

JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



SHARON HURD
Chairperson, Board of Agriculture

MORRIS M. ATTA
Deputy to the Chairperson

State of Hawai'i
DEPARTMENT OF AGRICULTURE
KA 'OIHANA MAHI'AI
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**TESTIMONY OF SHARON HURD
CHAIRPERSON, BOARD OF AGRICULTURE**

BEFORE THE HOUSE COMMITTEE ON AGRICULTURE AND FOOD SYSTEMS

**WEDNESDAY, FEBRUARY 8, 2023
9:45 A.M.**

CONFERENCE ROOM 325 AND VIDEO CONFERENCING

**HOUSE BILL NO. 1269
RELATING TO AGRICULTURAL DISTRICTS**

Chairperson Gates and Members of the Committee:

Thank you for the opportunity to present testimony on House Bill 1269 which amends Section 205-2, Hawaii Revised Statutes and redefines allowable activities in agricultural districts. The Department offers comments on this measure.

The Department appreciates any efforts to support locally grown products and locally produced value-added products sourced from local agriculture. Food hubs have demonstrated their valuable contributions during the recent coronavirus pandemic by distributing locally grown products to needy segments of consumers across the state.

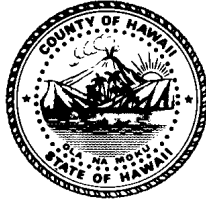
On page 6, lines 6 to 8, the Department requests restoring "grown in Hawaii and value-added products that were produced using agricultural products grown in Hawaii" to be consistent with the other activities permitted in page 4 line 18 to page 6 line 14 and requests amending language on page 6 lines 8-14 as follows, (deleted language in brackets and struck over, new language bold and double scored.)



for consumption in Hawaii; provided that the processing facilities and appurtenant areas do not occupy more than twenty per cent of the parcel on which they are located and the remainder is dedicated **via perpetual agricultural easement** ~~[to other purposes allowed under this subsection]~~ **for agricultural activities permitted in section 205-2(d)(1),(2), and (3).**

Thank you for the opportunity to testify on this measure.

Mitchell D. Roth
Mayor



Douglass S. Adams
Director

Robert Agres, Jr.
Deputy Director

County of Hawai'i

DEPARTMENT OF RESEARCH AND DEVELOPMENT

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February 7, 2023

Dear Chair Gates, Vice Chair Kahaloa, and Members of the Committee on Agriculture and Food Systems,

Thank you for the opportunity to submit testimony in **opposition** to House Bill 1269, relating to Agricultural Districts. The proposed bill aims to redefine a food hub to focus on where food is **consumed**, instead of where food is **produced**:

E) A food hub, which is a facility that may contain a commercial kitchen and provides for the storage, processing, distribution, and sale of agricultural products [~~grown in Hawaii and value-added products that were produced using agricultural products grown in Hawaii.~~] for consumption in Hawaii; provided that the processing facilities and appurtenant areas do not occupy more than twenty per cent of the parcel on which they are located and the remainder is dedicated to other purposes allowed under this subsection.

The proposed changes within SB 1269 remove the designation that products are "grown in Hawaii and value-added products that were produced using agricultural products grown in Hawaii." This change, if approved, would work against local farmers' interests and the statewide Aloha+ Challenge goals of doubling local food production and ensuring that 20-30% of food consumed is locally grown.

The proposed change is attempting to water down the current definition of a Food Hub by including the aggregation and processing of non-local agricultural products. [The USDA's working definition of a food hub is](#) "...a business or organization that actively manages the aggregation, distribution and marketing of source-identified food products, primarily from local and regional producers to strengthen their ability to satisfy wholesale, retail and institutional demand."

From the September 2022 Hawai'i Food Hub Hui (HFHH) Executive Summary on Food Hubs, by Dr. Saleh Azizi Fardkhales, "The 14 Food hubs that are a part of the Statewide Hawai'i Food Hub Hui (HFHH) aggregate produce from local farmers by storing, processing, marketing and distributing locally grown foods. Hawaii's Food Hubs are community-led organizations that connect local production to consumption and facilitate access to wholesale markets for small farmers. Food hubs are part of short supply chains that eliminate extra steps and minimize the need for multiple profit-extracting middlemen by moving away from distant industrial food systems models to alternative and local chains that maximize local resilience.

Small family farmers often feel like an inconvenience in the current industrial food system. They lack access to fair market opportunities that allow them to benefit from local sales. However, they represent over 90% of Hawai'i's 7,300 farmers. By working with hubs, small farmers not only gain access to markets but also receive the biggest portion of the sale which changes the power dynamics in the industry and allows small family farmers to profit and increase food production. Many small farmers provide a resilient and powerful response to improving food security when organized & coordinated by community-led food hubs.

Currently, the HFHH consists of 14 food hubs that support over 1,300 farmers and 200 employees. In the last 5 years, food hubs have generated over \$38 million in local food sales. The HFHH was formed over the shared common concern for family farmers and desire to improve food access in our communities.”

I strongly encourage the Members of the Committee to support the interests of local farmers and oppose SB 1269. Thank you for your consideration and please contact me or my Food Systems Specialist, Sarah Freeman (808-961-8582), with any questions or concerns.

very respectfully,

Douglass S. Adams
Director



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February 8, 2023

HEARING BEFORE THE
HOUSE COMMITTEE ON AGRICULTURE & FOOD SYSTEMS

TESTIMONY ON HB 1269
RELATING TO AGRICULTURAL DISTRICTS

Conference Room 325 & Videoconference
9:45 AM

Aloha Chair Gates, Vice-Chair Kahaloa, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate and advance the social, economic, and educational interests of our diverse agricultural community.

