## A BILL FOR AN ACT

RELATING TO SUSTAINABLE AGRICULTURE.

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

- 1 SECTION 1. The legislature finds that the use of cover
- 2 crops and green manure increases agricultural productivity and
- 3 aligns with the State's integrated sustainability goals. Plants
- 4 used for this purpose, including grasses, legumes, and forbs,
- 5 add nutrients to the soil, act as windbreaks, assist with water
- 6 retention, provide habitats for beneficial insects, and help to
- 7 prevent soil erosion.
- 8 The legislature further finds that it is in the interests
- 9 of the State to incentivize the use of management practices that
- 10 enhance the quality and sustainability of Hawaii's agricultural
- 11 lands.
- 12 Accordingly, the purpose of this Act is to establish and
- 13 appropriate moneys for a crop reimbursement pilot program to
- 14 reimburse farming operations in the State for the costs of
- 15 acquiring cover crop seeds or green manure.
- 16 SECTION 2. (a) The department of agriculture shall
- 17 establish and implement a three-year crop reimbursement pilot



- 1 program to reimburse farming operations in the State for the
- 2 costs of acquiring cover crop seeds or green manure.
- 3 (b) Applications for cost reimbursements shall be
- 4 submitted on a form furnished by the department and shall be
- 5 accompanied by documentation of the costs of purchase, pursuant
- 6 to subsection (c); provided that:
- 7 (1) The applicant shall indemnify and hold harmless the
- 8 State and its officers, agents, and employees from all
- 9 claims arising out of or resulting from the cover crop
- seeds or green manure purchased; and
- 11 (2) The department may request that an applicant provide
- additional information for the purposes of verifying
- the volume of cover crop or green manure purchased.
- 14 (c) Applications for reimbursement under the crop
- 15 reimbursement pilot program shall be filed for seeds purchased
- 16 within the fiscal year immediately preceding the filing and be
- 17 effective for costs of purchasing cover crops or green manure
- 18 incurred after June 30, 2020, and before July 1, 2023. The
- 19 documentation shall include a certification that the amount for
- 20 which the applicant seeks reimbursement is not already covered
- 21 by other governmental cover crop incentive programs, including

- 1 the National Resource Conservation Service's environmental
- 2 quality incentive payment program or the conservation
- 3 stewardship program.
- 4 (d) Funds shall be dispersed upon approval on an annual
- 5 basis by the department to the farmer or rancher for up to one
- 6 hundred per cent of the costs incurred for cover crop seeds or
- 7 green manure purchased after June 30, 2020, and before July 1,
- 8 2023.
- 9 (e) The department shall aggregate the total reimbursement
- 10 applications pursuant to this section and divide and distribute
- 11 the available moneys based on the quality of the applicant's
- 12 cover crop and green manure practice; provided that no farming
- 13 operation shall receive a total reimbursement of more than
- 14 \$50,000 per year.
- 15 (f) There is established within the department a cover
- 16 crop reimbursement pilot program manager position, which shall
- 17 be a full-time temporary position exempt from chapters 76 and
- 18 89, Hawaii Revised Statutes. The cover crop reimbursement pilot
- 19 program manager shall receive a salary not to exceed \$50,000 per
- 20 year. The cover crop reimbursement pilot program manager shall
- 21 possess a requisite level of knowledge and expertise in the area

- 1 of program management necessary to carry out the duties of the
- 2 position. The cover crop pilot reimbursement program manager
- 3 shall:
- 4 (1) Facilitate the division and distribution of available
- 5 costs for reimbursement; and
- 6 (2) Manage the day-to-day coordination of the cover crop
- 7 reimbursement pilot program.
- 8 (g) Any action taken by the department pursuant to this
- 9 section shall be exempt from the rulemaking requirements of
- 10 chapter 91, Hawaii Revised Statutes.
- 11 (h) The department shall submit a report of its findings
- 12 and recommendations, including any proposed legislation, to the
- 13 legislature no later than twenty days prior to the convening of
- 14 the regular session of 2024. The report shall include the
- 15 department's recommendation on whether the pilot program should
- 16 be extended, and if so, with or without modifications.
- 17 (i) As used in this section:
- "Cover crop" and "green manure" mean the plants listed in
- 19 the cover crop and green manure database maintained by the
- 20 university of Hawaii college of tropical agriculture and human
- 21 resources.

- 1 "Department" means the department of agriculture.
- 2 "Farming operation" has the same meaning as defined in
- 3 section 165-2, Hawaii Revised Statutes.
- 4 SECTION 3. There is appropriated out of the general
- 5 revenues of the State of Hawaii the sum of \$ or so much
- 6 thereof as may be necessary for fiscal year 2020-2021 for the
- 7 department of agriculture to establish, implement, and
- 8 administer a cover crop reimbursement pilot program; provided
- 9 that up to \$20,000 may be used for administrative costs.
- 10 The sum appropriated shall be expended by the department of
- 11 agriculture for the purposes of this Act.
- 12 SECTION 4. This Act shall take effect on July 1, 2050.

## Report Title:

Department of Agriculture; Sustainable Agriculture; Cover Crop Reimbursement Pilot Program

## Description:

Establishes a cover crop reimbursement pilot program to provide up to one hundred per cent cost reimbursement to farming operations in the State for acquiring cover crop seeds or green manure. Establishes a cover crop reimbursement pilot program manager position within the Department of Agriculture to administer the program. Requires a report to the Legislature. Makes an appropriation. Effective 7/1/2050. (SD2)

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