SCR237

Date: 03/31/2010

Committee: Senate Education and Housing

Senate Water, Land, Agriculture and

Hawaiian Affairs

Department:

Education

Person Testifying:

Kathryn Matayoshi, Interim Superintendent of Education

Title of Resolution:

SCR 237 REQUESTING THE DEPARTMENT OF EDUCATION TO

CONVENE A WORKING GROUP TO CONSIDER LEASING OR RENTING

PUBLIC SCHOOL CAFETERIAS TO VALUE-ADDED FOOD

PROCESSORS TO PROMOTE THE USE OF LOCALLY-GROWN FRESH

PRODUCE IN SCHOOL MEALS.

Purpose of Resolution:

REQUESTING THE DEPARTMENT OF EDUCATION TO CONVENE A
WORKING GROUP TO CONSIDER LEASING OR RENTING PUBLIC
SCHOOL CAFETERIAS TO VALUE-ADDED FOOD PROCESSORS TO
PROMOTE THE USE OF LOCALLY-GROWN FRESH PRODUCE IN

SCHOOL MEALS.

Department's Position:

The Department of Education regrets that it cannot support this resolution.

Use of public school kitchens to private entities for agricultural processing would require a change in Hawaii Administrative Rules, Chapter 40, which currently limits the use of school kitchen facilities to school and community-related organizations. The Rule does not currently contemplate the use of school kitchens by commercial organizations.

Because the uses currently allowed under the Rule are non-commercial, the fees for the use of kitchen facilities are structured to recover costs, not to generate a profit that "could be invested in school infrastructure or healthier school lunches" as suggested in the resolution.

The DOE appreciates the intent of the Legislature, to support local agriculture, to improve the quality of school meals, and to generate financial resources for the support of the school breakfast and lunch

program, but our ability to dedicate staff time to the task force proposed in the resolution is very limited at this time.

Thank you for this opportunity to testify.

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2343 Rose Street, Honolulu, HI 96819 Phone: (808) 848-2074; Neighbor Islands: 1-800-482-1272 Fax: (808) 848-1921; e-mail: info@hfbf.org

TESTIMONY

Re: SCR 237 REQUESTING THE DEPARTMENT OF EDUCATION TO CONVENE A WORKING GROUP TO CONSIDER LEASING OR RENTING PUBLIC SCHOOL CAFETERIAS TO VALUE-ADDED FOOD PROCESSORS TO PROMOTE THE USE OF LOCALLY-GROWN FRESH PRODUCE IN SCHOOL MEALS.

Chair Sakamoto, Chair Hee and Committee Members:

HFBF on behalf of our commercial farm and ranch families and organizations strongly supports SCR237, Convening a working group to examine the feasibility of leasing school cafeterias.

Agriculture can play a role in improving school lunches. However, this can only happen if there is a true collaborative effort between the schools, procurement systems, food preparation entrepreneurs and farmers. Selling fresh produce, fruits, meats, eggs and milk alone to schools is not what Farm To School is about. It should also include a value added production systems that will make user friendly dishes using locally grown products for schools. New mechanisms to increase funding for purchase of food by schools outside of dependence of General Funds is also important.

I personally have been involved in a situation on Maui where the students begged for salads. Last year, the Student Council came before the Legislature asking for a farm to school program. I know the demand is there. It is our responsibility as a society to find a way to provide healthy meals to our children.

This renting of school cafeterias is one idea of how to increase funds for healthier school lunches. We recognize there are challenges. First, the question of whether it can be legally done. We have received an AG interpretation that this can be legally done. Attached is a copy of the document.

Second, the devil in the details. HFBF is intent on making this process work. We look forward to cooperating with the various agencies on coming up with solutions. We respectfully request your support of this measure and a timely appointment of members of the working group so work can commence on this important project. If there are any questions, please contact me, Mae Nakahata at 2819716. Thank you.

