



State of Hawaii
DEPARTMENT OF AGRICULTURE
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LATE TESTIMONY

TESTIMONY OF RUSSELL S. KOKUBUN
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON AGRICULTURE
&
HOUSE COMMITTEE ON ECONOMIC REVITALIZATION & BUSINESS

Friday, February 3, 2012
8:00 A.M.
ROOM 312

HOUSE BILL NO. 2432
RELATING TO AGRICULTURAL POLICY

Chairpersons Tsuji and McKelvey and Members of the Committees:

Thank you for the opportunity to testify on House Bill No. 2432. This bill proposes to exempt the purchase of fresh meats and produce, and animals and plants by any governmental body from the Hawaii Public Procurement Code. The Department is in strong support of this bill.

The Department has a strong belief in the importance of buying locally grown agricultural commodities to promote the availability of fresh produce for our local communities and for the resulting economic benefits of supporting local agricultural businesses. This bill was crafted in tandem with the State Procurement Office with the goal of allowing agencies to more efficiently purchase items such as fresh meat and produce that are highly perishable and vary in availability, quality, and quantity. This bill is a complement to House Bill No. 2431 and together they put forward the statement echoed in Governor Abercrombie's *New Day Plan* for an Agricultural Renaissance in Hawaii that will keep money in our local economy and create greater food security.

Thank you for the opportunity to submit testimony.





Hawaii Farm Bureau
F E D E R A T I O N

LATE TESTIMONY

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FEBRUARY 3, 2012

HEARING BEFORE THE HOUSE COMMITTEE ON AGRICULTURE

TESTIMONY ON HB 2432 RELATING TO PROCUREMENT

Room 312
8:00 AM

Chair Tsuji, Vice Chair Hashem, and Members of the Committee:

I am Brian Miyamoto, Chief Operating Officer and Government Affairs Liaison for the Hawaii Farm Bureau Federation (HFBF). Organized since 1948, the HFBF is comprised of 1,800 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interest of our diverse agricultural community.

The purpose of this Act is to ease the process required for governmental bodies to acquire local agricultural commodities by exempting Hawaii agricultural producers from the procurement code.

The HFBF strongly supports increased use of locally grown agricultural products, fruits, vegetables, meats, dairy and poultry products in our schools and other public institutions. However, we do not support HB 2432 as written.

In 2009, the State enacted ACT 175 which gave Hawaii agricultural products a price preference and included Hawaii agricultural products under the State's procurement code. We believe that agricultural producers' price preference for bidding presented a competitive advantage. This included enjoyment of the small business preference rule that permits an agency to identify certain contracts for competition among small businesses or requires a large business to subcontract with small businesses to provide the products. These preferences help cultivate a level playing field with out-of-state bidders and create additional market opportunities for Hawaii's farmers and small businesses.

However, to date, the process & policies are in their infancy and have not been fully implemented. Rather than reverse the progress made with ACT 175, we encourage

partnering with the State Procurement Office and related State agencies that are purchasers of fresh produce, meats, dairy and poultry to develop programs that work for Hawaii and training sessions for farmers and ranchers to enter the system.

Your consideration of this request is appreciated. HFBB stands ready to work with the State Procurement Office and State agencies to improve and implement the procurement program that will allow Hawaii farmers and ranchers to source product to State institutions.

Thank you for the opportunity to present testimony. I can be reached at 848-2074 if there are any questions.