

Agricultural Loan Division
Department of Agriculture and Biosecurity
State of Hawaii

March 24, 2026

Board of Agriculture and Biosecurity
Honolulu, Hawaii

Subject: Request for Approval to Activate and Set Parameters for Department of Agriculture and Biosecurity Loan Program for Provide Relief Due to Adverse Effects From the March 13, 2026 Kona Low Storm System.

Governor Josh Green issued two emergency proclamations on March 09, 2026, declaring a state of emergency for the entire state with the relief period until March 18, 2026. A third proclamation was issued by Governor Green on March 16, 2026, extending the relief period until April 13, 2026.

The Governor's proclamations allow for the activation of Section 155-9(e), Hawaii Revised Statutes (HRS), which provides for emergency loans to provide relief and rehabilitation to qualified farmers without limit as to purpose who have suffered great economic losses in the stricken areas. Inclement weather from March 13, 2026, through March 15, 2026, included significant rainfall, strong winds and flooding caused power outages, crop and livestock losses and damage to farm infrastructure. The Department has received reports of significant damage to crops, livestock, and farm infrastructure from all islands.

Section 155-9(e), HRS, requires that "the maximum amounts and period for such loans shall be determined by the board of agriculture and biosecurity; provided that the board shall require that any settlement or moneys received by qualified farmers as a result of an emergency declared under this section shall first be applied to the repayment of an emergency loan made under this chapter."

In this regard, the following loan amounts, terms, and parameters are recommended for board approval:

1. Maximum loan amount: \$100,000.00

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2. Terms to be determined on a case-by-case basis as needed. Consideration will be based on historical farm performance and projected cash flow based on reasonable assumptions of revenue and expenses.
3. Interest rate: 3%
4. The credit elsewhere requirement shall be waived for loans \$50,000 or less. Loans above \$50,000 shall require one (1) credit denial.
5. The 3-year residency requirement for U.S. Citizens and permanent resident aliens shall not apply.
6. Collateral requirements may be modified or waived, as necessary, on a case-by-case basis. Wherever possible, the provisions of Section 155-11, Security for Loans, should be followed.
7. Emergency Loan Applications can be accepted until September 30, 2026.

It is hereby requested that the Board of Agriculture and Biosecurity approve activation of the emergency loan program with the above recommendations.

Dean Matsukawa
Acting Agricultural Loan Division

APPROVED FOR SUBMISSION

Sharon Hurd, Chairperson
Board of Agriculture and Biosecurity