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# A BILL FOR AN ACT

RELATING TO A FOOD HUB PILOT PROGRAM.

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

1           SECTION 1. The legislature finds that the State's food  
2 security may be strengthened by growing more food locally and  
3 increasing access to local food. This endeavor may be supported  
4 by establishing food hubs, which are centrally located  
5 facilities having a business management structure that  
6 facilitates aggregation, storage, processing, distribution, and  
7 marketing of locally produced food products. By actively  
8 coordinating these activities along the value chain, food hubs  
9 may provide wider access to institutional and retail markets for  
10 small- to mid-sized producers and increase consumer access to  
11 fresh healthy food, including those consumers in underserved  
12 areas and food deserts.

13           The legislature also finds that food hubs encounter  
14 financial obstacles when seeking to launch or expand their  
15 operations. Therefore, a funding source is needed to support  
16 the establishment and growth of food hubs on a scale that meets  
17 demand by state institutions such as schools, hospitals, and  
18 correctional facilities.



1           Accordingly, the purpose of this Act is to establish a  
2 five-year food hub pilot program under the department of  
3 agriculture and appropriate funds for the program.

4           SECTION 2. (a) There is established a five-year food hub  
5 pilot program, which shall be administered by the department of  
6 agriculture.

7           (b) The food hub pilot program shall:

8           (1) Adopt the United States Department of Agriculture's  
9 working definition of "food hub", which means "a  
10 centrally located facility with a business management  
11 structure facilitating the aggregation, storage,  
12 processing, distribution, and/or marketing of  
13 locally/regionally produced food products"; and

14           (2) Award grant funding to qualified applicants for the  
15 construction of critical infrastructure to establish  
16 and expand food hubs in each of the counties,  
17 including:

18           (A) Construction or improvement of facilities for  
19 aggregation, washing, minimal processing,  
20 packaging, cold storage, and other  
21 value-additions; and



1 (B) Provision of technical assistance to develop  
2 in-state capacity to supply state institutions  
3 and other markets.

4 (c) The department of agriculture shall establish criteria  
5 for the award of initial start-up grant funding or subsequent  
6 expansion funding under the food hub pilot program, including  
7 the following provisions:

8 (1) Priority shall be given to organizations having  
9 demonstrated experience in aggregation, washing,  
10 minimal processing, packaging, cold storage, and other  
11 value-additions for delivering local produce to local  
12 markets;

13 (2) Qualifying applicants shall include corporations,  
14 limited liability companies, partnerships, sole  
15 proprietorships, non-profit organizations, and  
16 agricultural cooperatives that meet necessary  
17 insurance requirements and provide a certificate of  
18 vendor compliance with Hawaii compliance express;

19 (3) Applicants seeking to establish a new food hub where  
20 none currently exist shall first secure a physical  
21 location for the food hub and draft a detailed plan



1 for the food hub's operation, including activities in  
2 which the applicant intends to engage, such as serving  
3 as a marketplace for buying and selling, or providing  
4 certified kitchen space in which multiple farmers may  
5 share use of facilities for value-added product  
6 development; and

7 (4) Applicants shall explain their intended actions to  
8 increase access to locally produced food.

9 (d) The department of agriculture shall require that the  
10 receipt of grant funding pursuant to the food hub pilot program  
11 be conditioned upon the recipient's compliance with all  
12 applicable state and federal food safety laws, rules, and  
13 regulations, including the FDA Food Safety Modernization Act,  
14 P.L. 111-353, and that Act's provisions on supplier  
15 verification.

16 (e) The department of agriculture shall adopt rules  
17 pursuant to chapter 91, Hawaii Revised Statutes, for the  
18 administration and operation of the food hub pilot program.

19 (f) The food hub pilot program under this section shall  
20 terminate on June 30, 2027.



1 SECTION 3. (a) The department of agriculture shall submit  
2 interim reports on:

- 3 (1) The department's progress in implementing this Act;
- 4 (2) Preliminary results of the food hub pilot program; and
- 5 (3) The department's findings and recommendations,  
6 including any proposed legislation,  
7 to the legislature no later than twenty days prior to the  
8 convening of the regular sessions of 2023, 2024, 2025, and 2026.

9 (b) The department of agriculture shall submit a final  
10 report of its findings and recommendations, including any  
11 proposed legislation, to the legislature no later than twenty  
12 days prior to the convening of the regular session of 2027. The  
13 report shall include the results of the food hub pilot program  
14 and a recommendation as to whether the program should be made  
15 permanent, with or without modifications.

16 SECTION 4. There is appropriated out of the general  
17 revenues of the State of Hawaii the sum of \$1,500,000 or so much  
18 thereof as may be necessary for fiscal year 2022-2023 for the  
19 establishment of a five-year food hub pilot program, including  
20 the awarding of grant moneys to qualifying food hubs.



1           The sum appropriated shall be expended by the department of  
2 agriculture for the purposes of this Act.

3           SECTION 5. This Act shall take effect on July 1, 2022.



**Report Title:**

Department of Agriculture; Food Hub Pilot Program; Grant  
Funding; Appropriation

**Description:**

Requires the Department of Agriculture to establish a five-year food hub pilot program to increase access to local food. Provides for the award of grant funding to qualified applicants wishing to establish or expand a food hub or provide certain technical assistance. Requires reports to the Legislature. Appropriates funds. (CD2)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

