



STATE OF HAWAII
DEPARTMENT OF EDUCATION
KA 'OIHANA HO'ONA'AUAO
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 03/19/2025

Time: 09:30 AM

Location: 325 VIA VIDEOCONFERENCE

Committee: House Agriculture & Food Systems

Department: Education

Person Testifying: Keith T. Hayashi, Superintendent of Education

Bill Title: SB 0659, SD2, HD1 RELATING TO THE DEPARTMENT OF EDUCATION.

Purpose of Bill: 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 a certain amount, subject to certain requirements. Requires the Department of Education to establish guidelines for determining a geographic preference for locally sourced products. Exempts the Department of Education from the requirement that certain agricultural products are subject to the Hawaii Public Procurement Code. Effective 7/1/3000. (HD1)

Department's Position:

The Hawaii State Department of Education (Department) is submitting testimony in support of SB 659, SD 2, HD 1 with comments.

This bill will increase the School Food Services Branch's (SFSB) small purchase procurement capacity and flexibility to procure more locally grown produce. This will aid in the Department's progress toward meeting the 30% by 2030 local farm-to school ingredients purchase goals.

The Department would like to point out that amendments made in SD 2 and HD 1 version will likely result in an increase in cost due to the procurement preference of locally sourced products, thus appropriations may be needed to help cover SFSB food costs.

The Department recognizes that it will be responsible for establishing guidelines with a geographic preference for locally sourced products in accordance with the United States Department of Agriculture's National School Lunch Program and state procurement laws, including the necessity of gathering competitive bids.

The process proposed in this bill will allow us to purchase items that currently are unavailable from

our distributors such as poi and limu.

Exempting the Department from the electronic procurement system will increase opportunities to procure from local farmers across the state who may be electronically limited, yet food safety compliant. The SFSB further recognizes that educating farmers about procurement compliance is a part of its farm to school mission.

Thank you for the opportunity to testify with comments on this measure.

JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



SHARON HURD
Chairperson, Board of Agriculture

DEAN M. MATSUKAWA
Deputy to the Chairperson

State of Hawai'i
DEPARTMENT OF AGRICULTURE
KA 'OIHANA MAHI'AI
1428 South King Street
Honolulu, Hawai'i 96814-2512
Phone: (808) 973-9600 FAX: (808) 973-9613

TESTIMONY OF SHARON HURD
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON AGRICULTURE & FOOD SYSTEMS

WEDNESDAY, MARCH 19, 2025
9:30 AM
CONFERENCE ROOM 325

SENATE BILL NO. 659 SD2 HD1
RELATING TO THE DEPARTMENT OF EDUCATION

Chair Kahaloa, Vice Chair Kusch, and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill 659 SD2 HD1 that 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 a certain amount, subject to certain requirements, requires the Department of Education to establish guidelines for determining a geographic preference for locally sourced products, and exempts the Department of Education from the requirement that certain agricultural products are subject to the Hawaii Public Procurement Code.

The Department of Agriculture supports this bill that provides guidance to the Department of Education when procuring locally sourced products and allows for a geographic preference.

Thank you for the opportunity to testify on this measure.



JOSH B. GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



BONNIE KAHAKUI
ADMINISTRATOR

STATE OF HAWAI'I | KA MOKU'ĀINA O HAWAI'I
STATE PROCUREMENT OFFICE

P.O. Box 119
Honolulu, Hawaii 96810-0119
Tel: (808) 586-0554
email: state_procurement_office@hawaii.gov
<http://spo.hawaii.gov>

TESTIMONY
OF
BONNIE KAHAKUI, ADMINISTRATOR
STATE PROCUREMENT OFFICE

TO THE HOUSE COMMITTEE
ON
ARICULTURE AND FOOD SYSTEMS
MARCH 19, 2025; 9:30 AM

SENATE BILL 659, SD2, HD1
RELATING TO THE DEPARTMENT OF EDUCATION

Chair Kahaloa, Vice Chair Kusch, and members of the committee, thank you for the opportunity to submit testimony on Senate Bill 659, SD2, HD1. The State Procurement Office (SPO) appreciates the intent of this bill and provides comments and recommendations.