The Hawai'i Farm Bureau provides comments on HB 1269, which amends the qualifications for food hubs located in agricultural districts.

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 Hawai'i, additional challenges to small farmers include high costs of 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 food service 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.

We are concerned that HB 1269 amends the qualifications for food hubs located in agricultural districts by eliminating the requirement that food hubs use agricultural products grown in Hawai'i. This would allow imported products to be included in food hubs that are located in the agricultural district.

Thank you for the opportunity to testify on this measure.



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Aloha Chair Gates, Vice Chair Kahaloa, and Members of the House Agriculture & Food Systems Committee,

The Hawaii 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 Hawaiian Islands. **HFUU strongly opposes HB1269.**

HFUU is dedicated to advocating for the rights and interests of farmers in the state of Hawaii, and we believe that this bill would have a harmful impact on their ability to sell their products and maintain their livelihoods.

Under the proposed changes, food hubs in agricultural districts would be redefined not as organizations focused on supporting local production but instead as those supporting local consumption. This runs contrary to the USDA's working definition of a food hub as "a business or organization that actively manages the aggregation, distribution and marketing of source-identified food products, primarily from local and regional producers to strengthen their ability to satisfy wholesale, retail and institutional demand."

Please oppose this bill and support the focus of food hubs on addressing local production and consumption.

Mahalo for the opportunity to testify.

Kaipo Kekona, President HFUU/HFUF

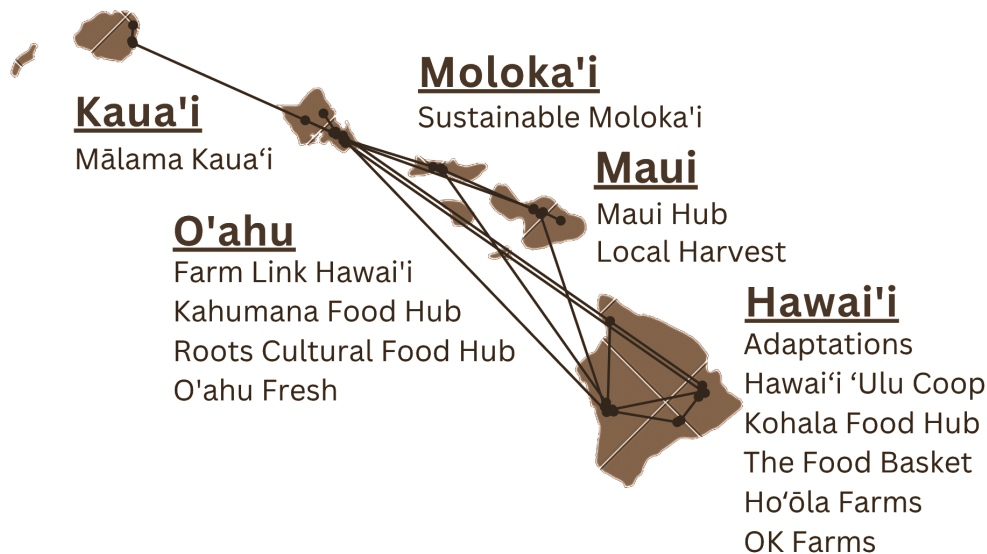
Hawai'i Food Hub Hui

2/7/2023

Dear Rep. Gates and members of the AGR committee, thank you for the opportunity to testify on HB1269.

Established in 2017, HFHH, is a BIPOC founded and led organization that works to address inequities in the Hawaii's food system by building an aggregated pipeline of supply and increasing access to capacity-building infrastructure, with a focus on small, family-owned and BIPOC farmer, Hawai'i-based food businesses and serving low-access, disenfranchised communities across the state.

HFHH strongly opposes HB1269. The suggested amendments would dilute the food hubs concept by removing the food hub requirement to promote locally grown foods and value-added products. It would complicate federal funding opportunities for Hawaii's food hubs and make our food hubs less competitive by changing a definition that has been accepted by food hubs in all U.S States and Territories.



HFHH represents 14 regional food hubs supporting 1,337 farms (50% BIPOC owned/led) that serve approximately 14,465 customers per year across all Hawai'i counties. In the last 5 years, food hubs have generated over \$50 million in local food sales.

Saleh Azizi Fardkhales, Ph.D.
Director
Hawai'i Food Hub Hui
(808) 383-5224 | info@foodhubhui.com

Committee on Agriculture & Food Systems

Rep. Cedric Asuega Gates, Chair

Rep. Kirstin Kahaloa, Vice Chair

HB 1269

Relating to Agricultural Districts

Wednesday, February 8, 2023, 9:45AM

Conference Room 325

Aloha Chair Gates, Vice Chair Kahaloa, and Members of the Committee,

I am writing in strong support for HB 1269, which will assist the agricultural product manufacturing to flourish. The ability to build food manufacturing on agricultural lands will provide improved economics to existing and new facilities. There are a number of aging facilities that are in need of modernization and/or expansion. The high cost of land is a real constraint to economic feasibility and viability to investing in food manufacturing facilities in Hawaii. Amending Section 205-2, Hawaii Revised Statutes, to allow mainland agricultural components to be processed along locally grown products will allow the processor to remain economically viable while we grow our local diversified agricultural production. Additionally, the acreage used for manufacturing purposes is insignificant compared to the agricultural lands and immaterial to the loss of production. In fact, this use is of a much higher utility and will have a greater positive impact of agriculture as local food manufacturing will stimulate demand for ingredients and support local agriculture.

In closing, HB 1269 will assist the State in improving its diversified agricultural economy and contribute to the State's food security.

Thank you for this opportunity to testify on this bill.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott Enright". The signature is stylized and cursive.

Scott Enright