
A BILL FOR AN ACT

RELATING TO COMPOSTING.

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

1 SECTION 1. The legislature finds that according to the
2 United States Environmental Protection Agency and United States
3 Department of Agriculture, food waste is the second largest
4 component that enters a waste stream and accounts for twenty-
5 five per cent of all materials sent to landfills. Recycling
6 food waste into compost has environmental benefits, such as
7 improving soil health, increasing drought resistance, and
8 reducing the need for supplemental water, fertilizers, and
9 pesticides. Furthermore, applying compost and organic matter to
10 soil sequesters carbon from the atmosphere, forming the largest
11 land-based carbon sink, mitigates climate change by effectively
12 reducing greenhouse gas emissions. The legislature believes
13 that food waste diversion will help move the State toward the
14 Aloha+ Challenge commitment of seventy per cent waste stream
15 reduction by 2025.

16 The purpose of this Act is to appropriate funds to the
17 department of agriculture to establish and implement a compost



1 reimbursement pilot program to assist farmers and ranchers in
2 the State with affordable compost material.

3 SECTION 2. (a) The department of agriculture shall
4 establish and implement a three-year compost reimbursement pilot
5 program to provide cost reimbursement to farming operations in
6 the State to assist farmers and ranchers meet the costs of
7 acquiring compost purchased from a certified processor, dealer,
8 retailer, or wholesaler licensed to do business in the State.

9 (b) Applications for cost reimbursements shall be
10 submitted on a form furnished by the department and shall be
11 filed with accompanying documentation of the costs of purchasing
12 compost; provided that:

13 (1) The applicant shall indemnify and hold harmless the
14 State and its officers, agents, and employees from all
15 claims arising out of or resulting from the compost
16 purchased; and

17 (2) The department may request an applicant to provide
18 necessary information for the purposes of verifying
19 the size or sale weight, as applicable, and amount of
20 compost purchased.



1 (c) Documentation of compost costs, requested by the
2 department, shall be filed for compost purchased within the
3 immediate preceding fiscal year of filing and be effective for
4 compost costs incurred after June 30, 2018, and before July 1,
5 2021.

6 (d) Funds shall be dispersed upon approval on an annual
7 basis by the department to the farmer or rancher for up to fifty
8 per cent of the costs incurred for the purchase of the compost
9 after June 30, 2018, and before July 1, 2021.

10 (e) The department shall aggregate the total reimbursement
11 applications pursuant to this section and divide and distribute
12 the available funds on a first come, first served basis;
13 provided that no single farmer or rancher shall receive a
14 reimbursement total more than \$50,000 per year.

15 (f) There is established within the department a compost
16 reimbursement pilot program manager position, which shall be a
17 full-time, temporary position exempt from chapters 76 and 89,
18 Hawaii Revised Statutes. The compost reimbursement pilot
19 program manager shall possess a requisite level of knowledge and
20 expertise in the area of program management necessary to carry



1 out the duties of the position. The compost reimbursement pilot
2 program manager shall:

3 (1) Facilitate the division and distribution of available
4 costs for reimbursement; and

5 (2) Manage the day-to-day coordination for the compost
6 reimbursement pilot program.

7 The compost reimbursement pilot program manager shall receive a
8 salary of no more than \$50,000 per year.

9 (g) Any action taken by the department pursuant to this
10 section shall be exempt from the rulemaking requirements of
11 section 91-3, Hawaii Revised Statutes.

12 (h) As used in this section:

13 "Compost" means a product of a process in which organic
14 materials are biologically decomposed under controlled
15 conditions to produce a stable humus-like mulch or soil
16 amendment. The composting process includes but is not
17 necessarily limited to receipt of materials, primary processing,
18 decomposition activities, and final processing for sale and
19 marketing. Compostable materials shall include pre- and post-
20 consumer food waste, waste from animal food processing



1 operations, green waste, crop residues, and waste from vegetable
2 food processing operations and similar materials.

3 "Department" means the department of agriculture.

4 "Farming operations" means the same as in section 165-2,
5 Hawaii Revised Statutes.

6 SECTION 3. The department of agriculture shall submit a
7 report of its findings and recommendations, including any
8 proposed legislation, on the results of the compost
9 reimbursement pilot program and whether the program should be
10 reinstated, with or without modifications, to the legislature no
11 later than twenty days prior to the convening of the regular
12 session of 2022.

13 SECTION 4. There is appropriated out of the general
14 revenues of the State of Hawaii the sum of \$1,500,000 or so much
15 thereof as may be necessary for fiscal year 2018-2019 for the
16 department of agriculture to develop and implement a compost
17 reimbursement pilot program established in section 2 of this
18 Act; provided that the department of agriculture may expend:

- 19 (1) \$50,000 per year to hire one temporary program
20 specialist for the compost reimbursement pilot
21 program; and



1 (2) \$20,000 per year for program and administrative costs.

2 The sum appropriated shall be expended by the department of
3 agriculture for the purposes of this Act; provided that these
4 funds shall not lapse until December 31, 2021.

5 SECTION 5. This Act shall take effect on July 1, 2018;
6 provided that section 2 of this Act shall be repealed on
7 December 31, 2021.



Report Title:

Compost Reimbursement Pilot Program; Compost Reimbursement Pilot Program Manager; Report; Department of Agriculture; Appropriation

Description:

Appropriates funds to the Department of Agriculture to establish a three-year compost reimbursement pilot program to provide reimbursements to farmers and ranchers when purchasing compost from a certified processor, dealer, retailer, or wholesaler licensed to do business in the State. Establishes a compost reimbursement pilot program manager position. Requires the department to report to the legislature. Repeals 12/31/21. (Proposed SD2)

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