The SPO recommends the following revisions to Section 1, page 1, lines 4-17, and page 2, lines 7-10, to read as follows:

§302A – Procurement; locally sourced products; geographic preference; small purchase. (a) Notwithstanding section 103D-305 (c) or any law to the contrary, the department may procure fresh local agricultural products and local value-added, processed, agricultural, or food products of less than \$100,000 without using an electronic system; provided that for these procurements:

(1) No less than three written quotes shall be obtained for procurements of \$25,000 to less than \$100,000; provided further that the department may instead require no less than two written quotes for procurements of \$25,000 to less than \$100,000 for fresh local agricultural products and local value-added processed, agricultural, or food products to supply schools in rural communities, as determined by the department;

...

(3) All awards exceeding \$2,500 shall be posted electronically on the Hawaii Awards and Notice Data System (HANDS) or similar Department of Education procurement platform, and shall be compliant with section 103D-310(c) The State Procurement Office (SPO) may request data from the department to evaluate the efficacy of this Act.

The SPO is strongly opposed to the language to exempt the DOE from any agricultural products as outlined in 103D-104.5(b), Hawaii Revised Statutes (HRS), as there is no justification. If exempt, there would be no requirements to follow ethical public procurement, which includes ensuring all persons are afforded an equal opportunity to compete in a fair and open environment, pursuant to 103D-101, HRS. This would set a negative precedent for procurement of agricultural products within the state.

The proposed amendment to 103D-104.5 deviates from the original intent of SB659, which is to provide the DOE an alternative means to procure **locally sourced products**.

The SPO recommends that 103D-104.5, HRS, revert to the original language and read as follows:

[§103D-104.5] Agricultural products subject to this chapter. The following agricultural products shall be subject to this chapter:

- (1) Fresh meats and produce; and
- (2) Animals and plants.

Except for the exemptions under section 103D-102(b), no exemptions under this chapter shall apply to this section.

Thank you for the opportunity to submit testimony on this measure.

LATE *Testimony submitted late may not be considered by the Committee for decision making purposes.

OFFICE OF CLIMATE CHANGE SUSTAINABILITY AND RESILIENCY

KE KE'ENA LOLI ANIAU MĀLAMA 'ĀINA A ME KE OLA LOA

CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 11th FLOOR • HONOLULU, HAWAII 96813

PHONE: (808) 768-2277 • EMAIL: resilientoahu@honolulu.gov • INTERNET: www.resilientoahu.org

RICK BLANGIARDI
MAYOR
MEIA



BENJAMIN SULLIVAN
EXECUTIVE DIRECTOR &
CHIEF RESILIENCE OFFICER
PO'O HO'OKO & KAHU OLA LOA

KEALOHA FOX
DEPUTY DIRECTOR &
CHIEF RESILIENCE OFFICER
HOPE PO'O & HOPE KAHU OLA LOA

WEDNESDAY, MARCH 19, 2025, 9:30 A.M.

STATE OF HAWAII
HOUSE COMMITTEE ON AGRICULTURE & FOOD SYSTEMS

**TESTIMONY ON SENATE BILL 659, SD2, HD1
RELATING TO THE DEPARTMENT OF EDUCATION**

BY,

BENJAMIN SULLIVAN
EXECUTIVE DIRECTOR AND CHIEF RESILIENCE OFFICER
OFFICE OF CLIMATE CHANGE, SUSTAINABILITY AND RESILIENCY

