

### A BILL FOR AN ACT

RELATING TO ORGANIC AGRICULTURE.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that food crops, 2 including grain and corn, have declined nearly seventy per cent in the United States in the past year, causing food prices to 3 spiral out of control. It has become critical for Hawaii to 4 immediately safeguard its food resiliency. High land prices, 5 6 increasing utility rates, poor weather conditions, food certification mandates, and pest infestations often thwart new 7 and established farmers alike in their efforts to build the 8 necessary equity to be successful. Small organic farmers in 9 10 particular, who have become increasingly sought after by health 11 conscious consumers, encounter a volatile pricing market when 12 they finally reach the marketplace. 13 The legislature further finds that Hawaii's food security

becomes unstable as residents and state entities purchase more
food items that must be shipped from the mainland, increasing
the State's dependence on fossil fuels and vulnerability to food

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shortages.

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- 1 The legislature also finds that many farmers would achieve 2 more efficient crop production if they had greater access to the 3 latest advances in crop science and technology. The high 4 technology development corporation is ideally suited to assist 5 these farmers in implementing technological innovations to 6 maximize their chances of success. 7 The purpose of this Act is to require the department of 8 agriculture to establish a combined organic agricultural 9 mobilization program to aid small organic farmers by providing 10 affordable long-term leases, financial assistance, preferential 11 utility rates, and require the high technology development corporation to assist small organic farmers in implementing 12 13 technological innovations. 14 SECTION 2. Chapter 141, Hawaii Revised Statutes, is 15 amended by adding a new section to be appropriately designated and to read as follows: 16 17 "\$141- Combined organic agricultural mobilization 18 program; established. (a) The department of agriculture shall 19 establish a combined organic agricultural mobilization program, 20 under which the department shall provide affordable long-term 21 leases not to exceed fifty-five years to farmers to establish
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small, organic farms.

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1	(b)	The department shall identify lands under its	
2	jurisdict	ion that are suitable to be leased to farmers pursuant	
3	to this s	ection; provided that land has soil classified by the	
4	land stud	y bureau's detailed land classification as overall	
5	(master)	productivity rating class A or B.	
6	<u>(c)</u>	The department shall determine eligibility	
7	requireme	nts for participants in the combined organic	
8	agricultu	ral mobilization program; provided that participants	
9	shall be organic farmers.		
10	<u>(d)</u>	Notwithstanding any law to the contrary, participants	
11	of the co	mbined organic agricultural mobilization program may:	
12	(1)	Construct farm dwellings, agricultural and processing	
13		facilities, renewable energy improvements, and	
14		necessary infrastructure on the farm land, the value	
15		of which shall be retained by the farmer unless	
16		otherwise transferred by law or legal device;	
17	(2)	Receive preferential rates for public utility service,	
18		pursuant to section 269- ;	
19	(3)	Contract with the State to supply state agencies with	
20		produce at a set price minimum for a set term;	
21		provided that the participant shall supply a minimum	

1		percentage of their total marketable agricultural	
2		product to the State; and	
3	(4)	Receive assistance from the high technology	
4		development corporation in implementing technological	
5		innovations for improved crop cultivation.	
6	<u>(e)</u>	The department may provide financial assistance to	
7	participa	nts of the combined organic agricultural mobilization	
8	program i	n paying the costs of:	
9	(1)	Certification by a third party food auditor; and	
10	(2)	Modifications necessary to receive third party food	
11		safety certification.	
12	<u>(f)</u>	The department shall adopt rules, pursuant to chapter	
13	91, necessary to carry out the purposes of this section."		
14	SECTION 3. Chapter 206M, Hawaii Revised Statutes, is		
15	amended by adding a new section to be appropriately designated		
16	and to read as follows:		
17	<u>"§20</u>	6M- Assistance to participants of the combined	
18	organic agricultural mobilization program. The development		
19	corporation shall assist participants of the combined organic		
20	agricultural mobilization program, pursuant to section		
21	141- (d	)."	

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SECTION 4. Chapter 269, Hawaii Revised Statutes, is
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    amended by adding a new section to be appropriately designated
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    and to read as follows:
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                    Preferential rates for participants of the
         "§269-
 5
    combined organic agricultural mobilization program. (a) The
 6
    public utilities commission may establish preferential rates for
7
    public utility services that are used by participants of the
8
    combined organic agricultural mobilization program established
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    under section 141- .
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         (b) Upon receipt of a bona fide request for preferential
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    rates for any public utility service pursuant to this section,
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    and proof that the customer is a participant in the combined
13
    organic agricultural mobilization program, a public utility
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    shall provide proposed preferential rates for the requested
    public utility service, including but not limited to potable
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    water and electricity, to the public utilities commission for
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    approval. All such rates approved by the public utilities
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    commission shall be subsidized by the rates charged to other
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    customers of the public utility, if necessary, as determined by
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    the public utilities commission."
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         SECTION 5. There is appropriated out of the general
    revenues of the State of Hawaii the sum of $
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                                                            or so
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- 1 much thereof as may be necessary for fiscal year 2013-2014 and
- 2 the same sum or so much thereof as may be necessary for fiscal
- 3 year 2014-2015 for deposit into the agricultural development and
- 4 food security special fund.
- 5 SECTION 6. There is appropriated out of the agricultural
- 6 development and food security special fund the sum of
- 7 \$ or so much thereof as may be necessary for fiscal
- 8 year 2013-2014 and the same sum or so much as may be necessary
- 9 for fiscal year 2014-2015 to provide financial assistance to
- 10 participants in the combined organic agricultural mobilization
- 11 program.
- 12 The sums appropriated shall be expended by the department
- 13 of agriculture for the purposes of this Act.
- 14 SECTION 7. New statutory material is underscored.
- 15 SECTION 8. This Act shall take effect on July 1, 2013.

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INTRODUCED BY:

JAN 2 4 2013

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#### Report Title:

Agriculture; Combined Organic Agricultural Mobilization Program; Utility Rates; HTDC; Appropriation

### Description:

Requires DOA to establish a combined organic agricultural mobilization program to provide affordable long-term leases to farmers to establish small, organic farms. Authorizes PUC to establish preferential utility rates for participants of the program. Requires HTDC to assist participants of the program. Makes an appropriation.

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