

STAND. COM. REP. NO. 3141

Honolulu, Hawaii

MAR 20 2008

RE: H.B. No. 2261
H.D. 2
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Madam:

Your Committee on Energy and Environment, to which was referred H.B. No. 2261, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURAL LOANS,"

begs leave to report as follows:

The purpose of this measure is to include farm sustainable projects in the existing agricultural loan program, and aquaculture sustainable projects in the existing aquacultural loan program.

Testimony in support of this measure was submitted by the Chairperson of the Board of Agriculture; Hawaiian Electric Company and its subsidiary utilities, Maui Electric Company and Hawaii Electric Light Company; Hawaii Crop Improvement Association; Hawaii Farm Bureau Federation; Hawaii Aquaculture Association; Hawaii Beekeepers' Association; and Hawaiian Marine Enterprises.

Your Committee finds that this measure will have an impact on reducing Hawaii's reliance on fossil fuels, reducing farm production costs, and creating new business opportunities for farmers. In this regard, this measure will enable farm and aquaculture operations to finance projects that will generate renewable energy or utilize technology that will offset some of the operation's energy costs. Additionally, any excess energy produced could be sold to utility companies. This measure will also enable farm and aquaculture operations to finance food safety



and traceability projects, which in turn will improve their safety, competitiveness, and sustainability.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2261, H.D. 2, S.D. 1, and recommends that it be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Energy and
Environment,



RON MENOR, Chair



