

**Arlina Agbayani**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, January 28, 2010 4:26 PM  
**To:** AGRtestimony  
**Cc:** kimberly.y.chang@hawaii.gov  
**Subject:** Testimony for HB2293 on 1/29/2010 9:00:00 AM  
**Attachments:** HB2293\_BUF\_01-29-10\_AGR.pdf

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

Conference room: 312  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Kimberly Chang  
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Submitted on: 1/28/2010

Comments:

LATE  
Testimony

WRITTEN ONLY

TESTIMONY BY GEORGINA K. KAWAMURA  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
STATE OF HAWAII  
TO THE HOUSE COMMITTEE ON AGRICULTURE  
ON  
HOUSE BILL NO. 2293

LATE  
Testimony

January 29, 2010

RELATING TO THE DEPARTMENT OF AGRICULTURE

House Bill No. 2293 establishes the Department of Agriculture Staffing Special Fund. In addition, House Bill No. 2293 redirects 1) all interest and fees collected by the Financial Assistance for Agriculture Program that is currently deposited into the Agricultural Loan Reserve Special Fund and 2) 50% of all payments received on the agricultural loan principal originated by the Financial Assistance for Agriculture Program that is currently deposited into the Agricultural Loan Revolving Fund, to be deposited into the Department of Agriculture Staffing Special Fund. This measure does not include an appropriation. As such, no funds can be expended from the Department of Agriculture Staffing Special Fund and no general fund expenditures are supplanted.

As a matter of general policy, this department does not support the creation of any special fund which does not meet the requirements of Section 37-52.3 of the Hawaii Revised Statutes. Special or revolving funds should: 1) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries of the program; 2) provide an appropriate means of financing for the program or activity; and 3) demonstrate the capacity to be financially self-sustaining. It is difficult to determine whether there is a clear nexus between the benefits sought and the charges made upon the users or beneficiaries of the program and whether the fund will be self-sustaining.