

Senator Mike Gabbard

May 2022 Vol. 16 Issue 5



Aloha e Friends,

The 2022 legislative session concluded on May 5th, and with it, a whole host of new events rushed in to take its place — school graduations, invitations to speak, site visits, and more. Such is the life of a Senator. Still, despite being busy, the pace is more manageable now, and I feel like I can breathe again... I was pleased that several of the bills I personally introduced passed the House and Senate and are now awaiting signature by the Gov. You can read about them below.

Please don't hesitate to contact me at (808) 586-6830 or sengabbard@capitol.hawaii.gov if I can help you or your family in any way. I also invite you to follow me on social media: Instagram @GabbardAloha, Facebook and YouTube.

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DISTRICT 20

Kapolei, Makakilo and portions of Ewa, Kalaeloa, and Waipahu

Listen-Story Meeting: Legislative Wrap-Up

ICYMI, I hosted my Virtual Community Listen Story May 14, from 9-10 am, where I gave a Legislative Wrap-Up and shared District 20 Community updates. Visit my YouTube page to view a recording of the meeting and download a copy of the presentation in PDF format here.

Mahalo nui loa to Legislative UH Intern, Moani Pomare

Huge shout-out to my exceptional UH Manoa Intern, Moani Pomare. Moani got to experience the whole depth and breadth of the session this year when our Committee Clerk suddenly quit.

I promoted his then-assistant to Clerk, and Moani became my Assistant Clerk. It was a whirlwind, but Moani was able to handle the transition with an amazing level of professionalism and grace, compared to previous Interns – heck, even compared to some session staff I've had in years past... Each

Sen. Gabbard with his 2022 Legislative UH Intern, and Asst. Committee Clerk, Moani Pomare.

session brings new staff, along with challenges, new but overall, I was pleased by the level at which my team stepped up ultimately and completed the session on a high note. We send our many mahalos to Moani and wish her the best in future whatever career she may pursue.



On May 5, Sine Die ("without a day") the last day of session, the House and Senate gathered hands in the traditional singing of Hawai'i Aloha.

Sine Die

On our last day of the legislative session, at the end of our respective Chamber meetings, the House and Senate gathered hands in tradition to sing Hawai'i Aloha. I introduced my staff in the Senate Chamber, then treated them to an ono home-cooked meal made by Carol. Our famous lasagna, garlic bread, basil pesto pate and salad... Accompanied by fake champagne and topped off with our, you guessed it, homemade Hawaiian Toffee Treasures. (Pictured L-R: Brian Davidson, Legislative Aide; Meg Turner, Community Liaison; Corinne Gallardo, Office Manager; Sky Geasey, AEN Committee Clerk; and Moani Pomare, UH Intern and Asst. Committee Clerk.) We ended the day with a traditional photo in front of my office. AlohaCongrats and mahalo nui loa to my 2022 Session Staff on a successful and dynamic session!

LEGISLATIVE WRAP-UP



On May 5, Sen. Gabbard treated his staff to an ono lunch on Sine Die. (Pictured L-R: Brian Davidson, Leg. Asst.; Meg Turner, Community Liaison; Corinne Gallardo, Office Mgr.; Sky Geasey, Committee Clerk; Moani Pomare, UH Intern).



2022 Sine Die traditional photo in front of Sen. Gabbard's office. (Pictured L-R: Moani Pomare, UH Intern; Meg Turner, Leg. Asst; Sky Geasey, Committee Clerk; Corinne Gallardo, Office Mgr; Brian Davidson, Leg. Asst.)

My Bills That Passed the House and Senate

Now that it's all said and done, it's a bit of a waiting game to see which way the Governor will go as bills reach his desk. He can sign them, veto them, or do nothing and they automatically become law. I'm happy to report that 9 bills I personally introduced passed the House and Senate and have been transmitted to the Governor. Overall, these bills seek to reduce climate change, increase local food production, improve soil health, and sequester greenhouse gases through regenerative agriculture. The last two years have taught us about the threat of shortages in the food supply chain and water supplies and just how critical food security is to our island paradise. Incentivizing actions that promote climate and redemption centers for audit. mitigation efforts and that reward and support the role

farmers play in achieving them is critical. To that end, some of my priority bills that passed this session are:

Carbon Sequestration Pilot Program SB3325

This bill establishes the Hawaii Carbon Smart Land Management Assistance Pilot Program to provide incentives for farmers and foresters to manage their lands in ways that help to sequester carbon emissions. This program would allow small farmers, ranchers, foresters, and landowners and lessees to be compensated for taking measures to help Hawai'i reach its climate readiness goals.

