A BILL FOR AN ACT

RELATING TO AGRICULTURE.

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

1 SECTION 1. Act 176, Session Laws of Hawaii 2021, is 2 amended by amending section 1 to read as follows: 3 "SECTION 1. The legislature finds that supporting local 4 businesses and encouraging the production and use of local 5 agricultural products [is] are a matter of statewide concern. 6 The legislature further finds that the department of 7 education, department of health, department of public safety, 8 department of defense, and University of Hawaii system are the 9 state entities that purchase some of the greatest amounts of 10 agricultural products. For example, according to the department of public safety, it consistently spent more than \$10,000,000 11 12 annually from 2007 to 2011 to feed Hawaii's inmate population. Under section 11-174-3, Hawaii Administrative Rules, the 13 14 inclusive rate for routine and ancillary services per patient of 15 the Hawaii state hospital is \$133 per day. Routine and 16 ancillary services include food and nutrition services, among

other services and supplies.

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1 The department of education operates the twelfth-largest 2 school system in the United States. Prior to the COVID-19 3 pandemic, the department of education served lunch to 103,786 4 students daily and an additional 32,352 breakfasts daily. 5 During fiscal year 2017-2018, the department spent more than 6 \$45,640,000 on food for school meals. In 2020, even during an 7 abbreviated school year, the department spent about \$30,000,000 8 on food. 9 The department of defense oversees the Hawaii national guard youth challenge academy and serves breakfast, lunch, and 10 11 dinner to its residential students. The Hawaii national guard 12 youth challenge academy is seventy-five per cent funded by a 13 federal National Guard Bureau grant, with meal and food 14 purchases for the year having a federal budget cap of \$25 a day 15 for each cadet participating in the academy. 16 [The] Therefore, the purpose of this Act is to require 17 [state departments] the department of education, department of 18 health, department of public safety, department of defense, and 19 University of Hawaii system to ensure that a certain percentage 20 of [produce] food that is purchased is locally grown to ensure 21 the continued growth of local [produce,] food, support local

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- 1 farmers and ranchers, and guarantee that revenue derived from
- 2 [the produce of contracts for] locally grown [produce] food
- 3 remains in the State. This Act is not meant to capture
- 4 departmental or university staff travel expenses, office staff
- 5 procurement, any other staff meals separate from each
- 6 department's offered meal services or programs, or other staff
- 7 meals separate from the university's offered meal services or
- 8 programs."
- 9 SECTION 2. Section 27-8, Hawaii Revised Statutes, is
- 10 amended to read as follows:
- "[{]\$27-8[}] Contracts for [produce;] food; percentage to
- 12 be grown within the State. (a) [Each principal department of
- 13 the State, as established in section 26-4, that purchases
- 14 produce] The department of education, department of health,
- 15 department of public safety, department of defense, and
- 16 University of Hawaii system shall ensure that a certain
- 17 percentage of the [produce] food purchased [by that department]
- 18 in public schools and youth campuses, public hospitals, public
- 19 prisons, and University of Hawaii facilities is fresh local
- 20 agricultural products and local value-added, processed,
- 21 agricultural, or food products as follows:

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1	(1)	By January 1, 2025, fresh local agricultural products
2		and local value-added, processed, agricultural, or
3		food products shall constitute a minimum of ten per
4		cent of the total [produce] food purchased [by the
5		department] during each calendar year, as measured by
6		the per cent of total food cost;
7	(2)	By January 1, 2030, fresh local agricultural products
8		and local value-added, processed, agricultural, or
9		food products shall constitute a minimum of eighteen
10		per cent of the total [produce] food purchased [by the
11		department] during each calendar year, as measured by
12		the per cent of total food cost;
13	(3)	By January 1, 2035, fresh local agricultural products
14		and local value-added, processed, agricultural, or
15		food products shall constitute a minimum of twenty-six
16		per cent of the total [produce] food purchased [by the
17		department] during each calendar year, as measured by
18		the per cent of total food cost;
19	(4)	By January 1, 2040, fresh local agricultural products
20		and local value-added, processed, agricultural, or

