DAVID Y. IGE GOVERNOR

EMPLOYEES' RETIREMENT SYSTEM HAWAI'I EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

OFFICE OF THE PUBLIC DEFENDER



CRAIG K. HIRAI DIRECTOR

GLORIA CHANG DEPUTY DIRECTOR

STATE OF HAWAI'I DEPARTMENT OF BUDGET AND FINANCE P.O. BOX 150 HONOLULU, HAWAI'I 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION FINANCIAL ADMINISTRATION DIVISION OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY TESTIMONY BY CRAIG K. HIRAI DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE TO THE SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT ON SENATE BILL NO. 2218

January 31, 2022 1:00 p.m. Room 224 and Videoconference

RELATING TO A FOOD HUB PILOT PROGRAM

The Department of Budget and Finance (B&F) offers comments on this bill.

Senate Bill No. 2218 establishes a five-year food hub pilot program within the Department of Agriculture (DOA) to award grant funding to qualified applicants for the construction of critical infrastructure to establish and expand food hubs in each of the counties; requires the DOA to adopt rules pursuant to Chapter 91, HRS, to administer and operate the pilot program; requires the DOA to submit interim reports to the Legislature on the pilot program; appropriates an unspecified amount of general funds in FY 23 to effectuate the pilot program; and authorizes the Director of Finance to issue an unspecified amount of general obligation bond funds in FY 23 to finance infrastructure upgrades at the Honalo Marshalling Yard.

B&F notes that the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal American Rescue Plan (ARP) Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.

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 SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

MONDAY, JANUARY 31, 2021 1:00 P.M. CONFERENCE ROOM 224 & VIA VIDEOCONFERENCE

SENATE BILL NO. 2218 RELATING TO A FOOD HUB PILOT PROGRAM

Chairperson Gabbard and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill 2218, which requires the Department of Agriculture to establish a five-year food hub program to increase access to local food. It provides for the award of grant funding to qualified applicants wishing to establish or expand a food hub, authorizes the issuance of general obligation bonds for the Honalo Marshalling Yard, requires reports to the Legislature, and appropriates funds.

The Department supports the intent of this measure provided it does not adversely impact priorities in the Executive budget and offers supporting comments.

Food hubs are centrally located facilities with a business management structure that facilitates the aggregation, storage, processing, distribution, and marketing of locally grown produce, and are an integral missing piece of agricultural infrastructure required to sustain the efforts to double local food production.

The Department agrees that food hubs are an important link in the supply chain to channel more local food to the consumers and institutions of the State. Food hubs can also serve as "back-up" infrastructure for food systems. This measure addresses the challenge of local small farmers to scale-up production by providing a pathway to the larger purchasers of safe and marginally processed, locally grown, fresh fruits and vegetables.

The Agribusiness Development Corporation's Whitmore Food Hub Master Plan illustrates the complexity of the food hub concept as it must support the scale and scope



of the farming operations it will serve. Timing is critical to ensure that production and processing/packaging support are developed in synchrony. Additionally, the Honalo Marshalling Yard needs critical infrastructure upgrades that would enable it to be developed as a food hub consistent with the purposes of this Act.

The Department acknowledges the Hawaii Good Food Alliance and the Hawaii Food Hub Hui two-year project, "A Statewide Partnership for Supply Chain Integration" and the award of nearly \$830,000 from the USDA Regional Food System Partnerships Program as well as \$200,000 from philanthropy to support food hubs that include food hubs on five islands:

- Malama Kauai's Moloaa Aina Center
- Sustainable Molokai's Mobile Market
- Kahumana Food Hub & Organic Farms
- Roots Cultural Café and Food Hub of Kokua Kalihi Valley
- Oahu Fresh
- Maui Hub
- Local Harvest
- OK Farms
- Adaptations
- Hawaii Ulu Cooperative
- Kohala Food Hub
- The Food Basket

The Department offers amendments to this measure:

(1) Page 2, line 16 and p. 3, line 7 - Delete the "grants" – grants require standards in the statute; Change "grants" to "awards"

(2) Page. 4, line 12 - Change "shall" to "may" adopt rules

Regarding Section 5, the Honalo capital improvement (CIP) appropriation request, the Department supports the CIP appropriation provided it does not impact the projects identified in the Executive biennium budget request.

Thank you for the opportunity to testify on this measure.



January 28, 2022

Senator Mike Gabbard, Chair Senator Clarence K. Nishihara, Vice Chair Senate Committee on Agriculture and Environment

Support of SB 2218 Relating to a Food Hub Pilot Program (Requires the Department of Agriculture [DOA] 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; authorizes the issuance of general obligation bonds for the Honalo Marshalling Yard; requires reports to the Legislature; appropriates funds.)

