

#### STATE OF HAWAI'I DEPARTMENT OF EDUCATION KA 'OIHANA HO'ONA'AUAO P.O. BOX 2360

HONOLULU, HAWAI'I 96804

**Date:** 02/10/2025 **Time:** 03:02 PM

Location: CR 229 & Videoconference

Committee: Senate Education

**Department:** Education

**Person Testifying:** Keith T. Hayashi, Superintendent of Education

Bill Title: SB 0249 RELATING TO LOCAL AGRICULTURAL PRODUCTS.

Purpose of Bill: Modifies certain benchmark goals and timeline for the Department of Education

to provide locally-sourced agricultural and food products.

#### **Department's Position:**

The Hawaii State Department of Education (Department) would like to provide comments on SB 249.

This bill will help the School Food Services Branch streamline and standardize reporting obligations, which provides the Legislature and the public the status of the Department's progress in meeting the local farm-to-school goals.

The Department appreciates this bill's intent to separate its local food purchase goals from other state departments by clarifying that its specific percentage goal targets shall be:

- 30% by year 2030
- 34% by year 2040
- 42% by year 2045
- 50% by year 2050

The most efficient and consistent pathway to purchase more local food is a multi-pronged strategy utilizing distributor-to-farmer partnerships, augmented by increasing direct procurement from farms and food hubs. The Department's menu planners communicate closely with our network of qualified distributors, who currently interface with local farmers about what crop ingredients our school meals will need six to twelve months in advance.

Additionally, the Department is assessing opportunities for more direct local procurement from farms, processors, and food hubs.

Thank you for the opportunity to testify on this measure.

JOSH GREEN, M.D. Governor

> SYLVIA LUKE Lt. Governor



SHARON HURD
Chairperson, Board of Agriculture

**DEAN M. MATSUKAWA**Deputy to the Chairperson

# State of Hawai'i DEPARTMENT OF AGRICULTURE KA 'OIHANA MAHI'AI

1428 South King Street Honolulu, Hawai'i 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613

## TESTIMONY OF SHARON HURD CHAIRPERSON, BOARD OF AGRICULTURE

#### BEFORE THE SENATE COMMITTEE ON EDUCATION

MONDAY, FEBRUARY 10, 2025 3:02 PM CONFERENCE ROOM 229

### SENATE BILL NO. 249 RELATING TO LOCAL AGRICULTURAL PRODUCTS

Chair Kidani, Vice Chair Kim and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill 249. This bill proposes adjustments to certain benchmark goals and a timeline for the Department of Education to provide locally sourced agricultural and food products.

The Department of Agriculture supports the intent of this bill to align and address discrepancies in local food procurement benchmarks across various state agencies. We believe that establishing a standardized timeline and consistent targets provide an advantageous planning framework and enhance executive decision-making for all stakeholders involved in the *farm-to-state* purchasing supply chain for locally grown and raised food products.

Thank you for the opportunity to testify on this measure.





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

February 10, 2025

### HEARING BEFORE THE SENATE COMMITTEE ON EDUCATION

## TESTIMONY ON SB 249 RELATING TO LOCAL AGRICULTURAL PRODUCTS

Conference Room 229 & Videoconference 3:02 PM

Aloha Chair Kidani, Vice-Chair Kim, 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 supports SB 249, which modifies certain benchmark goals and timeline for the Department of Education to provide locally-sourced agricultural and food products.

HFB strongly supports the increased use of locally grown agricultural products, fruits, vegetables, meats, dairy, poultry, and value-added products in our schools and state facilities. We support the State's Farm-to-School goal of 30% by 2030, in accordance with Act 175, SLH 2021 as well as the Farm-to-State goals established in Act 176, SLH 2021.

Increased purchasing by DOE and other state departments will help address food security and food sustainability by creating demand for local farm products which will result in farmers and ranchers growing more. It will also help provide more of Hawai'i's fresh and nutritious foods to our students and residents.

HFB is committed to working with the Department of Education and the other state entities to implement a procurement program that will allow Hawai'i farmers and ranchers to source more local products for Hawai'i's Farm to School and Farm to State programs.

Thank you for the opportunity to testify on this important matter.

### **SB-249**

Submitted on: 2/7/2025 4:13:10 PM

Testimony for EDU on 2/10/2025 3:02:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Nancy D Moser	Individual	Support	Written Testimony Only

#### Comments:

#### In SUPPORT of SB 249.

Aloha Chair and members of the Committee,

Please vote YES on this measure and coordinate the various departments' goals toward acheiving progressively more and more foods shall be obtained , from local sources including local farmers and ranchers.

