

STAND. COM. REP. NO.

64

Honolulu, Hawaii

FEB 10 2021

RE: S.B. No. 338
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Agriculture and Environment, to which was referred S.B. No. 338 entitled:

"A BILL FOR AN ACT RELATING TO A FOOD HUB PILOT PROGRAM,"

begs leave to report as follows:

The purpose and intent of this measure is to establish and appropriate funds for a five-year food hub pilot program under the Department of Agriculture to increase access to local food.

Your Committee received testimony in support of this measure from the Department of Agriculture, Department of Health, Office of Planning, University of Hawai'i College of Tropical Agriculture and Human Resources, Hawai'i Primary Care Association, Manowaiopae Excellent Adventure Farm, Kauai Climate Action Coalition, Our Revolution Hawaii, Hawaii Cattlemen's Council, EcoTipping Points Project, Center for Getting Things Started, Americans for Democratic Action Hawai'i, Hawai'i Alliance for Progressive Action, Ulupono Initiative LLC, Land Use Research Foundation of Hawaii, Hawai'i Farm Bureau, Kauai Food Hub, Supersistence, Hawai'i SEED, Kahana Foundation, Hawaii Ulu Producers Cooperative, and forty-one individuals. Your Committee received comments on this measure from the Maui Chamber of Commerce.

Your Committee finds that farmers in Hawaii face many challenges in achieving economic sustainability, including the limited availability of reliable markets and food hubs, which are



facilities used to secure food and process value-added products. Food hubs, as centrally located facilities with a business management structure that facilitates the aggregation, storage, processing, distribution, and marketing of locally grown produce, are an integral but missing piece of agricultural infrastructure required to achieve and sustain the doubling of local food production in Hawaii.

Your Committee also finds that state supported food hubs may give Hawaii's producers the opportunity to compete with local markets, while also remaining financially viable. According to the 2017 United States Department of Agriculture National Agricultural Statistics Service Census of Agriculture, of Hawaii's 7,238 farms statewide, sixty-six percent of farms are between one and nine acres, and seventy-eight percent of farms produce less than \$25,000 in sales. Hawaii's agricultural producer majority is small farmers who struggle with access to facilities and infrastructure to aggregate, process, and distribute products to local consumers and face high costs in land, labor, energy, and limited access to water supply for irrigation. Allowing small farmers to participate in larger markets will ensure their economic survival and Hawaii's long-term ecosystem survival. Therefore, your Committee finds that a food hub pilot program will help lower costs for and increase revenue to farmers in the State, help farmers become or remain economically sustainable, and ensure public access to locally grown food and value-added products.

Your Committee has amended this measure by:

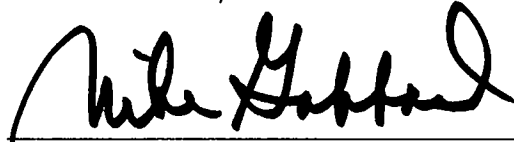
- (1) Inserting language to authorize the issuance of \$1,500,000 of general obligation bonds for fiscal year 2021-2022 for the Honalo Marshalling Yard;
- (2) Specifying that the appropriation of general obligation bonds shall be expended by the Department of Agriculture; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of



S.B. No. 338, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 338, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Agriculture and
Environment,



MIKE GABBARD, Chair



The Senate
 Thirty-First Legislature
 State of Hawai'i

Record of Votes
Committee on Agriculture and Environment
AEN

Bill / Resolution No.:* SB 338	Committee Referral: AEN, WAM	Date: 02/05/2021
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The Committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312
 Pass, with amendments 2311
 Hold 2310
 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
GABBARD, Mike (C)	✓			
NISHIHARA, Clarence K. (VC)	✓			
ACASIO, Laura	✓			
RHOADS, Karl	✓			
FEVELLA, Kurt	✓			
TOTAL	5			

Recommendation: Adopted Not Adopted

Chair's or Designee's Signature: 

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*Only one measure per Record of Votes