Monday, January 21, 2022, at 1:00 p.m.; Conference Room 224 & Videoconference

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers, and utility companies. LURF's mission is to advocate for reasonable, rational, and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources, and public health and safety.

LURF appreciates the opportunity to express its **support of SB 2218** and of the various agricultural stakeholder groups who defend the goals of viable agricultural operations and the conservation and protection of agriculture, including important agricultural lands in Hawaii. The bill demonstrates the need for, and benefit of collaboration amongst different sectors of the community - business, government, and agricultural stakeholders - and the importance of them working together cooperatively to improve the economic viability of the State's agricultural industry.

<u>SB 2218</u>. This purpose of this measure is to establish a five-year food hub pilot program under the DOA to increase access to local food, and to appropriate funds for the program.

LURF's Position. Food hubs are facilities that assist with the aggregation, storage, processing, distribution, and marketing of locally grown produce. LURF understands

House Committee on Finance January 28, 2022 Page 2

that food hubs currently represent hundreds of small/medium farms and generate over \$2.5 million in income annually in local food sales. These food hubs help small local farmers who do not have the resources and are therefore unable, on their own, to effectively distribute, store, process, and promote their locally grown foods. Management, technology, and marketing assistance provided by food hubs is necessary and in turn, food hubs require funding assistance from the State in order to support establishment and growth on a scale that can meet the demand of state institutions such as schools, hospitals, and correctional facilities.

LURF members include farmers, ranchers, and landowners who own, maintain, and engage in agricultural enterprises, and who consider programs such as that proposed by this bill significant to the conduct of their operations and to help sustain their businesses, as well as to increase local food self-sufficiency and significantly heighten local food production in this State.

Agricultural stakeholders believe SB 2218 will greatly assist in the effort to achieve long-term sustainability of Hawaii's food supply and economic growth.

The purpose of this bill is consistent with the underlying intent and objectives of the IAL laws (Hawaii Revised Statutes, Sections 205-41 to 52), which were enacted to fulfill the mandate in Article XI, Section 3, of the Hawaii State Constitution, "to conserve and protect agricultural lands, promote diversified agriculture, increase agricultural self-sufficiency and assure the availability of agriculturally suitable lands."

By recognizing the significance of, and need to assist the local agriculture industry, and implement measures which help to support the growth and maintenance of agriculture in the State, this bill significantly helps to promote economically viable agriculture and food self-sufficiency in Hawaii.

For the reasons stated above, LURF is in **support of SB 2218**, and respectfully urges your favorable consideration of this bill.

Thank you for the opportunity to present testimony regarding this matter.



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

JANUARY 31, 2022

HEARING BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

TESTIMONY ON SB 2218 RELATING TO A FOOD HUB PILOT PROGRAM

Conference Room 224 & Videoconference 1:00 PM

Aloha Chair Gabbard, Vice-Chair Nishihara, 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 SB 2218, which requires the Department of Agriculture to establish a five-year food hub pilot program to increase access to local food and provides for the award of grant funding to qualified applicants wishing to establish or expand a food hub. It also authorizes the issuance of general obligation bonds for the Honalo Marshalling yard.

Small farmers typically do not have access to facilities and infrastructure to aggregate, process, and distribute products to local consumers. The challenge to small growers is also complicated by stringent regulations of the Food Safety Modernization Act (FSMA), jeopardizing the ongoing viability of many small growers due to the costs of compliance.

In Hawaii, additional challenges to small farmers include high costs in land, labor, and energy, as well as limited access to water supply for irrigation. Food hubs are an important subset of food value chains. Many farmers and ranchers, especially small-sized operations, often lack the capacity to access retail, institutional, and commercial foodservice markets on their own, and consequently miss out on the fastest-growing segment of the local food market. By offering a combination of aggregation, distribution, and marketing services at an affordable price, food hubs make it possible for many producers to gain entry into new larger-volume markets that boost their income and provide them with opportunities for scaling up production.

The Hawaii 'Ulu Cooperative provides an important service to Hawai'i farmers by aggregating, processing, and marketing 'ulu and associated co-crops grown in diversified farming systems. The Honalō Marshaling Yard facility is owned by the State of Hawai'i and was developed over 25 years ago to support these very activities. The facility is now in gross need of public investment to enable increased production and the scaling of local food industries that have demonstrated the potential for both economic development and long-term food security and sustainability.

By 2025, the Hawaii 'Ulu Cooperative anticipates handling nearly 2 million pounds per year of 'ulu and associated co-crops based on existing members' production figures, for an overall farm gate value of over \$6.5 million paid out directly to local farmers. Investing in the Honalō facility today is a worthwhile and vital investment in the capacity of Hawai'i's agricultural sector and in the ability of our islands to not only feed ourselves nutritious food but to export high-value dense crops and processed agricultural products for revenue growth and job creation.