Compost Reimbursement Program SB3004

According to the US Department of Agriculture, an estimated 30-40% of the food supply in the US ends up as food waste. This estimate corresponded to approximately 133 billion pounds and \$161 million worth of food in 2010! Most of us know that one way to reduce food waste is to compost it. A three-year compost reimbursement pilot program was established within our state DOA pursuant to Act 89, Session Laws of Hawaii 2018, to provide cost reimbursements to farming operations in the State. The pilot program ended on December 31, 2021. The purpose of this bill is to permanently establish a compost reimbursement program within the DOA. It appropriates \$945,000 for the program and \$55,000 for one full-time permanent manager position; and requires an annual progress report to the Legislature prior to each regular session.

Cover Crop Reimbursement Program SB2990

The use of cover crops, green manure, and compost increases agricultural productivity and aligns with the State's integrated sustainability goals. Plants used for this purpose, including grasses and legumes, add nutrients to the soil, act as windbreaks, assist with water retention, provide habitats for beneficial insects, and help prevent soil erosion. This bill appropriates \$300,000 to establish a three-year cover crop reimbursement pilot program which would provide up to 75% cost reimbursement to farming operations in the State for the acquisition of cover crop seeds, green manure, or compost. It requires the convening of a review panel to screen and rate applicants on the quality of their cover crops and appropriates \$50,000 per year for a program manager position within the DOA to administer the program.

Deposit Beverage Container Program SB2998

This bill requires the Department of Health to implement the Auditor's recommendations for the Deposit Beverage Container program, including developing a risk-based selection process to select reports submitted by certain distributors

LEGISLATIVE WRAP-UP

Farmer Apprentice Mentoring SB3197

The average age of our farmers in Hawai'i is 61. In all my talks to young people, I encourage them to consider farming as a noble profession, no less noble than being a doctor, lawyer, or business person.

We need to do all we can to support young farmers. I've been working with the Hawai'i Farmer Union United (HFUU) to get this program enacted into law for the past three years, so I'm stoked it finally passed. The bill appropriates less than what we requested, but does provide \$300,000 in funding to establish and implement a farmer apprentice mentoring program within the DOA.

FSMA Certification & Training SB2960

This is another bill I've been trying to pass for the last few years... It requires the DOA to partner with Hawai'i's agricultural community to establish and implement a food safety certification training program to help small- to medium-sized farms comply with complicated and expensive federal food safety certification mandates.

The need for food safety education and compliance is critical to keep Hawaii's 1,400,000 residents and nearly nine million annual visitors safe from foodborne illnesses. The bill appropriates \$265,000 to establish and implement a training program.

Healthy Soils Program **SB2989**

Soil health is critical to Hawai'i's agricultural industry. I worked with the HFUU on this bill, which requires the DOA to establish a Healthy Soils Program.

This also helps the State meet its sustainability goals by creating a statewide soil health assessment with a list of practices that are the most effective in improving soil health. It provides farmers with education and technical assistance to implement farm management practices that contribute to healthy soils; and, appropriates \$500,000 to help farmers in implementing these practices by issuing awards and other financial incentives.

Hemp Producers SB2986

I introduced SB 2986 in working with the hemp farmers to lessen some of the regulations and make it easier for them to do business. In the end, because of concerns from agencies like the Attorney General and DOA, we weren't able to get final agreement on those changes in Conference Committee. I've already heard from hemp farmers who say they're closing up shop because of the version of SB 2986

that we passed. (It extends the sunset date of Act 14, Session Laws of Hawaii 2020, which established the state hemp processors and commercial hemp production laws by three years to 2025.) On the one hand, it's good that the USDA hemp program can continue to 2025, but it's very unfortunate we couldn't improve the program. Hopefully, the three-year extension will allow us the time we need to get more help for the hemp farmers to ensure a thriving hemp industry in Hawai'i.