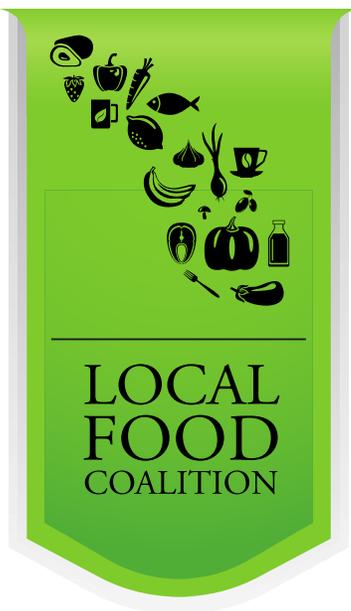
Dear Chair Kahaloa, Vice Chair Kusch, and Members of the Committee:

The City and County of Honolulu ("City") Office of Climate Change, Sustainability and Resiliency ("Resilience Office") **supports** SB659, SD2, HD1, which exempts certain Department of Education (DOE) purchases of local agricultural and food products from electronic procurement system requirements.

The Resilience Office coordinates implementation of the O'ahu Good Food Program, which is committed to increasing institutional purchasing of locally grown food to support local farmers, strengthen the island's food system, and improve access to fresh, nutritious food. By leveraging the DOE's significant buying power, this measure can help drive a broader shift in institutional food procurement, influencing not only schools but also hospitals, hospitality groups, and other public and private entities to prioritize local purchasing.

The DOE's farm-to-school goal of sourcing 30% local food by 2030 is a key step toward building a more resilient and self-sufficient food system. This measure will provide the department with greater flexibility to establish long-term relationships with local producers, reduce administrative barriers to procurement, and strengthen the local supply chain. These efforts align with the City's commitment to expanding access to fresh, locally grown food while supporting Hawai'i's agricultural economy.

Thank you for the opportunity to testify in support of SB659, SD2, HD1.



HOUSE COMMITTEE ON AGRICULTURE & FOOD SYSTEMS
Wednesday, March 19, 2025 – 9:30 a.m.
Conference Room 325 & Videoconference

Representative Kirstin Kahaloe, Chair
Representative Matthias Kusch, Vice Chair

SB 659 SD2 HD1—RELATING TO THE DEPARTMENT OF EDUCATION

Aloha Chair Kahaloe, Vice Chair Kusch, and Members of the Committee:

Hawai'i Aquaculture & Aquaponics Association
Hawai'i Cattlemen's Council
Hawai'i Farm Bureau Federation
Hawai'i Farmers' Union United
Hawai'i Food Industry Association
Hawai'i Food Manufacturers Association
Kohala Center
Land Use Research Foundation of Hawai'i
Maui Farm to School Network (Maui F2SN)
Ulupono Initiative
College of Tropical Agriculture and Human Resilience - University of Hawai'i at Manoa

The Local Food Coalition **SUPPORTS** SB 659 SD2 HD1, which exempts Department of Education purchases of local edible produce and packaged food products less than a certain amount from the electronic procurement system requirement.

SB 659 SD2 HD1 addresses key logistical challenges that have long hindered the Department of Education's ability to source local foods efficiently. By raising the small purchase threshold and providing flexibility in procurement processes, especially for rural schools, we are removing unnecessary barriers and empowering our educators to make choices that benefit both our students and our local farmers, ranchers, and livestock producers.

This bill's impact extends beyond the classroom, supporting job creation in agriculture, promoting food security, and reducing reliance on imports. This is a win-win for students, farmers, and the community, moving us closer to achieving the mandated goal of 30% locally sourced foods in public schools by 2030.

The Local Food Coalition is an organization comprised of farmers, ranchers, livestock producers, investors and other organizations working to provide Hawaii's food supply.

Thank you for the opportunity to submit testimony in support of SB 659 SD2 HD1.



Email: communications@ulupono.com

HOUSE COMMITTEE ON AGRICULTURE AND FOOD SYSTEMS
Wednesday, March 19, 2025 — 9:30 a.m.

Ulupono Initiative supports SB 659 SD 2 HD 1, Relating to Department of Education.