Thank you for this opportunity to testify on this important subject.



Vincent Mina State President HFUU

Officers

Anabella Bruch Vice-President HFUU

Maureen Datta Secretary HFUU

Reba Lopez HFUU Treasurer

Chapter Presidents

Dash Kuhr Kohala, Hawai'i

Drake Weinert, East Hawai'i

> Steve Lund Puna, Hawai'i

Andrea Drayer K'au, Hawaii

Maureen Datta Kona, Hawai'i

Robert Boudreaux Hana, Maui

Reba Lopez Haleakala, Maui

Bobby Pahia Mauna Kahalawai, Maui

> Kaipo Kekona Lahaina, Mau

Brynn Foster North Shore, Oahu

Christian Zuckerman Wai'anae, Oahu

Vincent Kimura Waimanalo, Oahu

Anabella Bruch Kauai



Aloha Chair Gabbard, Vice Chair Nishihara, and Members of the Committee on Agriculture and Environment,

The Hawai'i Farmers Union United (HFUU) is a 501(c)(5) agricultural advocacy nonprofit representing a network of over 2,500 family farmers and their supporters across the Hawai'ian islands. This bill will provide support for the network of food hubs across the state to expand their work, and in doing so increase farmer incomes and consumer food access. For these reasons **we strongly support the intent of SB2218**.

In 2017, the Legislature awarded the Hawaii Farmers Union Foundation a Grant in Aid project to Strengthen Regional Food Hubs in Hawai'i. As part of that project, the coordinator, Dr. Saleh Azizi facilitated a focus group, composed of the majority of Hawai'i's food hubs, to understand the resources needed for food hubs to respond to statewide local food purchasing goals. The focus group findings resulted in a 2020 Food Hub Pilot program bill to support existing and new food hubs in all of Hawaii's counties.

Last session a version of this bill (<u>SB338</u> SD1) added Sections 5 and 6 to include improvement funding for the Honalo Marshaling Yard where the Hawai'i Ulu Producers Cooperative (HUPC) operates. HFUU emphatically supports the work of HUPC and asks that this committee support <u>SB3198</u> which will fund the necessary Honalo site improvements.

We ask that SB2218 either be amended to remove Sections 5 and 6 or deferred in favor of <u>SB2982</u> which contains the original language of 2021's SB338.

Food hubs play a critical role in our food system by connecting small farmers with diverse markets. In decades past, farmer cooperatives were a strong tool for smallholders to get to market. As cooperatives fell apart, so did much of the small farm economy. Food hubs are the modern approach to that collective work to increase market access for groups of farmers, even more crucial now because the marketplace that farmers must interface with has changed drastically. Local grocers have been replaced by big box operations with global supply chains, and producers need social-organizational tools like food hubs to interface with the primary places where most consumers access their food. The mismatch between parcel sizes, and farm output, and the purchasing scale of many food buyers is bridged by the local network of food hubs.

Support of this bill will expand their critical work and build a stronger local food economy.

Mahalo for the opportunity to testify.

Vincent Mina President HFUU/HFUF



COMMITTEE ON AGRICULTURE AND ENVIRONMENT Senator Mike Gabbard, Chair Senator Clarence K. Nishihara, Vice Chair

SB2218 RELATING TO A FOOD HUB PILOT PROGRAM

Monday, January 31, 2022, 1:00 PM VIA VIDEOCONFERENCE

Chair Gabbard, Vice Chair Nishihara, and Members of the Committee,

The Hawaii Cattlemen's Council (HCC) is the Statewide umbrella organization comprised of the five county level Cattlemen's Associations. Our member ranchers represent over 60,000 head of beef cows; more than 75% of all the beef cows in the State. Ranchers are the stewards of over 750 thousand acres of land in Hawaii, or 20% of the State's total land mass. We represent the interests of Hawaii's cattle producers.

The Hawaii Cattlemen's Council **supports SB2218** to establish a five-year food hub pilot program to increase access to local food. Food hubs are effective tools for allowing smaller agricultural operations to aggregate their products and sell locally. The benefit of a hub is that agricultural operations can gain access to cold storage, equipment, distribution, and marketing that they may not have been able to afford on their own. We appreciate the opportunity to testify.

Nicole Galase Hawaii Cattlemen's Council Managing Director



P.O. Box 934 • Hilo, HI 96721 • (808) 333-6755 • www.hicattle.org • office@hicattle.org



Email: communications@ulupono.com

SENATE COMMITTEE ON AGRICULTURE & ENVIRONMENT Monday, January 31, 2022 — 1:00 p.m.

