank so it mechanisms to provide greater access to financing will be important.

In addition, new famers and ranchers will probably not have significant other collateral. In the past, banks had agricultural loan officers cognizant about agriculture. Those days are gone. Sound business plans are important for the lender as well as the farmer or rancher. As this program is approved we urge the inclusion of a program whether it be the CTAHR business incubator program, providing assistance to these new farmers and ranchers to develop sound business plans that will allow them to repay the loans.

We respectfully request your support of this measure with an amendment addressing assistance with business plans and restoring the effective date to July 2011.

Thank you for this opportunity to provide our opinion on this important matter. If there are questions, please contact Warren Watanabe, Executive Director of MCFB at 2819718.

## nishihara5 - Randy

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Wednesday, March 16, 2011 2:48 PM  
**To:** AGL Testimony  
**Cc:** struwecharles8@gmail.com  
**Subject:** Testimony for HB1248 on 3/17/2011 2:55:00 PM

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Testimony for AGL 3/17/2011 2:55:00 PM HB1248

Conference room: 229  
Testifier position: support  
Testifier will be present: Yes  
Submitted by: Charles Struwe  
Organization: Individual  
Address:  
Phone:  
E-mail: [struwecharles8@gmail.com](mailto:struwecharles8@gmail.com)  
Submitted on: 3/16/2011

### Comments:

My name is Charles Michael Struwe. I am a graduate of the University of Hawaii at Manoa with a degree in business, majoring in marketing, and a new, part-time soilless gardener and farmer.

I support H.B. No. 1248, H.D. 1, A BILL FOR AN ACT RELATING TO AGRICULTURAL LOANS," because its purpose and intent is to reduce the requirement for credit denials required to qualify for the New Farmer Program from two to one, reduces the annual interest rate on Program loans, raises the ceiling on Program loans, and, most importantly, appropriates funds for the Program, and because the changes in the statutes included in the text of the bill will, in my view, achieve the stated purpose and intent.

With respect to the definition of the "New Farmer Program", Section 155-1, Hawaii Revised Statutes, I request that persons deemed qualified new farmers include those of us who have earned our degrees in business in addition to those who have earned their degrees in agriculture and that the requirement that part-time farmers have not less than two years' experience be reduced to not less than one year.

Also, I request that the bill be expanded to include "part-time farmers" and class "G" loans. Specifically, I request that:

(1) part-time farmer program loan applicants be exempted from the requirement of two credit denials and be required to provide only one, just as proposed for class "F" loans;

(2) the interest rate on class "G" loans be set at the same rate as that proposed for class "F" loans;

(3) the loan amount limit of class "G" loans, now \$25,000, be increased to a higher amount in the same proportion as that proposed for class "F" loans;

(4) an appropriation out of the agricultural loan revolving fund be made for the part-time farmer program; and

(5) class "G" loans require that "Borrowers shall comply with special term loan agreements as may be required by the department and shall take special training courses as the department deems necessary" just as currently required for class "F" loans.

Thank you for the opportunity to share my views and make these requests.

**nishihara5 - Randy**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Wednesday, March 16, 2011 9:59 PM  
**To:** AGL Testimony  
**Cc:** merway@hawaii.rr.com  
**Subject:** Testimony for HB1248 on 3/17/2011 2:55:00 PM

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Testimony for AGL 3/17/2011 2:55:00 PM HB1248

Conference room: 229  
Testifier position: support  
Testifier will be present: No  
Submitted by: Marjorie Erway  
Organization: Individual  
Address:  
Phone:  
E-mail: [merway@hawaii.rr.com](mailto:merway@hawaii.rr.com)  
Submitted on: 3/16/2011

LATE

**Comments:**

We need to support our local farmers to get on the land, if we truly want to be self-supportive eventually. Please support this bill.

**nishihara5 - Randy**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Wednesday, March 16, 2011 11:56 PM  
**To:** AGL Testimony  
**Cc:** abaalto@gmail.com  
**Subject:** Testimony for HB1248 on 3/17/2011 2:55:00 PM

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Testimony for AGL 3/17/2011 2:55:00 PM HB1248

LATE

Conference room: 229  
Testifier position: support  
Testifier will be present: No  
Submitted by: anthony aalto  
Organization: Individual  
Address:  
Phone:  
E-mail: [abaalto@gmail.com](mailto:abaalto@gmail.com)  
Submitted on: 3/16/2011

**Comments:**

Aloha Chair Nishihara and members of the committee, Thank you for the opportunity to testify. In the last 50 years the amount of food consumed in Hawai'i that is actually grown in the islands has dropped from more than 50% to less than 15%. Part of the reason is the difficulty farmers face in raising capital and financing new operations. This bill would address that problem and I respectfully urge you to support it.

Mahalo  
anthony aalto