Dear Chair Kahaloa and Members of the Committee:

My name is Micah Munekata, and I am the Director of Government Affairs at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve the quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food, renewable energy and clean transportation choices, and better management of freshwater resources.

Ulupono supports SB 659 SD 2 HD 1, which exempts from the electronic procurement system the Department of Education's (DOE) purchases of fresh local agricultural products and local value-added processed, agricultural, or food products not exceeding a certain amount, subject to certain requirements; requires the DOE to establish guidelines for determining a geographic preference for locally sourced products; and exempts the DOE from the requirement that certain agricultural products are subject to the Hawai'i Public Procurement Code.

Ulupono supports the State's farm-to-institution efforts, including the DOE's Farm to School Program, which has the potential to leverage the department's significant buying power to become one of the state's largest purchasers of local food (perhaps one day the largest) while also shaping the tastes, attitudes and eating habits of Hawai'i's keiki for healthy outcomes. The State has committed to local food procurement goals through 2050 (including the DOE's own statutorily required goal of 30% local by 2030), and it is important to provide opportunities for local producers to participate in institutional purchasing.

While the DOE's regional kitchen construction plans advance, the fact remains that these facilities won't be operational for many years. The department should seize current opportunities to strengthen relationships with local food producers. By engaging farmers now, we can align DOE's food requirements with local agricultural production and build supply chain capacity. This proactive approach not only serves today's students better than waiting for kitchen completion, but also sets up the regional kitchen strategy for long-term success — ensuring a robust supply chain is ready when these facilities open.

Investing in a Sustainable Hawai'i



By expanding the small purchase exemption for the DOE, schools across the state will have an additional tool now to procure fresh products from local farmers and ranchers.

Thank you for the opportunity to testify.

Respectfully,

Micah Munekata
Director of Government Affairs



P.O. Box 253, Kunia, Hawai'i 96759
Phone: (808) 848-2074; Fax: (808) 848-1921
e-mail info@hfbf.org; www.hfbf.org

March 19, 2025

HEARING BEFORE THE
HOUSE COMMITTEE ON AGRICULTURE & FOOD SYSTEMS

TESTIMONY ON SB 659, SD2, HD1
RELATING TO THE DEPARTMENT OF EDUCATION

Conference Room 325 & Videoconference
9:30 AM

Aloha Chair Kahaloa, Vice-Chair Kusch, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate and advance the social, economic, and educational interests of our diverse agricultural community.

The Hawai'i Farm Bureau supports SB 659, SD2, HD1, which allows the Department of Education to procure fresh local agricultural products and local value-added processed agricultural or food products not exceeding a certain amount subject to certain requirements. It also requires the department to establish guidelines with a geographic preference for locally sourced products and exempts the Department of Education from the requirement that certain agricultural products are subject to the Hawaii Public Procurement Code.

Hawai'i's Farm to School program plays a crucial role in improving student nutrition, supporting local farmers and ranchers, and increasing the state's food security. The state has committed to sourcing at least 30 percent of school meals from local food sources by 2030 under Act 175, SLH 2021. However, one of the main challenges in achieving this goal has been the complexities of the procurement process, which has historically favored large, out-of-state suppliers over local farmers.

SB 659, SD1, Hd1 addresses this issue by exempting the Department of Education's purchases of fresh local agricultural products and value-added food products under a certain amount from the electronic procurement system and exempting fresh local agricultural products and local value-added, processed, agricultural, or food products from the Procurement Code. This change will streamline the purchasing process and make it easier for local farmers and ranchers to participate in school food procurement. By allowing DOE to establish geographic preferences, the bill ensures that local producers are given a fair opportunity to compete in supplying Hawai'i's schools.

Increasing DOE procurement of locally grown agricultural products will help create a stable and reliable market for local farmers, encouraging them to expand production. Currently, many farmers hesitate to scale up operations due to uncertainty in demand. By simplifying the purchasing process, SB 659, SD2 helps provide the consistency that local farmers need to plan, invest, and grow more food for Hawai'i's students.