Ulupono Initiative <u>supports</u> SB 2218, Relating to a Food Hub Pilot Program.

Dear Chair Gabbard 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 the quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food; renewable energy and clean transportation; and better management of freshwater and waste.

Ulupono <u>supports</u> SB 2218, which requires the Department of Agriculture to establish a five-year food hub pilot program to increase access to local food and provides for the award of grant funding to qualified applicants wishing to establish or expand a food hub. This bill also authorizes the issuance of general obligation bonds for the Honalo Marshalling Yard.

Ulupono supports the efforts of food hubs statewide as they serve as critical aggregation, food processing, and distribution for small farmers to access local markets. By increasing local market accessibility, small farmers will be able to provide a fresh, healthy product for consumers statewide. According to the 2017 USDA NASS Census of Agriculture, of Hawai'i's 7,328 farms statewide, 66%, or 4,868 farms, are between 1–9 acres and 78%, or 5,701 farms, produce less than \$25,000 in sales. Hawai'i's agricultural producer majority is small farmers. State supported food hubs may give Hawai'i's producers the opportunity to compete with local markets while also remaining financially viable. We hope that this support for local agriculture can be considered as we look to continue our State's economic recovery and diversification.

Thank you for this opportunity to testify.

Respectfully,

Micah Munekata Director of Government Affairs

Investing in a Sustainable Hawai'i



Senate Committee on Agriculture and Environment

Hawai'i Alliance for Progressive Action (HAPA) Supports: SB2218

Monday, January 31st, 2022 1:00 p.m.

Aloha Chair Gabbard, Vice Chair Nishihara and Members of the Committee,

HAPA strongly supports SB2218 to establish a five-year food hub pilot program to increase access to local food. We believe that this measure will help to grow our local food production and economy.

Food hubs provide necessary aggregation of produce from small local farmers to help bring produce to market while promoting local production of culturally appropriate nutritious food and promoting the local economy. Food hubs can be thought of as helpful middlemen that connect producers (farmers and ranchers) with institutional buyers (restaurants, hospitals, schools, etc) and directly to consumers^[1].

Often finding access to distribution into mainstream markets and stores is challenging for local, small-scale producers. Food hubs can also help overcome this challenge by helping producers to market their products^[2].

Food hubs do not replace farmers markets, which still provide a direct outlet for farmers and a unique opportunity for producers to have direct contact with their customers. Food hubs are beneficial for producers who do not have the time or personal interest to sell at farmers markets. They also provide continual available access to local food sources for those that can not make it to the farmers market^[1].

The functions and structure of a food hub vary, but often include the following:

- Market access for local producers
- Information sharing
- Transportations and distribution
- Brokerage services
- Product bundling and aggregation
- Season extension
- Maintaining producer-consumer connections
- Producer-oriented technical assistance

Food hubs are also believed to assist with the development of resilient and equitable local food systems which provide greater food system equity, taking better care of those in "food desserts", where people have limited access to a variety of healthful foods^[3].

Research has indicated that consumers are willing to pay a premium if they know the origins of their local and regional foods^[2]. Making access easy and convenient in the form of online hubs or physical locations makes access more possible while taking the burden off the farmer allowing them to focus on expanding and growing more food. Food hubs therefore play a critical role in expanding local food production.

SB2218, and the support of food hubs, will actively help to better prepare us for situations of food scarcity. During this past year we have been reminded of the priceless value of food security and self sufficiency as the COVID-19 pandemic has forced us to look around and question the long term viability of our current food supply system. We have seen what happens in emergency situations, such as the recent overwhelming conditions in stores and on supply, especially during the initial months of the pandemic.

The more we support local food production, aggregation and consumption the more we decrease our carbon footprint associated with incoming shipping costs while growing our food security.

Please support SB2218 and food hubs throughout the islands as part of the solution to help grow our local food economy.

Thank you for your consideration.

Respectfully,

Anne Frederick Executive Director

[1] Sustainable America: Rogers, Nicole (2013) *What is a Food Hub* <u>https://sustainableamerica.org/blog/what-is-a-food-hub/</u>

[2] SDSU Extension Community Vitality Field Specialist: Blachford, Sierra under direction of O'Neill, Kari & Zdorovtsov, Chris; *The Benefits of Food Hubs* <u>https://extension.sdstate.edu/benefits-food-hubs</u>

[3] MSU Center for Regional Food Systems: Weiss, Andrea (2020) *Equity and collaboration for resilient local food systems across the U.S.* <u>https://www.canr.msu.edu/news/equity-and-collaboration-for-resilient-local-food-systems-across-the-us</u>



Testimony to the Senate Committee on Agriculture and Environment Monday, January 31, 2022; 1:00 p.m. State Capitol, Conference Room 224 Via Videoconference

RE: SENATE BILL NO. 2218, RELATING TO A FOOD HUB PILOT PROGRAM.

