

Honolulu, Hawaii

**FEB 28 2025**

RE: S.B. No. 659  
S.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 659, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF EDUCATION,"

begs leave to report as follows:

The purpose and intent of this measure is to facilitate the purchase of fresh local agricultural and food products for public school students.

Specifically, this measure:

- (1) Exempts from the electronic procurement system the Department of Education's purchase of fresh local agricultural products and local value-added processed, agricultural, or food products not exceeding \$100,000, subject to certain requirements; and
- (2) Requires the Department of Education to establish guidelines for determining a geographic preference for locally sourced products.

Your Committee received written comments in support of this measure from the Department of Education, Ulupono Initiative, Hawaii Farm Bureau, Hawaii Farmers Union, Hawaii Food+ Policy, North Shore Nutrition, Hoola Veteran Services, and numerous individuals.



Your Committee received written comments on this measure from State Procurement Office.

Your Committee finds that the State has established a goal to source at least thirty percent of school meals from local food sources by 2030. Your Committee further finds that meeting this goal may be hindered by the complexities of the procurement process, which has historically favored large, out-of-state suppliers over local farmers.

Your Committee has amended this measure by:

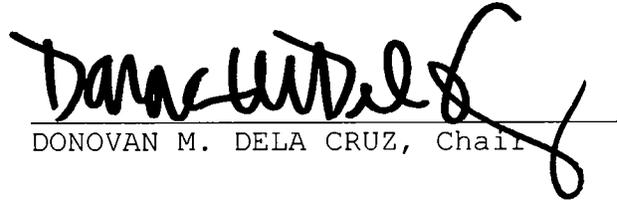
- (1) Increasing from \$100,000 to \$250,000 the threshold value of purchases not subject to the electronic system;
- (2) Requiring the Department of Education to obtain a certain number of written quotes for purchases of \$25,000 to less than \$250,000, and requiring the Department to obtain written justification if it is unable to receive the required number of written quotes;
- (3) Requiring the posting of awards on the Hawaii Awards and Notice Data System or similar procurement platform;
- (4) Authorizing the State Procurement Office to request data from the Department of Education;
- (5) Clarifying that the guidelines for a geographic preference for locally sourced products is a county-level preference;
- (6) Requiring the geographic preference guidelines to include certain cost provisions; and
- (7) Reinstating an exemption from the Hawaii Public Procurement Code applicable to the purchase of certain agricultural products by the Department of Education.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B.



No. 659, S.D. 1, as amended herein, and recommends that it pass  
Third Reading in the form attached hereto as S.B. No. 659, S.D. 2.

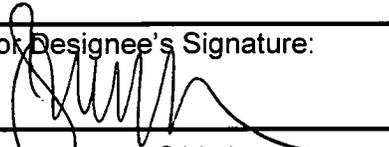
Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
DONOVAN M. DELA CRUZ, Chair



The Senate  
 Thirty-Third Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB659 EDI	EDU/AEN, WAM	2-26-2025		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
MORIWAKI, Sharon Y. (VC)	X			
AQUINO, Henry J.C.	X			
DECOITE, Lynn	X			
ELEFANTE, Brandon J.C.	X			
HASHIMOTO, Troy N.	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
KIM, Donna Mercado	X			
LEE, Chris	X			
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
<b>TOTAL</b>	13	0	0	0
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
<b>Distribution:</b> Original             Yellow             Pink             Goldenrod				
File with Committee Report             Clerk's Office             Drafting Agency             Committee File Copy				

\*Only one measure per Record of Votes