
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, green manure, and compost increases agricultural
3 productivity and aligns with the State's integrated
4 sustainability goals. Plants used for this purpose, including
5 grasses, legumes, and forbs, add nutrients to the soil, act as
6 windbreaks, assist with water retention, provide habitats for
7 beneficial insects, and help to prevent soil erosion.

8 The legislature further finds that it is in the interest of
9 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 cover crop reimbursement pilot program
14 to reimburse farming operations in the State for the costs of
15 acquiring cover crop seeds, green manure, or compost.

16 SECTION 2. (a) The department of agriculture shall
17 establish and implement a three-year cover crop reimbursement



1 pilot program to reimburse farming operations in the State for
2 the costs of acquiring cover crop seeds, green manure, or
3 compost.

4 (b) Applications for cost reimbursements shall be
5 submitted on a form furnished by the department of agriculture
6 and shall be accompanied by documentation of the costs of
7 purchase, pursuant to subsection (c); provided that:

8 (1) The applicant shall indemnify and hold harmless the
9 State and its officers, agents, and employees from all
10 claims arising out of or resulting from the cover crop
11 seeds, green manure, or compost purchased; and

12 (2) The department of agriculture may request that an
13 applicant provide additional information for the
14 purposes of verifying the volume of cover crop seeds,
15 green manure, or compost purchased.

16 (c) Applications for reimbursement under the cover crop
17 reimbursement pilot program shall be filed for seeds purchased
18 within the fiscal year immediately preceding the filing and be
19 effective for costs of purchasing cover crop seeds, green
20 manure, or compost incurred after June 30, 2021, and before
21 July 1, 2024. The documentation shall include a certification



1 that the amount for which the applicant seeks reimbursement is
2 not already covered by other governmental cover crop incentive
3 programs, including the United States Department of Agriculture,
4 Natural Resources Conservation Service's environmental quality
5 incentives program or the conservation stewardship program.

6 (d) Upon approval, funds shall be disbursed upon approval
7 on an annual basis by the department of agriculture to the
8 farmer or rancher for up to seventy-five per cent of the costs
9 incurred for cover crop seeds, green manure, or compost
10 purchased after June 30, 2021, and before July 1, 2024.

11 (e) The department of agriculture shall convene a review
12 panel comprising knowledgeable representatives from the
13 department of agriculture, university of Hawaii college of
14 tropical agriculture and human resources, and industry
15 organizations to screen and rate applicants on the quality and
16 appropriate use of their cover crops and green manure and
17 composting practices. The department shall aggregate the total
18 reimbursement applications pursuant to this section and
19 distribute the available moneys on a ranking scale from highest
20 to lowest as determined by the review panel.



1 (f) There is established within the department of
2 agriculture a cover crop reimbursement pilot program manager
3 position, which shall be a full-time temporary position exempt
4 from the requirements of chapters 76 and 89, Hawaii Revised
5 Statutes. The cover crop reimbursement pilot program manager
6 shall receive a salary not exceeding \$50,000 per year. The
7 cover crop reimbursement pilot program manager shall possess a
8 requisite level of knowledge and expertise in the area of
9 program management necessary to carry out the duties of the
10 position. The cover crop reimbursement pilot program manager
11 shall:

- 12 (1) Facilitate the division and distribution of available
13 costs for reimbursement; and
- 14 (2) Manage the day-to-day coordination of the cover crop
15 reimbursement pilot program.

16 (g) Any action taken by the department of agriculture
17 pursuant to this section shall be exempt from the rulemaking
18 requirements of chapter 91, Hawaii Revised Statutes.

19 (h) The department of agriculture shall submit an interim
20 report of its findings and recommendations, including any
21 proposed legislation, to the legislature no later than twenty



1 days prior to the convening of the regular session of 2024 and a
2 final report no later than twenty days prior to the convening of
3 the regular session of 2025. The report shall include the
4 department's recommendation on whether the pilot program should
5 be extended, with or without modifications.

6 (i) As used in this section:

7 "Compost" means a product of a composting process.

8 "Compostable materials" includes pre- and post-consumer
9 food waste, waste from animal food processing operations, green
10 waste, crop residues, and waste from vegetable food processing
11 operations and similar materials.

12 "Composting process" means a process in which organic
13 compostable materials are biologically decomposed under
14 controlled conditions to produce a stable humus-like mulch or
15 soil amendment, and includes:

- 16 (1) Receipt of materials;
- 17 (2) Primary processing;
- 18 (3) Decomposition activities; and
- 19 (4) Final processing for sale and marketing.

20 "Cover crop" and "green manure" mean the plants listed in
21 the cover crop and green manure database maintained by the



1 university of Hawaii college of tropical agriculture and human
2 resources.

3 "Farming operation" has the same meaning as in section
4 165-2, Hawaii Revised Statutes.

5 SECTION 3. There is appropriated out of the general
6 revenues of the State of Hawaii the sum of \$ or so much
7 thereof as may be necessary for fiscal year 2021-2022 and the
8 same sum or so much thereof as may be necessary for fiscal year
9 2022-2023 for the department of agriculture to establish,
10 implement, and administer a cover crop reimbursement pilot
11 program; provided that up to \$ may be used for the pilot
12 program's administrative costs.

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

15 SECTION 4. This Act shall take effect on July 1, 2050.



Report Title:

Sustainable Agriculture; HDOA; Cover Crop Reimbursement Pilot Program; Appropriation

Description:

Establishes a cover crop reimbursement pilot program to provide up to 75% cost reimbursement to farming operations in the State for acquiring cover crop seeds, green manure, or compost. Requires the convening of a review panel to screen and rate applicants on the quality of their cover crop and green manure and composting practices. Establishes a cover crop reimbursement pilot program manager position within the department of agriculture to administer the program. Requires a report to the legislature. Appropriates funds. Effective 7/1/2050. (SD2)

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