To fully support the success of this initiative, the Hawai'i Farm Bureau encourages additional efforts to assist local farmers and ranchers in navigating the procurement system. Educational workshops, technical assistance, and direct collaboration between DOE and local producers will further enhance participation and ensure that Hawai'i-grown food reaches students across the state.

We urge the committee to pass SB 659, SD2, HD1 to support local farmers, strengthen Hawai'i's Farm to School program, and increase the availability of fresh, locally grown food for Hawai'i's students.

Thank you for the opportunity to testify on this measure.



HIPHI Board

May Okihiro, MD, MS
Chair

*John A. Burns School of Medicine,
Department of Pediatrics*

Titiimaea Ta'ase, JD
Secretary

State of Hawai'i, Deputy Public Defender

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Misty Pacheco, DrPH
University of Hawai'i at Hilo

Kathleen Roche, MS, RN, CENP
Kaiser Permanente

Dina Shek, JD
Medical-Legal Partnership
For Children in Hawai'i

Garret Sugai
HMSA

JoAnn Tsark, MPH
John A. Burns School of Medicine, Native
Hawaiian Research Office

HIPHI Initiatives

Coalition for a
Tobacco-Free Hawai'i

Community-Based Research &
Evaluation

Community Health
Worker Initiatives

COVID-19 Response

Environmental Health

Hawai'i Drug & Alcohol-Free Coalitions

Hawai'i Farm to School Network

Hawai'i Oral Health Coalition

Hawai'i Public Health Training Hui

Healthy Eating + Active Living

Kūpuna Collective/Healthy Aging &
Community Living

Public Health Workforce Development

Date: Monday, March 17, 2025

To: Representative Kirstin Kahaloa, Chair
Representative Matthias Kusch, Vice Chair
Members of the House Committee on Agriculture

RE: Support for SB 659 SD2 Relating to the Department of Education

Hrg: Wednesday, March 19, 2025, at 9:30 am in Conference Room 325

Hawai'i Public Health Institute¹ (HIPHI) works to advance policy and systems change to reduce disparities and improve the health of Hawai'i residents. HIPHI is home to and testifies here on behalf of the Hawai'i Farm to School Network. Hawai'i Public Health Institute and the Hawai'i Farm to School Network appreciate the opportunity to **support SB 659 SD2 strongly. This bill** introduces flexible procurement procedures for the Department of Education (DOE), including requiring at least two written quotes for certain purchases supplying schools in rural communities and a sunset clause to assess the effectiveness of these changes.

More Straightforward to Work with Local Farmers

This bill increases flexibility for local food purchases from small and medium-sized farmers, particularly those in rural areas. Rural schools often face additional challenges, such as limited access to technology or fewer available vendors. Reducing the number of required quotes acknowledges these barriers and supports more equitable access to local procurement opportunities.

Local Guidelines

SB 659 SD2 requires the DOE to establish procurement guidelines with a geographic preference for locally grown or raised products and exempts purchases of local edible produce and packaged food products under \$100,000 from the electronic procurement system of the DOE. This smaller regional procurement model could be modeled after the School Food Authority (SFA) of New Mexico, which is notable for its success in

¹ Hawai'i Public Health Institute's mission is to advance health and wellness for the people and islands of Hawai'i. We do this through expanding our understanding of what creates health of people and place, fostering partnerships, and cultivating programs to improve policies, systems, and the environments where people live, learn, work, age, and play.

smaller regional procurement from small to medium farms. To learn from this SFA model and to assess what staff positions, laws, and infrastructure are necessary, DOE will grant permission and allocate funds for a DOE procurement staff member, a dietitian, and a farm-to-school coordinator to travel to this SFA to study the smaller regional procurement model.²

Increased Accessibility

Additionally, SB 659 SD2 proposes increasing DOE-exempt purchases from \$25,000 to \$100,000 for the small purchase procurement program. The proposed policy increases the Department of Education's small purchase procurement threshold from \$25,000 to \$100,000, streamlining the purchase of locally sourced foods. This change supports our farm-to-school initiatives and the goal to source 30% of school food locally by 2030.³ It reduces administrative burdens, allowing schools to acquire fresh, nutritious Hawai'i-grown produce quickly. The policy strengthens local agriculture, boosts economic self-sufficiency, and improves student health by providing fresher meals while advancing sustainability and reducing reliance on imported foods.