Chair Gabbard, Vice Chair Nishihara, and Members of the Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA <u>SUPPORTS</u> Senate Bill No. 2218, RELATING TO A FOOD HUB PILOT PROGRAM.

By way of background, the HPCA represents Hawaii's FQHCs. FQHCs provide desperately needed medical services at the frontlines in rural and underserved communities. Long considered champions for creating a more sustainable, integrated, and wellness-oriented system of health, FQHCs provide a more efficient, more effective and more comprehensive system of healthcare.

This bill, as received by your Committee, would establish a five-year food hub pilot program (Program), to be administered by the Department of Agriculture to award grant funding to qualified applicants for the construction of critical infrastructure to establish and expand food hubs in each county. In addition, this bill would appropriate:

- (1) An unspecified amount of general funds for fiscal year 2022-2023 to establish the Program and award grant moneys to qualifying food hubs; and
- (2) An unspecified amount of general obligation bonds for fiscal year 2022-2023 to complete critical infrastructure upgrades to enable the Honalo Marshalling Yard to be developed as a food hub.

Lastly, the bill clarifies that the appropriation not lapse at the end of the fiscal biennium for which the appropriation is made, but that all moneys unencumbered lapse on June 30, 2025.

Testimony on Senate Bill No. 2218 Monday, January 31, 2022; 1:00 p.m. Page 2

The COVID-19 pandemic has severely threatened the health and welfare of our citizens, especially Hawaii's underprivileged and rural communities. With so many people unemployed, entire families are struggling to put food on the table on a consistent basis. All one needs to do is visit one of our member FQHC's food distribution events and see the line of cars stretch for miles and people wait for hours to receive some surplus food.

The COVID-19 pandemic has greatly exacerbated the need for a program like this. Our overreliance on tourism has weakened our ability to bounce back from COVID's dire economic realities.

The only way for us to protect ourselves from this and future global pandemics is for Hawaii to diversify its economic base and become more self-sufficient. And for us to do that, we need to grow more food.

We urge your favorable consideration of this bill.

Thank you for the opportunity to testify. Should you have any questions, please do not hesitate to contact Public Affairs and Policy Director Erik K. Abe at 536-8442, or eabe@hawaiipca.net.

<u>SB-2218</u> Submitted on: 1/30/2022 11:29:25 AM Testimony for AEN on 1/31/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Jeri Di Pietro	Testifying for Hawai'i SEED	Support	No

Comments:

Please support the food hub pilot program. Food Hubs are as huge asset for growing the local food economy. The convenience for farmers is time-saving and practical. The expansion will help to ensure longterm food security and keep our local food dollars at home. Plus, fresh is best and more nutritional!

Mahalo,

Jeri Di Pietro



Hawaii Meats, LLC 91-319 Olai Street Kapolei, HI 96707

Date 1-30-22

Subject SB 2218

Aloha Senator Mike Gabbard, Chair Senator Clarence K. Nishihara, Vice Chair

My Name is Bobby Farias Rancher and part owner of Hawaii Meats LLC. I would like to voice my support of SB 2218. We support the pilot program for a Food Hub aggregation point for Local food. Finding efforts to increase efficiency in the local food system is a must.

Please except our support of SB2218

Mahalo for your time,

Bobby Farias President – Hawaii Meats, LLC

<u>SB-2218</u> Submitted on: 1/28/2022 5:50:07 PM Testimony for AEN on 1/31/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
John NAYLOR	Individual	Support	No

Comments:

Aloha

We all need to support local farmers esp small farms growing a variety of produce using regenerative methods that hold & build the soil.

<u>SB-2218</u> Submitted on: 1/28/2022 6:49:23 PM Testimony for AEN on 1/31/2022 1:00:00 PM

Sut	omitted By	Organization	Testifier Position	Remote Testimony Requested
Hop	e Ferguson	Individual	Support	No

Comments:

I emphatically support SB2218 and the opportunities this will provide for growers, producers and our community.

<u>SB-2218</u> Submitted on: 1/28/2022 7:59:16 PM Testimony for AEN on 1/31/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Lisa Dowd	Individual	Support	No

Comments:

As a small farmer in Hawai`i County, I firmly support SB2218 tol establish a five-year food hub pilot program to increase access to local food.

i was inspired to change career paths and become a mahi`ai after realizing it is imperative to be a part of the solution to achieving food security for our islands. It's long past time to put this decades old conversation into action, not just talk. The supply chain disruptions throughout the covid-19 pandemic are yet another clarion call to heed. We MUST be able to provide for ourselves and feed our population by becoming self-sufficient. We cannot wait until we find ourselves in a dire situation to act; by then it will be too late.

