Testimony Presented Before the
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## SB 498 – RELATING TO COOPERATIVES

Chair Baker, Vice Chair Chang, and members of the Senate Committee on Commerce and Consumer Protection:

Thank you for the opportunity to provide testimony in <u>support</u> of the intent of SB 498.

We view this as a supporting bill to the bills promoting Agriculture Cooperatives (SB 495 and HB 1302). While the bills addressing Agriculture Cooperatives are specific to certain types of agriculture opportunities, it is by no means inclusive. A broader statute is needed so that opportunities, such as worker cooperatives, can be covered. This bill attempts to do that.

There are distinct advantages of cooperatives for the state of Hawai'i. For all opportunities related to and support agriculture, cooperatives need to be a larger part of Hawai'i's future if we wish to diversity the economy and put agriculture on the path to success for the citizens of the state.

The advantages of cooperatives in agriculture have been detailed in testimony for the above referenced bills. However, in general, the role of cooperatives speaks to rural economic development. Worker cooperative, as an example, are an excellent opportunity to train the future farmers of Hawai'i.

For these reasons we support the intent of SB 498.

However, we are aware of the current financial climate of the State of Hawai'i and realize that state funding is reduced. For this reason, we defer to the Department of Commerce and Consumer Affairs (DCCA) on their budgetary and concept priorities. We also defer to DCCA as to the legal language contained in this bill.