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March 22, 2013

HEARING BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS

TESTIMONY ON HB 1264, HD2, SD1 RELATING TO AGRICULTURAL LOANS

Room 11 9:00 AM

Aloha Chair Ige, Vice Chair Kidani, and Members of the Committee:

I am Dean Okimoto, President of the Hawaii Farm Bureau Federation (HFBF). Organized since 1948, the HFBF is comprised of 1,950 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interest of our diverse agricultural community.

HFBF respectfully requests your support of HB 1264, HD2, SD1 which expands the Department of Agriculture Agricultural Loan Program to enhance the new farmer loan program and establishes a biosecurity loan program.

The cost of establishing new agricultural operations in Hawaii is very difficult if not impossible. Operating capital is not easy to obtain with the traditional methods of financing. As our farmers and ranchers are aging, we need to assist those that are able to successfully operate an agricultural operation such as college graduates or trainees that have graduated from a certified program. The loan program will help whether it is for new operations or the succession of an existing operation. Providing financing for innovative technologies is also critical as we must be efficient to remain competitive in a global market. We must be able to utilize and adapt the latest technological advances available to be viable. Supporting this modification of the loan program should have a positive effect in creating successful enterprises into Hawaii's future.

Thank you for this opportunity to provide our opinion on this important matter.



Email: communications@uluponoinitiative.com

SENATE COMMITTEE ON WAYS AND MEANS Friday, March 22, 2013 — 9 a.m. — Room 211

Ulupono Initiative Supports HB 1264 HD2 SD1, Relating to Agricultural Loans

Chair Ige, Vice Chair Kidani, and Members of the Committee:

My name is Kyle Datta and I am General Partner of the Ulupono Initiative, a Hawai'i-based impact investment firm that strives to improve the quality of life for the people of Hawai'i by working toward solutions that create more locally grown food, increase renewable energy, and reduce/recycle waste. Ulupono invests in projects that have the potential to create large-scale, innovative change.

Ulupono <u>supports</u> the amended HB 1264 HD2 SD 1 to include the contents of SB 992 SD2 and SB 993 SD2 to allow for agricultural loans to assist with infrastructure, implementation of new farming techniques and biosecurity measures that help protect livestock operations from the introduction of pests and diseases. These were changes proposed by the Department of Agriculture that mesh with our goals of supporting loans for livestock infrastructure and new farmers.

Installing biosecurity measures protects the health of poultry and livestock from diseases, pests, and pathogens by reducing their introduction into farm operations as well as limiting the spread of risk to other farms. These measures are increasingly being required by federal programs to ensure a safe food supply. While these measures help protect the farm and consumers, they often add costs without additional profits for the operation. To help install these vital measures, a low-interest biosecurity loan program is being proposed to assist the livestock industry.

Ulupono is happy to support this proposal as requested and amended by the Hawai'i Department of Agriculture as another way to help our community grow more fresh, healthy local food. Ulupono sees that putting more local food on local plates can best be accomplished by bringing people and organizations together who can work on the entire food value chain in a systematic way. We believe that working together we can help produce more local food, support an economically strong homegrown agriculture industry, which strengthens our community. Thank you for this opportunity to testify.

Respectfully, Kyle Datta General Partner

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