We need to establish a rhythm, routine, andl lifestyle of growing, accessing, and consuming locally grown food as the norm. Food hubs provide local access to food, connecting communities to the `āina which sustains us, through the hard work and dedication of local farmers and their products. Food hubs provide support facilities, education, and a gathering place around which the community can coalesce with pride, fellowship, and sense of belonging, so critical for maintaining lasting continuity and imbedding a culture of grow local, buy local, and eat local as a sustainable and nourishing way of life that will secure the future of Hawai`i.

<u>SB-2218</u> Submitted on: 1/28/2022 8:27:59 PM Testimony for AEN on 1/31/2022 1:00:00 PM

Sub	mitted By	Organization	Testifier Position	Remote Testimony Requested
Te	d Bohlen	Individual	Support	No

Comments:

Small farmers need the help food hubs can bring! Please pass this bill!

<u>SB-2218</u> Submitted on: 1/29/2022 7:57:47 AM Testimony for AEN on 1/31/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Valerie Weiss	Individual	Support	No

Comments:

Aloha.

Thank for this important bill. I fully support it and the better access it will allow us for local grown food. Let's support our local farmers.

<u>SB-2218</u> Submitted on: 1/29/2022 9:13:27 AM Testimony for AEN on 1/31/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Nanea Lo	Individual	Support	No

Comments:

Hello,

My name is Nanea Lo. I'm a lifelong resident and Kanaka Maoli (Native Hawaiian) or the Hawaiian Kingdom. I'm writing in SUPPORT of SB2218.

SB2218 is important because food hubs provide markets for small farmers and food producers to sell their produce and food products. It can be challenging for small farmers and food producers to find retail outlets and markets for their goods. Food hubs level the playing field for smaller scale producers by connecting them with customers who want to support local and sustainably grown food. Food hubs aggregate produce and added value products and often provide delivery and pick up options.

This is important because our communities need more options and we should be supporting movements like this. Support this bill.

me ke aloha 'āina,

Nanea Lo

<u>SB-2218</u> Submitted on: 1/29/2022 10:18:09 AM Testimony for AEN on 1/31/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Regina Gregory	Individual	Support	No

Comments:

Food hubs are important for improving the local food system.

<u>SB-2218</u> Submitted on: 1/29/2022 12:30:19 PM Testimony for AEN on 1/31/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Stephanie Austin	Individual	Support	No

Comments:

Please support this important bill which will improve the health of our community and support local agriculture!

<u>SB-2218</u> Submitted on: 1/29/2022 1:10:48 PM Testimony for AEN on 1/31/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Barbara Barry	Individual	Support	No

Comments:

Aloha,

I strongly support SB2218.

We need to fund local Food Hubs to insure easy access to locally produced food as well as easing the burden for the small farmer to move their products to their customers.

As we consider climate change and what that looks like to us living in the islands, we need to reduce the transportation costs and environmental impacts that moving produce long distances involve, including adding more traffic to our already busy roads.

Mahalo for introducing for supporting this important Bill,

Ms. Barbara Barry,

Ha'ikū, Maui

<u>SB-2218</u>

Submitted on: 1/29/2022 1:45:28 PM Testimony for AEN on 1/31/2022 1:00:00 PM

Submit	ted By	Organization	Testifier Position	Remote Testimony Requested
Michal	Stover	Individual	Support	No

Comments:

I support SB2218 because I think it is important for the State to support food hubs, which in turn provide markets for small farmers and food producers. The food hub pilot program is a good idea.

<u>SB-2218</u> Submitted on: 1/29/2022 2:39:01 PM Testimony for AEN on 1/31/2022 1:00:00 PM

_	Submitted By	Organization	Testifier Position	Remote Testimony Requested
	John Witeck	Individual	Support	No

Comments:

SB2218 providing for food hubs is a great idea. It will get consumers more access to good, nutritious locally grown food. And it will help the local farmers and producers of these foods. It would also be great to require our school system to buy locally grown foods before ordering produce from out of Hawai'i. Thanks to the proponents and sponsors of this legislation. Aloha, John Witeck

<u>SB-2218</u> Submitted on: 1/29/2022 2:00:43 PM Testimony for AEN on 1/31/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
R Momi Ventura	Individual	Support	No

Comments:

Hawai'I Has For Far Too Long Been Dependent On Food From Other Countries For Consumption. Why Is This Gone On For Soo Long.? Sugarcane And Its Cohort Pineapple Was Grown For Export And On Leased Lands, Many Forcibly Taken. Now We Have An Opportunity To Explorer Just How Great Food Production In Hawai'I Nei Can Be, And Be Once Again. We Have The Time, Energy And All The Resources To Create A Wonderful Opportunity To Allow Individual Schools Food Sovereignty. Within These School Communities, Support And Care Of The School Gardens And Or Community Garden's Can Be A Success Island-Wide..

