
A BILL FOR AN ACT

RELATING TO A FOOD HUB PILOT PROGRAM.

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

1 SECTION 1. The legislature finds that models for
2 agricultural and food processing industries have a proven track
3 record of success. In states such as Ohio, these industries
4 contributed \$93 billion to their state's economy, creating jobs
5 that can never be outsourced. Farming and agriculture are
6 pillars of Hawaii's economic strength. Innovation in farming,
7 harvesting, and processing is creating an attractive profession
8 which combines science, technology, and land use to strengthen
9 our economy and food security. Food hubs allow for families and
10 small farms to join the greater economy and allow local people
11 to benefit from markets they previously did not have access to.

12 The legislature further finds that Hawaii is the most
13 isolated, populated land mass on earth and currently relies on
14 imports for over ninety percent of its food supply. Such
15 reliance is not only costly, but also poses a significant risk
16 of famine in the event of a natural disaster, economic



1 disruption, or other external factors beyond the State's
2 control.

3 Additionally, the legislature finds that supporting small
4 local farmers is essential to the economic development and
5 self-reliance of the State. Developing and investing in food
6 hubs located throughout the Hawaiian Islands can help the most
7 vulnerable members of our community and lower Hawaii's
8 dependence on imported foods through the production of local
9 agriculture. This Act will support local families and farms
10 with facilities for aggregation, storage, processing,
11 distribution, and marketing, which strengthens their ability to
12 participate in larger agricultural economies. Hawaii's unique
13 produce, agricultural production, and food industry have
14 encouraged visitors to travel from around the world to taste our
15 locally grown products. The certified local foods coming out of
16 food hubs can be sold in local stores and restaurants,
17 stimulating the economy and allowing local farmers to profit
18 from the reputation of their harvests.

19 The legislature also finds that food hubs can support rural
20 communities and present opportunities for new generations of
21 farmers to work and live in Hawaii. Agricultural economic



1 production must grow within the State to help improve Hawaii's
2 economic development, overall self-sufficiency, and food
3 security.

4 The legislature additionally finds that Hawaii's local
5 agricultural industry needs revitalization by bringing farmers
6 and the State together to increase local food production, create
7 jobs, and engage in successful business partnerships for
8 Hawaii's sustainable future. Investing in the increase of
9 locally grown food, by supporting the development and expansion
10 of food hubs throughout the State, will increase Hawaii's food
11 security, economic diversification, sustainability, and
12 resiliency.

13 The purpose of this Act is to establish a five-year food
14 hub pilot program, which shall be administered by the department
15 of agriculture.

16 SECTION 2. (a) There is established a five-year food hub
17 pilot program, which shall be administered by the department of
18 agriculture.

19 (b) The pilot program shall:

20 (1) Adopt the United States Department of Agriculture's
21 working definition of "food hub," which is "a



1 centrally located facility with a business management
2 structure facilitating the aggregation, storage,
3 processing, distribution, and/or marketing of
4 locally/regionally produced food products;" and

5 (2) Award grant funding to qualified applicants for the
6 construction of critical infrastructure to establish
7 and expand food hubs in the city and county of
8 Honolulu and each of the counties of Maui, Kauai,
9 Hawaii, including:

10 (A) Construction or improvement of facilities for
11 aggregation, washing, minimal processing,
12 packaging, cold storage, and other value-added
13 facilities; and

14 (B) Provision of technical assistance to develop in-
15 state capacity to supply state institutions and
16 other markets.

17 (c) The department of agriculture shall establish criteria
18 for the award of initial start-up grant funding or subsequent
19 expansion funding under the pilot program, including the
20 following provisions:



- 1 (1) Priority shall be given to organizations with
2 demonstrated experience in aggregation, washing,
3 minimal processing, packaging, cold storage, and other
4 value-additions for delivering local produce to local
5 markets;
- 6 (2) Qualifying applicants shall include limited liability
7 companies, for-profit organizations, non-profit
8 organizations, and agricultural cooperatives with
9 requisite insurance requirements for delivering local
10 produce to local markets;
- 11 (3) Applicants seeking to launch new establishment of food
12 hubs in areas where none currently exist shall have
13 first secured a physical location for the food hub and
14 drafted a detailed plan for the food hub's operation,
15 including activities that the applicant intends to
16 engage in, such as serving as a marketplace for buying
17 and selling, or providing certified kitchen space in
18 which multiple farmers may share use of facilities for
19 value-added product development; and
- 20 (4) Applicants shall explain their intended actions to
21 increase access to locally produced food.



1 (d) The department of agriculture shall adopt rules
2 pursuant to chapter 91, Hawaii Revised Statutes, for the
3 administration and operation of the pilot program.

4 SECTION 3. (a) The department of agriculture shall submit
5 interim reports on:

- 6 (1) The department's progress in implementing this Act;
- 7 (2) Preliminary results of the food hub pilot program; and
- 8 (3) The department's findings and recommendations,
- 9 including any proposed legislation,

10 to the legislature no later than twenty days prior to the
11 convening of the regular sessions of 2021, 2022, 2023, and 2024.

12 (b) The department shall submit a final report of its
13 findings and recommendations, including any proposed
14 legislation, to the legislature no later than twenty days prior
15 to the convening of the regular session of 2025. The report
16 shall include the results of the food hub pilot program and a
17 recommendation as to whether the program should be made
18 permanent, with or without modifications.

19 SECTION 4. There is appropriated out of the general
20 revenues of the State of Hawaii the sum of \$ or so
21 much thereof as may be necessary for fiscal year 2020-2021 for



1 the establishment of a five-year food hub pilot program,
2 including the awarding of grant moneys to qualifying food hubs.

3 The sum appropriated shall be expended by the department of
4 agriculture for the purposes of this Act.

5 SECTION 5. This Act shall take effect on July 1, 2112.



Report Title:

HDOA; Food Hub Pilot Program; Grant Funding; Appropriation

Description:

Requires the Department of Agriculture to establish a five-year food hub pilot program to increase access to local food. Provides for the award of grant funding by qualified applicants wishing to establish or expand a food hub. Requires reports to the legislature. Appropriates funds. Takes effect on 7/1/2112. (HD1)

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