

DAVID Y. IGE
Governor

SHAN S. TSUTSUI
Lt. Governor



SCOTT E. ENRIGHT
Chairperson, Board of Agriculture

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**TESTIMONY OF SCOTT E. ENRIGHT
CHAIRPERSON, BOARD OF AGRICULTURE**

BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS

March 1, 2016
1:30 P.M.
CONFERENCE ROOM 211

**SENATE BILL NO. 2803 SD1
RELATING TO THE AGRICULTURAL LOAN REVOLVING FUND**

Chairperson Tokuda and Members of the Committee:

Thank you for the opportunity to comment on Senate Bill 2803 SD1. The Department strongly supports this bill. This bill seeks to expand the Department's Agricultural Loan Program by providing additional funds. Hawaii's agriculture industry is facing severe challenges as evidenced by the shutdown of sugar production on Maui and two well-known, long time farming operations announcing their intent to shut down operations. Challenges include high input and transportation costs, limited agricultural labor and food safety issues. It is anticipated that funding will be necessary to assist existing farms to meet these challenges.

While these factors are challenging, as good quality larger scale farm lands such as the Galbraith lands on Oahu and eventually the sugar lands on Maui become available, farmers will be able to take advantage of prime agricultural lands to mechanize production, utilize new technologies and achieve greater economies of scale. Access to affordable capital will be vital in helping these new operations to develop.

The department believes the agricultural loan program is the best avenue to provide access to affordable capital for our agricultural community. The agricultural loan program has been successful over the years and will continue to preserve and expand agriculture production throughout the islands.

Thank you for the opportunity to testify on this measure.





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March 1, 2016

HEARING BEFORE THE
SENATE COMMITTEE ON WAYS AND MEANS

TESTIMONY ON SB 2803, SD1
RELATING TO AGRICULTURAL LOAN REVOLVING FUND

Room 211
1:30 PM

Aloha Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

I am Randy Cabral, President of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,900 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.

HFB supports SB 2803, SD1 which appropriates \$4,000,000 for the agricultural loan program to increase the State's food sustainability.

Food security, food self-sufficiency and growing agriculture are popular concepts seen in many of the measures before the legislature this year. This Legislative Session, there have been many bills introduced that support of Hawaii's Agricultural Industry. This year, HFB has introduced a package of measures addressing the real needs of our farmers and ranchers all associated with increasing farm and ranch viability. These include infrastructure needs, agricultural education, Food Safety, invasive species control, and regulatory assistance.

This measure supports the growth of Hawaii's agricultural industry by providing additional funding to HDOA to assist Hawaii in growing its agriculture sector.

Thank you for the opportunity to comment on this measure.



February 28, 2016

Senator Jill N. Tokuda, Chair
Senator Donovan M. Dela Cruz, Vice Chair
Senate Committee on Housing

**Support of SB 2803, SD1 Relating to the Agricultural Loan Revolving Fund.
(Appropriates \$4,000,000 for the agricultural loan program to increase the
State's food sustainability.)**

WAM Hearing: Tuesday, March 1, 2016, 1:30 p.m., in Conf. Room 211

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers and a utility company. LURF's mission is to advocate for reasonable, rational and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources, and public health and safety.

LURF appreciates the opportunity to **support SB 2803, SD1.**

SB 2803, SD1. This measure appropriates \$4,000,000 for the agricultural loan program to increase the State's food sustainability. The intent of this bill is to provide additional funding to the state agricultural loan program in order to meet the demand of a growing agricultural sector. Increased funding will allow for additional farming operations due to the recent purchase of the Galbraith lands and other state projects statewide. With additional resources, the State will be able to continue its growth of import replacements and food sustainability.

LURF's Position and Comments. SB 2803, SD1, would increase the availability of low interest agricultural loans and increase the State's ability to achieve its food sustainability goals.

The 2014 Aloha+ Challenge resolution was adopted by the Legislature, the Governor, the mayors of each county, and the Office of Hawaiian Affairs identifying six targets that the State would commit to reaching by 2030, one of which is doubling local food production. Expansion of local food production is vital to protect Hawaii's citizens, and *access to affordable capital* will be essential for the local agricultural industry to develop, expand, and thrive. The funding provided by this bill to the state agricultural loan programs will provide affordable capital for new farmers to start their operations or expand existing operations.

For the reasons set forth above, LURF is **in strong support of SB 2803, SD1**, and respectfully urges your favorable consideration of this bill.

Thank you for the opportunity to present testimony regarding this measure.