<u>SB-2218</u> Submitted on: 1/29/2022 3:18:55 PM Testimony for AEN on 1/31/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Victoria Anderson	Individual	Support	No

Comments:

Please pass this important bill.

<u>SB-2218</u> Submitted on: 1/29/2022 4:43:57 PM Testimony for AEN on 1/31/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
B.A. McClintock	Individual	Support	No

Comments:

Please support this important bill.



67-332 Kaiea Pl. Waialua, HI 96791-9501 808-383-4481 www.NSEVP.org

January 30, 2022

House Committee on Agriculture and the Environment Monday January 31, 2022, 1:00 pm

SUBJECT: Support for SB 2218 - RELATING TO A FOOD HUB PILOT PROGRAM

Dear Chair Gabbard, Vice-Chair Nishihara, and members of the Committee:

On behalf of the North Shore Economic Vitality Partnership (North Shore EVP), I would like to extend our full support of SB 2218, which will require the Department of Agriculture to establish a five-year food hub pilot program to increase access to local food.

The North Shore EVP was formed in 2015 as a result of a comprehensive, community-based economic analysis that identified the need for a regional food hub to fill serious gaps in the food supply chain of the region. Our community envisions the development of a regional mid-scale aggregation facility (\$5-10M/y gross revenue) serving the farms of North Shore and Windward Oahu that could serve as a model for other regions across the state.

Since COVID-19 Hawaii's existing food hubs have done a tremendous job collaborating to meet the needs of small local producers and adjusting the agricultural supply chain to provide new market opportunities for these farmers. Scaling these operations to where they can operate profitably is critical to rebuilding successful farming operations across the state and providing them access to commercial and insitutional markets, including those created by the Legislature in 2021 (Acts 175 and 176).

I would ask the committee to consider, as a condition of receiving state grant funds, that the food hubs be required to comply with all state and federal food safety regulations including the FDA's Food Safety & Modernization Act (FSMA) and its provisions for supplier verification. In fact, many of the state's largest purchasers of produce require food safety certification and if the state's goal of doubling local food production by 2030 is to be met, the food hubs must meet the requirements of these buyers.

Thank you for the opportunity to testify on this bill.

Kenin Mr. Kelly

Kevin M Kelly, President

<u>SB-2218</u> Submitted on: 1/29/2022 9:18:55 PM Testimony for AEN on 1/31/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
David Dinner	Individual	Support	No

Comments:

Local food production and sales need all the support we can give them. As they grow and become more successful, the power of corporate, unhealthy foods will diminish.

<u>SB-2218</u> Submitted on: 1/30/2022 12:40:10 AM Testimony for AEN on 1/31/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Erica Yamauchi	Individual	Support	No

Comments:

I am writing in support of this bill to help increase our state's food security.

Food hubs level the playing field for smaller-scale food producers by connecting them with customers who want to support local and sustainably grown food. I go to the farmer's market every week and would love to see more small farmers there. We need more innovative ag policy like this in order to make our state food secure.

Erica Yamauchi, Kaimuki/Wilhelmina Rise

<u>SB-2218</u> Submitted on: 1/30/2022 9:53:58 AM Testimony for AEN on 1/31/2022 1:00:00 PM

 Submitted By	Organization	Testifier Position	Remote Testimony Requested
Colehour Bondera	Individual	Support	No

Comments:

Aloha Chair and Committee Members:

With all due respect I request that you please support SB2218.

Hawaii and Hawaii farmers need to be consuming and marketing local produce and the farmers and not just food distributors need to be paid fair market value.

With proper implementation, we could have local food hubs accross the state which ensure local produce and allow farmers to not have to constantly seek markets.

Further, let's ensure that Hawaii tropical production is marketed and sought so that we are not producing crops which require infrastructure which does not have long-term capacity. Tropical crops ranging from tropical greens, tropical (thick-skinned) tomatoes, avocado varieities throughout the year, and table taro are but a few examples of crops which need outreach and education and not only marketing, which shoild be included and required in such efforts.

As a long-term farmer, I ask that you please support efforts to make a food hub a success by ensuring that it is not just a marketing tool for efforts that are just marketing companies, but rather are required to have longevity and independence for the sake of Hawaii crop production integrity.