food products shall constitute a minimum of

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I		thirty-four per cent of the total [produce] food
2		purchased [by the department] during each calendar
3		year, as measured by the per cent of total food cost;
4	(5)	By January 1, 2045, fresh local agricultural products
5		and local value-added, processed, agricultural, or
6		food products shall constitute a minimum of forty-two
7		per cent of the total [produce] food purchased [by the
8		department] during each calendar year, as measured by
9		the per cent of total food cost; and
10	(6)	By January 1, 2050, fresh local agricultural products
11		and local value-added, processed, agricultural, or
12		food products shall constitute a minimum of fifty per
13		cent of the total [produce] food purchased [by the
14		department] during each calendar year, as measured by
15		the per cent of total food cost.
16	(b)	[Each principal department of the State] The
17	departmen	t of education, department of health, department of
18	public sa	fety, department of defense, and University of Hawaii
19	system sh	all <u>each</u> submit a report to the legislature no later
20	than twen	ty days prior to the convening of each regular session

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1	on [that c	department's] progress toward meeting the benchmarks
2	described	in subsection (a), including:
3	(1)	The $[amount of]$ total $[produce]$ $\underline{cost of food}$ purchased
4		[by the department] during the calendar year preceding
5		that regular session[, as measured by the per cent of
6		the total food cost];
7	(2)	The [amount of] percentage of the total cost of food
8		purchased during the calendar year preceding that
9		regular session accounted for by the cost of fresh
10		local agricultural products and local value-added,
11		processed, agricultural, or food products [purchased
12		by the department during the calendar year preceding
13		that regular session, as measured by the per cent of
14		the total food cost]; and
15	[-(3) -	The percentage of fresh local agricultural products
16		and local value-added, processed, agricultural, or
17		food products purchased by the department during the
18		year preceding that regular session; and
19	(4)]	(3) If [the] each respective department or the
20		University of Hawaii did not meet the relevant
21		benchmark described in subsection (a), an explanation

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1 of why [the] each respective department or the 2 University of Hawaii did not meet that benchmark. 3 (c) [For the purposes of] As used in this section: "Fresh local agricultural products" means fruits, 4 5 vegetables, nuts, coffee, eggs, poultry, and poultry products, 6 livestock, and livestock products, milk and milk products, 7 aquacultural, and maricultural products, and horticultural 8 products, one hundred per cent grown, raised, and harvested in 9 Hawaii. 10 "Local value-added, processed, agricultural, or food 11 product" means a product for which at least fifty-one per cent of its primary agricultural product is grown, raised, and 12 13 harvested in Hawaii. 14 "Primary agricultural product" means the major agricultural 15 product in a processed or value-added agricultural or food 16 product. 17 ["Produce" means fruits, vegetables, staple starches, nuts, 18 coffee, eggs, poultry and poultry products, livestock and 19 livestock products, milk and milk products, aquacultural and 20 maricultural products, and horticultural products.]"

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- 1 SECTION 2. This Act does not affect rights and duties that
- 2 matured, penalties that were incurred, and proceedings that were
- 3 begun before its effective date.
- 4 SECTION 3. Statutory material to be repealed is bracketed
- 5 and stricken. New statutory material is underscored.
- 6 SECTION 4. This Act shall take effect on July 1, 2112.

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Report Title:

Procurement; Food Contracts; Specifications; DOE; DOH; PSD; DOD; UH System

Description:

Changes the law requiring all state departments to ensure that a certain percentage of food purchased consists of fresh, local agricultural products or local value-added, processed, agricultural, or food products to apply only to the DOE, DOH, PSD, DOD, and UH System. Requires each of those departments and the UH System to report to the legislature on its progress toward meeting these benchmarks and clarifies the information to be reported. Effective 7/1/2112. (HD1)

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