
A BILL FOR AN ACT

RELATING TO AGRICULTURAL PRODUCTS.

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

1 SECTION 1. The legislature finds that fruits and
2 vegetables are often rejected at point of sale for cosmetic
3 reasons, such as color, shape, and bruising. It has been
4 estimated that as much as thirty per cent of all produce on some
5 large farms is kept out of the market. However, most of this
6 rejected produce is as nutritious and edible as produce that
7 makes its way to market.

8 The legislature further finds that although some processors
9 accept rejected produce for value added products such as juices,
10 soups, and jams, many farmers are left without a secondary
11 market for produce deemed unsuitable to be sold fresh. As a
12 result, most rejected produce is plowed back into the field or
13 sent to the landfill.

14 Accordingly, the purpose of this Act is to establish a
15 pilot program to:

16 (1) Reduce the amount of agricultural waste going into the
17 solid waste stream;



1 (2) Divert from the solid waste stream fruits, vegetables,
2 and other agricultural products deemed unsuitable to
3 be sold as fresh;

4 (3) Enable new businesses to produce value-added products
5 using diverted agricultural products; and

6 (4) Stimulate the economy.

7 SECTION 2. (a) The department of business, economic
8 development, and tourism shall establish and administer a three-
9 year blemished crop pilot program on the island of Oahu. The
10 pilot program shall provide a state-sponsored kitchen for new
11 businesses to produce value-added products using blemished
12 crops.

13 (b) The department of business, economic development, and
14 tourism shall adopt procedures to establish and administer the
15 blemished crop pilot program; provided that the adoption of
16 procedures shall not be subject to chapter 91, Hawaii Revised
17 Statutes.

18 (c) For purposes of this section:

19 "Blemished crop" means any fruit, vegetable, or other
20 agricultural product that is deemed unsuitable to be sold fresh
21 for cosmetic reasons, including but not limited to color, shape,



1 size, and bruising, but that is otherwise suitable for human
2 consumption.

3 "New business" means a business that has commenced
4 commercial activity relating to the processing of fruits or
5 vegetables into a value-added product within the twelve months
6 immediately preceding the effective date of this Act.

7 "Value-added" means any activity that increases, by means
8 of processing or any other means, the value of raw agricultural
9 materials.

10 SECTION 3. (a) The department of business, economic
11 development, and tourism shall submit preliminary reports to the
12 legislature on the status of the blemished crop pilot program no
13 later than twenty days prior to the convening of the regular
14 sessions of 2016 and 2017.

15 (b) The department of business, economic development, and
16 tourism shall submit a final report to the legislature regarding
17 the blemished crop pilot program and make findings and
18 recommendations, including whether to continue the pilot
19 program, not later than twenty days prior to the convening of
20 the regular session of 2018. The report shall include any
21 pertinent information, recommendations, or proposed legislation,



1 if any, to determine whether the blemished crop pilot program
2 should be extended to other areas throughout the State.

3 SECTION 4. There is appropriated out of the general
4 revenues of the State of Hawaii the sum of \$ or so
5 much thereof as may be necessary for fiscal year 2015-2016 and
6 the same sum or so much thereof as may be necessary for fiscal
7 year 2016-2017 for the establishment and administration of the
8 blemished crop pilot program.

9 The sums appropriated shall be expended by the department
10 of business, economic development, and tourism for the purposes
11 of this Act.

12 SECTION 5. This Act shall take effect on July 1, 2015.

13

INTRODUCED BY: Calvin K. King

JAN 23 2015



H.B. NO. 649

Report Title:

Blemished Crops Pilot Program; DBEDT; Appropriation

Description:

Establishes a 3-year pilot program that enables new businesses to produce value-added products using fruits and vegetables deemed unsuitable to be sold as fresh. Appropriates moneys.

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