

JAN 22 2015

A BILL FOR AN ACT

RELATING TO AGRICULTURE.

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

1 SECTION 1. The legislature finds that the agricultural
2 industry in Hawaii needs to be revitalized, especially if the
3 State wants to move toward becoming more self-sufficient.
4 Currently, Hawaii imports 85 to 90 per cent of its food.
5 Contributing to the problem is a decrease in crop acreage as
6 well as the number of workers employed in the agricultural
7 industry over the past twenty years. The legislature supports
8 the goals of the Aloha+ Challenge, one of which is to double
9 local food production so that by the year 2030, 20 to 30 per
10 cent of food consumed in Hawaii is grown locally.

11 The legislature further finds that it is in the State's
12 interest to increase the pool of farm workers so that Hawaii can
13 produce more of its own food. To attract workers to the farming
14 industry, workers need to be paid more than current wages. The
15 agricultural industry has the lowest real labor wages in the
16 State, with wages being especially low amongst crop farmers, who
17 earn 28.6 per cent less than seed farmers. The legislature



1 finds that wage subsidies are an effective way to increase farm
2 workers' pay and entice workers to the farming industry. Wage
3 subsidies work best in labor-intensive areas such as farming,
4 and have shown to increase consumer spending most amongst poorer
5 groups, which also serves to boost the local economy.

6 The farming industry is mainly comprised of entry-level and
7 unskilled laborers who would benefit greatly from a small
8 increase in hourly pay. Thus, the purpose of this Act is to
9 develop a farm worker subsidy program within the department of
10 agriculture to increase employment of entry-level farm workers
11 in Hawaii and encourage self-sufficiency and consumption of
12 locally grown food.

13 SECTION 2. Chapter 141, Hawaii Revised Statutes, is
14 amended by adding a new section to be appropriately designated
15 and to read as follows:

16 "§141- Farm worker subsidy program. (a) There is
17 established within the department of agriculture a farm worker
18 subsidy program that shall provide a subsidy to any qualified
19 applicant who employs entry-level farm workers. The department
20 shall:



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- (1) Establish program goals, including improved self-sufficiency in Hawaii by increasing growth and consumption of local food;
 - (2) Establish definitions for "qualified applicant" and "entry-level farm worker";
 - (3) Establish criteria to be approved for the subsidy and authorized use for the subsidy;
 - (4) Create an application process and application form for employers to use to apply for the subsidy;
 - (5) Establish the minimum wage that employers are required to pay their entry-level farm workers to qualify for the subsidy;
 - (6) Determine the subsidy amount; provided that the amount shall be no less than \$ per hour per worker; and
 - (7) Inform farmers around the State about the subsidy program.
- (b) There is established within the treasury of the State the farm worker special fund, into which shall be deposited:
- (1) Appropriations made by the legislature;
 - (2) Grants, contracts, donations, or private contributions; and



1 (3) Interest earned or accrued on moneys in the special
2 fund.

3 Moneys in the farm worker special fund shall be expended by
4 the department of agriculture to provide subsidies to qualified
5 applicants who employ entry-level farm workers, pursuant to the
6 farm worker subsidy program."

7 SECTION 3. There is appropriated out of the general
8 revenues of the State of Hawaii the sum of \$ or so
9 much thereof as may be necessary for fiscal year 2015-2016 and
10 the same sum or so much thereof as may be necessary for fiscal
11 year 2016-2017 to be deposited into the farm worker special
12 fund.

13 SECTION 4. There is appropriated out of the farm worker
14 special fund the sum of \$ or so much thereof as may be
15 necessary for fiscal years 2015-2016 and the same sum or so much
16 thereof as may be necessary for fiscal year 2016-2017 to
17 establish the farm worker subsidy program and provide subsidies
18 to qualified applicants who employ entry-level farm workers to
19 create job opportunities and improve growth and consumption of
20 local food.



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1 The sums appropriated shall be expended by the department
2 of agriculture for the purposes of this Act.

3 SECTION 5. New statutory material is underscored.

4 SECTION 6. This Act shall take effect on July 1, 2015.

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INTRODUCED BY: *Paul E. Pelen* BR



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Report Title:

Agriculture; Wage Subsidy; Farm Worker Subsidy Program; Farm Worker Special Fund; Employment; Appropriation

Description:

Establishes and appropriates funds for the farm worker subsidy program within the department of agriculture to encourage growth and consumption of local food and increase employment of entry-level farm workers in Hawaii by providing a wage subsidy.
Establishes the farm worker special fund.

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