DAVID Y. IGE GOVERNOR



BONNIE KAHAKUI ACTING ADMINISTRATOR

#### STATE OF HAWAII STATE PROCUREMENT OFFICE

P.O. Box 119 Honolulu, Hawaii 96810-0119 Tel: (808) 586-0554 email: <u>state.procurement.office@hawaii.gov</u> <u>http://spo.hawaii.gov</u> Twitter: <u>@hawaiispo</u>

#### TESTIMONY OF BONNIE KAHAKUI, ACTING ADMINISTRATOR STATE PROCUREMENT OFFICE

#### TO THE HOUSE COMMITTEE ON GOVERNMENT REFORM FEBRUARY 3, 2021, 8:30 A.M.

#### HOUSE BILL 817 RELATING TO AGRICULTURE

Chair McKelvey, Vice-Chair Wildberger, and members of the committee, thank you for the opportunity to submit testimony on HB 817. The State Procurement Office's (SPO) comments are in support of the intent of this bill, however, we have reservations on how the program will be implemented, monitored, and enforced.

These mandated percentages look great on paper, however, are the targets realistic and feasible? SPO asked other departments for their input on the bill, and we list some of their concerns:

- What happens if the targets aren't met due to pandemics or environmental issues?
- What will happen to the Hawaii Product Preference program, pursuant to HRS § 103D-1002, if state agencies are now required to buy local?
- What department will monitor the progress, and will that department have the resources to track each department's purchases?
- If the price for locally grown produce is much higher than non-locally grown, will funding be made available to compensate the departments for the cost difference?
- Who and how will produce distributors be monitored to make sure that non-locally grown produce are not mixed in with locally grown produce?
- What happens if the local farmers are not meeting the demand? Will the percentages be lowered?
- Will there be any exceptions granted?
- Will menu changes be allowed due to lack of supply?
- Will waste due to a shorter shelf life of locally grown produce be a consideration?

Thank you.



Email: <a href="mailto:communications@ulupono.com">communications@ulupono.com</a>

### HOUSE COMMITTEE ON GOVERNMENT REFORM Wednesday, February 3, 2021 — 8:30 a.m.

# Ulupono Initiative <u>supports the intent</u> of HB 817, Relating to Agriculture

Dear Chair McKelvey and Members of the Committee:

My name is Micah Munekata, and I am the Director of Government Affairs at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve quality of life throughout the islands by helping our communities become more resilient and selfsufficient through locally produced food; renewable energy and clean transportation; and better management of freshwater and waste.

**Ulupono** <u>supports the intent</u> of HB 817, which requires each State department to ensure that a certain percentage of the produce purchased by that department is locally grown.

Ulupono supports the State leading by example in purchasing 100% locally grown, raised and harvested produce as part of each department's purchases. By establishing the 50% by 2050 goal, with relative benchmarks along the way, the State is supporting local farmers and ranchers with a consistent market, providing fresh, healthy products to the community, and keeping State money here in the islands. This effort can be extremely important in supporting our local food production goals while also increasing the State's food security.

Ulupono would like to offer a few amendments for consideration. Knowing that there are times that the entire plate or meal may need to include a processed or value-added product in order to make the greatest local product impact on the overall meal, we recommend adding language and definitions to be include in meeting the local purchasing goals listed in the bill as such.

- Replace "as measured by the cost of the produce" throughout the bill with "as measured by the per cent of the total food cost"
- Replace "locally grown produce" throughout the bill with "fresh local agricultural product and local value-added, processed, agricultural, or food product"

#### Investing in a Sustainable Hawaiʻi



- Add the following definitions:
  - "Fresh local agricultural product" means fruits, vegetables, nuts, coffee, eggs, poultry and poultry products, livestock and livestock products, milk and milk products, aquacultural and maricultural products, and horticultural products 100% grown, raised, and harvested in Hawai'i.
  - "Local value-added processed, agricultural, or food product" shall be defined to mean at least fifty-one per cent of the product's primary agricultural product shall be grown, raised, and harvested in Hawai'i."
  - "Primary agricultural product" means the major agricultural product in a processed or value-added agricultural or food product

These definitions were mirrored after the Department of Agriculture's Seal of Quality Program – the top-of-the-line program established to protect the Hawai'i brand for both fresh and value-added products.