Sincerely,

Colehour Bondera

KANALANI OHANA FARM

<u>SB-2218</u> Submitted on: 1/30/2022 11:54:29 AM Testimony for AEN on 1/31/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Jessica Kuzmier	Individual	Support	No

Comments:

Aloha, I am writing in favor of SB 2218, which will establish a five-year food hub pilot program to increase access to local food.

With looming climate change on the horizon, and also what the pandemic showed, is how important it is to ensure that we have sufficient means to take care of our food needs and not rely on imports from the mainland and other places in the world. I am glad that the state is beginning to invest in MREs for emergency purposes, and I believe more investment in that incentive is an important step to migrate off the outmoded method of 'just-in-time' supply for something as essential as food.

But I believe incentives such as food hub programs are even more important for everyday life, and for stimulating our economy in a sustainable and local manner. They will support local agriculture, and help provide for jobs which are conducive to moving to a net negative carbon world which Hawaii is pledging to be.

Food hubs are a great marketing opportunity for our local food producers, distribution into mainstream markets and stores is challenging for local, small-scale producers. They can help with all facets of marketing, including transportation and distribution, which may be difficult for those small food producers who don't have ready access to markets.

An important attribute about food hubs is that they help cut down on food deserts, which unfortunately, do exist in Hawaii despite a mild climate where food can be grown and harvested year-round in most of the state. Food hubs can be a vital tool assist with the development of resilient and equitable local food systems which provide greater food system equity.

Mahalo for taking the time to hear my views and I hope that you vote to support SB2218.

<u>SB-2218</u> Submitted on: 1/30/2022 2:53:16 PM Testimony for AEN on 1/31/2022 1:00:00 PM

 Submitted By	Organization	Testifier Position	Remote Testimony Requested
Bronson Azama	Individual	Support	No

Comments:

This bill is long overdue and will greatly benefit our communities. We need to further support the development of cold-storage facilities to have at least one storage area per moku (traditional land district). Each of the 6 moku should have one to support food distribution and preservation, while also bolstering emergency preparedness in our communities.

<u>SB-2218</u>

Submitted on: 1/31/2022 11:08:53 AM Testimony for AEN on 1/31/2022 1:00:00 PM

Submitted	By Orga	nization Testifier	Position Remote Testimony Requested
Kahealani Ac	costa Indi	ividual Sup	port No

Comments:

The global pandemic made evident the weaknesses of Hawai'i's local food system, in which reliance on Hawai'i's tourism industry has proven the misplacement of food system and security priorities. The main resiliency factor of our food system is emphasized in the success of our food hubs to provide food for the many hungry families that lost their jobs and could not afford a basic meal during this unprecedented time. The economic impacts of the pandemic continue to burden our working class families, and it is our due diligence to consider shifting to a sustainable and resilient food system model for the future of our island community.

Azizi and Lincoln (2021) [1] conducted a study on the success of food hubs as a pandemic response to food distribution in Hawai'i, and highlighted their key performance indicators before and during the global pandemic, in which annual revenue and number of jobs significantly increased by 197% and ~115%, respectively (table 1).

Table 1: Key performance indicators of the 11 food hubs surveyed that represent their operations prior to March 2020 and After June 2020, adapted with permission from Azizi and Lincoln (2021).

	Before March 2020	After June 2020	Change (%)
Annual revenue	USD\$3.28M	USD\$9.75M	197%
No. part-time jobs	42	93	121%
No. full-time jobs	25	53	112%
No. Supppliers	664	900	36%

Additionally, Azizi and Lincoln showed the significant increase in direct to consumer sales through CSA (Community Supported Agriculture) (figure 1), which exemplifies an opportunity to provide organic, locally-sourced, and nutrient-rich foods to our local families; communities. Given the safety concerns of the pandemic, we see a sharp decrease in the institutional purchases of our local foods, however Hawai'i's local food hub distribution channels possess the opportunity to increase local food access for these institutions.



Figure 1: Shifts in total sales outlets (including standard error bars) for 7 food hubs that contributed their sales data, adapted with permission from Azizi and Lincoln (2021).

Food hubs across Hawai'i have proven their resiliency in response to an unprecedented time in history, in which the investment into this avenue of food processing and distribution elicit the significant gains to Hawai'i's agricultural economy. It is our kuleana (responsibility) to ensure the prosperity of our predecessors and future generations through access to locally-sourced and nutritionally abundant foods. On behalf of the Hawai'i Food+ Policy Internship, I would like to thank Chair Gabbard, Vice Chair Nishihara, and members of the Senate Committee on Agriculture and Environment, for considering the comments made herein.

Me ka mahalo nui (with deep gratitude),

Kahealani & the Food+ Interns

#fixourfoodsystem