COVERNOR



MARK J. BENNETT ATTORNEY GENERAL

LISA M. GINOZA

STATE OF HAWAII DEPARTMENT OF THE ATTORNEY GENERAL

426 QUEEN STREET HONOLULU, HAWAII 96813 (808) 586-1500

March 10, 2010

The Honorable Blake K. Oshiro Majority Leader Chair, House Finance Committee The Twenty-Fifth Legislature State Capitol, Room 439 Honolulu, Hawaii 96813

Dear Representative Oshiro:

Rc: Public School Cafeteria Use

This is in response to your letter of February 9, 2010, inquiring whether the State Procurement Code prohibits the use of public school cafeterias during off-hours by the Hawaii Farm Bureau to do value added processing and, if not, whether there are other legal barriers that preclude schools from licensing rather than leasing, their facilities. The Procurement Code governs the procurement of produce and does not impose such a prohibition. As for other legal barriers, the use of school cafeterias is governed by the Department of Education's administrative rules, and the rules would appear to allow the Hawaii Farm Bureau to do value added processing in the cafeterias, although not through the issuance of a license but through the rental of Department of Education ("DOE") cafeteria facilities.

As we understand the concept in this context, value added processing means the local produce is minimally processed and its physical state changed (e.g. quick frozen, pre-washed, pre-trimmed, pre-cooked, etc.) to improve its shelf life and reduce the schools' preparation time, thus increasing the value and expanding the use of local produce. We understand the goal of this project is to introduce more locally grown produce into the public schools and that the Hawaii Farm Bureau, an umbrella advocacy organization for local farmers, would not receive any compensation from the DOE or the State for any increased sale of such produce to the DOE, but would utilize the public school cafeterias to process local produce. If the value added processing is successfully developed and conducted in the cafeterias, the individual produce farm members of the Hawaii Farm Bureau may benefit from cheaper production costs which could result in increased sales of their produce to the DOE. We do not believe the Procurement Code would prohibit such activity. Moreover, there would be no unfair advantage to the Hawaii Farm Bureau members who may benefit because produce farmers who are not members of the Hawaii Farm Bureau are subject to the same DOE administrative rules as the Hawaii Farm Bureau and could utilize the same or other public school cafeterias that may be available to develop their own value added processing.

The Honorable Blake K. Oshiro March 10, 2010 Page 2

Different groups may use the cafeterias for their respective value added processing, or use other facilities, or choose not to do value added processing at all. We understand that theoretically one of the benefits of value added processing is to lower produce prices, but produce must be competitively procured, and it would be difficult to justify the inclusion in a public solicitation of any procurement advantage to having used the public school cafeterias for value added processing as opposed to other facilities. But even if such a difference could be defended, non Hawaii Farm Bureau members are free to apply to use school cafeterias as the Bureau intends to do. It would be up to the individual produce farmers to determine how to best compete their produce for later procurement by the DOE and the State.

In order to use the public schools' kitchens and equipment, the DOE's Hawaii Administrative Rules ("HAR") entitled, "Use of Kitchen and Food Preparation Equipment" (title 8, chapter 40 and "Use of School Buildings, Facilities, and Grounds" (title 8, chapter 39) would apply. It appears that the general parameters of the DOE rules would allow the Hawaii Farm Bureau to use the cafeteria kitchens and equipment. The DOE allows school and community related organizations to use its kitchens and food preparation equipment upon application and approval, whenever such use does not interfere with the normal and usual activities of the school. (HAR §§ 8-40-1; 8-39-1.) Applications are to be submitted in writing to the respective school principal who has the authority to approve or deny the application. (HAR § 8-40-2.) The only complication is that the DOE requires "permanent school food services personnel from the base kitchen" to be present to supervise the proper use of the equipment and clean up of the work area. (HAR § 8-40-3.) A deposit and fees are assessed for the use of the kitchen and equipment which include a charge for such personnel and for trash and garbage, if warranted. (HAR § 8-40-6.) We would encourage the Hawaii Farm Bureau to directly discuss the specific details of this venture with the DOE to determine whether value added processing at the schools would be feasible.