Uniform Purchase Limit

It is important to note that all other Departments have a \$100,000 threshold (e.g., Department of Agriculture (DOA), Department of Transportation (DOT), Department of Human Services (DHS), etc.). DOE is the only one with the lower \$25,000 threshold. This lower threshold dramatically limits the ability of schools to purchase local foods, as the amount demanded is usually well above this amount.⁴

Accountability Recommendations

Furthermore, the State Procurement Office (SPO) shall suggest to DOE's School Food Services Branch (SFSB) financial system accountability recommendations to reduce the risk of financial mistakes that run afoul of parceling. SPO is welcome to review SFSB's progress in implementing SPO's suggested financial safeguard protocols.⁵

More Regionalized Purchasing

The Hawai'i Farm to School Network, HIPHI, and partner organizations have advocated for regionalizing local food purchases for several years. For example, bananas to be served in school breakfasts on Kaua'i should be purchased from farmers on that island. This arrangement fosters

² New Mexico Public Education Department, "Farm to School Procurement Guidelines."

<https://webnew.ped.state.nm.us/bureaus/student-success-wellness/nutrition/farm-to-school/>

³ Hawai'i Farm to School Resource Hub - Advocacy, legislation, & policy. (n.d.).

<https://sites.google.com/hiphi.org/hawaiif2s/advocacy-legislation-policy>

⁴ Hawaii DOE | Selling goods and services to the DOE. (n.d.).

<https://www.hawaiipublicschools.org/ConnectWithUs/Vendors/Selling/Pages/home.aspx#:~:text=Schools%20and%20offices%20are%20authorized,or%20like%20goods%20and%20services.>

⁵ Small Purchases Procurement method. (n.d.).

<https://spo.hawaii.gov/for-vendors/vendor-guide/methods-of-procurement/goods-services-construction/small-purchases-procurement-method/>



stronger relationships between the school community and local farmers, increasing nutritional education and knowledge of locally grown and raised foods among Hawai'i's students. SB 659 SD2 will positively impact the health of our keiki and contribute to the development of sustainable food systems in Hawai'i.

Meeting our 30% by 2030 Goal

Under Act 175, the DOE is required to purchase locally grown food as 30% of total procurement by 2030 and 50% by 2050.⁶ The added flexibility in SB 659 SD2 will help achieve these goals and support students and their families understand the importance of local food systems. Additionally, a sunset clause ensures that the policy can be evaluated and adjusted to meet the evolving needs of Hawai'i's schools and agricultural communities.

Mahalo for this opportunity to testify in support of SB 659 SD2.

Mahalo,

A handwritten signature in black ink, appearing to read "Kawika Kahiapo", written over a light blue horizontal line.

Kawika Kahiapo
Hawai'i Public Health Institute
Hawai'i Farm to School Network Program Coordinator

⁶ Tagami, M.(2023, December 12). Hawaii Education Department takes 'Big first step' to increase local food in schools. *Honolulu Civil Beat*.

<https://www.civilbeat.org/2023/12/hawaii-education-department-takes-big-first-step-to-increase-local-food-in-schools/>

SB-659-HD-1

Submitted on: 3/17/2025 7:21:43 PM

Testimony for AGR on 3/19/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Glen Kagamida	Individual	Support	Written Testimony Only

Comments:

Great idea to help local farmers. Mahalo!