Nancy Moser in Waikoloa on Hawai'i Island

Officers

Kaipo Kekona State President

Anabella Bruch Vice-President

Maureen Datta Secretary

Reba Lopez Treasurer

Chapter Presidents

Clarence Baber Kohala, Hawai'i

> Tony Vera East Hawai'i

Puna, Hawai'i

Andrea Drayer Ka'ū, Hawai'i

Maureen Datta Kona, Hawai'i

Fawn Helekahi-Burns Hāna, Maui

> Mason Scharer Haleakalā, Maui

Kaiea Medeiros Mauna Kahālāwai, Maui

> Kaipo Kekona Lahaina, Maui

Kilia Avelino-Purdy Moloka'i

> Negus Manna Lāna'i

India Clark North Shore, Oʻahu

Christian Zuckerman Wai'anae, O'ahu

Ted Radovich Waimānalo, Oʻahu

Vincent Kimura Honolulu, Oʻahu

Natalie Urminska Kaua'i





Aloha Chair Kidani, Vice Chair Kim, and Members of the Senate Education Committee.

The Hawai'i Farmers Union is a 501(c)(5) agricultural advocacy nonprofit representing a network of over 2,500 family farmers and their supporters across the Hawaiian Islands. **HFU supports and seeks to amend SB249.** 

SB249 seeks to standardize and strengthen Hawai'i's local food procurement benchmarks across state agencies. While the bill is a step in the right direction, it does not explicitly require that single-ingredient products (such as beef, milk, honey, and juice) be 100% locally sourced to qualify as local. This loophole could allow products labeled as "local" to contain imported ingredients, undermining the intent of the bill and disadvantaging Hawai'i's farmers and ranchers. Additionally, the current definition of "local value-added, processed, agricultural, or food products" presents a critical issue: by allowing products with only 51% local primary agricultural ingredients, it creates a potential loophole that processors could exploit by increasing processing costs while sourcing a lower percentage of local farm products. This amendment ensures that single-ingredient products must be entirely locally sourced and strengthens the integrity of the "local value-added" classification.

Ensuring that single-ingredient products are 100% locally sourced is critical for maintaining fairness and consistency in procurement policies. Under the current language, "local ground beef" could include a mix of local and imported beef, while "local carrots" must be fully grown in Hawai'i, creating an unfair double standard that disadvantages local ranchers. Farmers and ranchers who invest in truly local production should not have to compete with products that contain imported ingredients but are still classified as "local."

The **local value-added** definition, as currently written, also raises a concern about how the 51% local agricultural product threshold is calculated. If a food processor's costs are weighted more heavily toward processing rather than the actual agricultural product, a company could technically meet the 51% requirement while sourcing less than 51% of its ingredients from Hawai'i farmers. For example, a juice processor could purchase cheaper imported fruit to make up 49% of the product, while increasing processing costs (e.g., packaging, labor, transportation) to shift the cost balance in favor of the processor, rather than the farmer. **This could incentivize processors to pay farmers less for their products while maximizing the use of lower-cost imported ingredients—undermining the intent of local procurement laws and reducing the economic benefits for Hawai'i's agriculture sector. Closing this loophole ensures that procurement standards truly support <b>Hawai'i-grown food** and do not incentivize cost manipulations that sideline local farmers.

To strengthen SB249, we propose amending HRS §27-8 as follows:

## Add a new subsection requiring 100% local sourcing for single-ingredient products:

"(b) The purchasing standards established under this section shall require that all single-ingredient products be one hundred per cent locally sourced. A single-ingredient product shall not be considered a fresh local agricultural product or local value-added, processed, agricultural, or food product unless it is composed entirely of ingredients grown, raised, and harvested in Hawaii. Products not meeting this requirement shall not be eligible for consideration as locally grown, manufactured, raised, or produced under this section."

### Strengthen the definition of "local value-added, processed, agricultural, or food products" to prevent cost manipulations.

"(c) For the purposes of this section:

'Fresh local agricultural products' means fruits, vegetables, nuts, coffee, eggs, poultry and poultry products, livestock and livestock products, milk and milk products, aquacultural and maricultural products, and horticultural products, that are one hundred per cent grown, raised, and harvested in Hawaii.

'Local value-added, processed, agricultural, or food products' means a product for which at least fifty-one per cent of its primary agricultural product is grown, raised, and harvested in Hawaii\_with the exception of single-ingredient products.

'Single-ingredient products' are defined as products that are primarily made up of one main ingredient, even if they undergo processing or value-added processes. Examples include, but are not limited to, milk, ground beef, honey, and fruit juices.

Single-ingredient products, even if value-added, shall be comprised of one hundred per cent local ingredients.

'Primary agricultural product' means the major agricultural product in a processed or value-added agricultural or food product."

These amendments ensure that the intent of SB249 is fully realized by **establishing a clear and enforceable standard** for what qualifies as a locally sourced product and

preventing cost manipulations that reduce the share of local farm ingredients. We urge the committee to adopt this amendment to protect Hawai'i's farmers, ranchers, and consumers while advancing the state's food security goals.

Mahalo for the opportunity to testify.

Hunter Heaivilin Advocacy Director Hawai'i Farmers Union