We hope you find this responsive, and if there are any questions about this response, I may be reached at 586-1268 or at patricia.t.ohara@hawaii.gov.

Very truly yours,

Patricia Ohara

Deputy Attorney General

APPROVED:

Mark J. Bennett Attorney General

Attorney General

Pat Ohara - 6-1268 DAG



March 31, 2010 2:45 p.m. Conference Room 229

TESTIMONY TO THE SENATE COMMITTEES ON EDUCATION AND HOUSING and WATER, LAND, AGRICULTURE AND HAWAIIAN AFFAIRS

RE: SCR 237 – Convening a Working Group to Consider Leasing or Renting Public School

Cafeterias to Value-Added Food Processors to Promote the Use of Locally-Grown Fresh

Produce in School Meals

Chairs Sakamoto and Hee; Vice Chairs Kidani and Tokuda; and Members of the Committees:

My name is Robert Witt, and I am executive director of the Hawai'i Association of Independent Schools (HAIS), which represents 99 private and independent schools in Hawai'i and educates over 33,000 elementary and secondary students statewide.

HAIS is in support of Senate Concurrent Resolution 237, which convenes a working group to consider leasing or renting public school cafeterias to value-added food processors to promote the use of locally-grown fresh produce in school meals.

The Association is a strong supporter of increasing the amount and variety of locally-grown food in our schools. Through farm-to-school programs, leasing or renting public school cafeterias to value-added food processors will help support the local agriculture industry and provide students with improved meal options by giving school cafeterias access to fresh local produce. To that end, we are currently in conversation with the Department of Agriculture to explore establishing a pilot farm-to-school program involving some of our member schools and local farmers.

We respectfully request that SCR 237 be amended to include the following members in the proposed working group: University of Hawaii, College of Tropical Agriculture and Human Resources, Department of Agriculture, Department of Education, Hawaii i Association of Independent Schools, The Hawaii Farm Bureau Federation, Hawaii Farmers Union, Kokua Foundation, MA'O Organic Farms, The Kohala Center, Mālama Kaua'i, Sustainable Living Institute on Maui.

Mahalo for the opportunity to testify on this important matter.

sakamoto2 - Erin

From: Pearl Johnson [pearlj@hawaii.rr.com]
Sent: Tuesday, March 23, 2010 10:08 PM

To: EDH Testimony

Subject: SCR 237

To: Chairs Norman Sakamoto and Clayton Hee

Vice Chairs Michele Kidani and Jill Tokuda

Members of the Committees on Education and Housing, and Water, Land Agriculture and Hawaiian

Affairs

From: Mrs. Pearl Johnson

Chair, Planning & Transportation committee League of Women Voters of Honolulu

Date: March 24, 2010

Re: Hearing for <u>SCR 237</u> - School Cafeterias; Leasing; Food Processors

Committee on Education and Housing/Committee on Water, Land, Agriculture, and Hawaiian Affairs

2:45 PM, Wednesday, March 31, 2010

Conference Room 229

The League of Women Voters of Honolulu urges passage of SCR 237. Allowing school cafeterias to be used by value-added food processors to promote the use of locally-grown fresh produce in the school meals program seems to be a truly creative use of underutilized valuable facilities.

There is an urgent need to increase the amount and variety of locally-grown fresh produce in our public schools through farm-to-school programs and focused procurement policy.

Leasing or renting cafeteria space to value-added processors to incorporate locally-grown produce into the school meals program could have a beneficial effect on student health and on Hawaii's agriculture industry. Income from leasing or renting public school cafeterias could be invested in school infrastructure or healthier school lunches.

We realize that there may be many obstacles to this change in school policy and support the formation of a working group to study the issues involved.

Please pass this resolution.