Two of the many things I've learned about working in the Square Building are patience and determination. Between now and next session, I'll be working with the hemp farmers to come up with a new bill for 2023. According to DOA, as of December 2021, we have 91 USDA licensed hemp growers. I just hope they have the patience, determination, and money to stick around until we get this right. I've always said that Hawai'i nei will become the global leader in hemp largely due to Hawai'i branding... whether it's Honolulu CBD, Hawai'i Hemp Shampoo, or Hanalei Hemp Granola, once we're at full steam, we'll blow everyone else out of the water.

One of the other important points is education... The stigma against cannabis continues to linger in our state and that impacts how many in government view this incredible ag product. IMHO, ultimately, we need to legalize the recreational use of cannabis to change that negative perception, so that hemp can someday be viewed as a non-controversial ag crop just like tomatoes or lettuce.

Important Agricultural Land Tax Credit SB339

This bill extends the period during which the important agricultural land qualified cost tax credit is available. Applies to taxable years beginning after 12/31/2021.

Celebrating Happy Hemp Aloha Friday

On April 23, my colleagues and I celebrated Happy Hemp Aloha Friday at the Capitol. Did you know that there are over 25,000 uses for hemp, including: building materials like hempcrete and textiles, fuel oil, plastic alternatives; food & nutritional supplements (great source of protein, mineral & fiber), lotions, cosmetics, and hair care? In addition, hemp purifies soil and water by removing toxins and heavy metals.

During the 2020 session, we passed legislation that enabled Hawai'i farmers to apply to the USDA for licenses to grow, process, and sell hemp products. Mark my words... Hawai'i nei will become the hemp capitol of the world. Hemp, Hemp Hooray!

LEGISLATIVE WRAP-UP



On April 23, Sen. Gabbard and colleagues celebrated "Happy Hemp Aloha Friday" by donning a hemp, or natural fiber shirt, and gathering in the Rotunda. (Pictured L-R: Sen. Gabbard, Sen. Sharon Moriwaki, Rep. Tina Wildberger, and Senators Laura Acasio, Karl Rhoads, Joy San Buenaventura, Gil Riviere, Maile Shimabukuro, and Lynn DeCoite.)

State Budget HB1600

You may have seen in the news that this year we had a \$2 billion dollar surplus. How did that happen?

First, unexpected growth in visitor arrivals (from 0-30,000 in first 6 months!) Second, we had two big infusions of funds from the Feds with the Corona Virus Relief funds (CVRF) and American Rescue Plan Act funds

(ARPA). This has been a big a for the economy. combined with the return of visitors more quickly than anticipated. The budget bill, which passed out of both the Senate and House chambers this session, includes an operating budget of \$16.9 billion for fiscal year 2023; and a combined \$6 billion in capital improvement project budget for both fiscal years 2022 and 2023. If you're wondering what these terms mean, you can see brief descriptions below. You can also get an idea of how the state divided up the funding we received this year from tax payer dollars and COVID relief funds, from the pie chart.

General funds are used to account for resources not specifically set aside for special purposes. Any activity not financed through another fund is financed through the general fund. The Appropriations Acts adopted by the Legislature provide the basic framework in which the resources and obligations of the general fund are accounted.

Operating budget refers to costs surrounding recurring needs to fund salaries and programmatic operations

Capitol Improvement Projects (CIP) refers to constructionrelated projects or major deferred repair and maintenance needs, such as re-roofing a building, acquiring land, the design and construction of a new facility, etc.

Fiscal Biennium refers to a two-year Fiscal budget. Fiscal Year 2021-2023 is the State budget period from July 1, 2021 –June 30, 2022 (FY22) and July 1, 2022–June 30, 2023 (FY23). The fiscal biennium starts in the odd year.

The chart below shows how the Operating Funds for FY23 are divided up. As chair of the Senate Agriculture and Environment Committee, I was glad to see so much support for ag this year at the legislature but am saddened by the still less than 1% of the total budget going to our DOA. If we're ever going to decrease our dependence on imported food (85-90% of our food at a cost of about \$3 billion annually), that needs to change.