Thank you for this opportunity to testify.

Respectfully,

Micah Munekata Director of Government Affairs JOSH GREEN Lt. Governor



PHYLLIS SHIMABUKURO-GEISER Chairperson, Board of Agriculture

> MORRIS M. ATTA Deputy to the Chairperson

State of Hawaii DEPARTMENT OF AGRICULTURE 1428 South King Street Honolulu, Hawaii 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613

### TESTIMONY OF PHYLLIS SHIMABUKURO-GEISER CHAIRPERSON, BOARD OF AGRICULTURE

# BEFORE THE HOUSE COMMITTEE ON GOVERNMENT REFORM

FEBRUARY 3, 2021 8:30 A.M. VIA VIDEO CONFERENCE

HOUSE BILL NO. 817 RELATING TO AGRICULTURE

Chairperson McKelvey and Members of the Committee:

Thank you for the opportunity to testify on House Bill 817, relating to agriculture. This bill would require each state department that purchases produce to ensure that 10% of purchased produce is grown locally by 2025, and increases the required percentage every five years to a maximum of 50% locally-grown by 2050. This bill may benefit agricultural producers in the State and potentially creates a larger market for locally grown products. The Department has received reports that a similar requirement mandated by <u>Act 233, SLH 2015</u> achieved measurable increases in utilization of locally-sourced agricultural products. The Department supports the intent of this measure but defers to the State Procurement Office and those departments with large food service programs regarding this measure's operational impacts on their respective programs. The Department additionally has concerns regarding the logistics for data collection and reporting that would be necessary for effective enforcement the milestones and percentages imposed by this measure.

Thank you for the opportunity to testify on this measure.





DR. CHRISTINA M. KISHIMOTO SUPERINTENDENT



STATE OF HAWAI'I DEPARTMENT OF EDUCATION P.O. BOX 2360 HONOLULU, HAWAI'I 96804

> Date: 02/03/2021 Time: 08:30 AM Location: Via Videoconference Committee: House Government Reform

Department:EducationPerson Testifying:Dr. Christina M. Kishimoto, Superintendent of EducationTitle of Bill:HB 0817 RELATING TO AGRICULTURE.Purpose of Bill:Requires each state department to ensure that a certain<br/>percentage of the produce purchased by that department is<br/>locally-grown.

#### **Department's Position:**

The Hawaii State Department of Education (Department) supports the intent of HB 817 to ensure that a certain percentage of the produce purchased by the DOE is locally grown.

The Department's Office of Facilities and Operations School Food Services Branch will continue to improve and evaluate its business processes and practices to achieve a greater utilization of Hawaii agricultural products. Additionally, the Department will need to determine a baseline of how much of its current produce purchases are locally-sourced in order to begin monitoring any movement to fulfill the goals of the proposal.

Thank you for the opportunity to provide testimony on this measure.

The Hawai'i State Department of Education is committed to delivering on our promises to students, providing an equitable, excellent, and innovative learning environment in every school to engage and elevate our communities. This is achieved through targeted work around three impact strategies: school design, student voice, and teacher collaboration. Detailed information is available at www.hawaiipublicschools.org.

DAVID Y. IGE GOVERNOR



P.O. Box 253, Kunia, Hawai'i 96759 Phone: (808) 848-2074; Fax: (808) 848-1921 e-mail info@hfbf.org; www.hfbf.org

February 3, 2021

## HEARING BEFORE THE HOUSE COMMITTEE ON GOVERNMENT REFORM

TESTIMONY ON HB 817 RELATING TO AGRICULTURE

> Conference Room 309 8:30 AM

Aloha Chair McKelvey, Vice Chair Wildberger, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB 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 interests of our diverse agricultural community.

The Hawaii Farm Bureau supports the intent of HB 817, which requires each state department to ensure that a certain percentage of the produce purchased by that department is locally-grown.

HFB strongly supports the increased use of locally grown agricultural products, fruits, vegetables, meats, dairy, and poultry products in our state institutions.

HFB appreciates the intent of HB 817 which sets goals to increase the required percentage of locally grown produce that departments must purchase. Policies, investments, and resources that support agriculture are necessary to ensure that Hawaii's farmers and ranchers can supply the produce to meet the goals established in HB 817.

Thank you for this opportunity to testify.