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# A BILL FOR AN ACT

RELATING TO AGRICULTURE.

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

1       SECTION 1. The legislature finds that supporting local  
2 businesses and encouraging the production and use of local  
3 agricultural products are a matter of statewide concern.

4       The legislature further finds that the department of  
5 education, department of health, department of public safety,  
6 department of defense, and University of Hawaii system are the  
7 state entities that purchase some of the greatest amounts of  
8 agricultural products. For example, according to the department  
9 of public safety, it consistently spent more than \$10,000,000  
10 annually from 2007 to 2011 to feed Hawaii's inmate population.  
11 Under section 11-174-3, Hawaii Administrative Rules, the  
12 inclusive rate for routine and ancillary services per patient of  
13 the Hawaii state hospital is \$133 per day. Routine and  
14 ancillary services include food and nutrition services, among  
15 other services and supplies.

16       The department of education operates the twelfth-largest  
17 school system in the United States. Prior to the coronavirus



1 disease 2019 pandemic, the department of education served lunch  
2 to 103,786 students daily and an additional 32,352 breakfasts  
3 daily. During fiscal year 2017-2018, the department spent more  
4 than \$45,640,000 on food for school meals. In 2020, even during  
5 an abbreviated school year, the department spent about  
6 \$30,000,000 on food.

7 The department of defense oversees the Hawaii national  
8 guard youth challenge academy and serves breakfast, lunch, and  
9 dinner to its residential students. The Hawaii national guard  
10 youth challenge academy is seventy-five per cent funded by a  
11 federal National Guard Bureau grant, with meal and food  
12 purchases for the year having a federal budget cap of \$25 a day  
13 for each cadet participating in the academy.

14 Therefore, the purpose of this Act is to require the  
15 department of education, department of health, department of  
16 public safety, department of defense, and University of Hawaii  
17 system to ensure that a certain percentage of food that is  
18 purchased is locally grown to ensure the continued growth of  
19 local food, support local farmers and ranchers, and guarantee  
20 that revenue derived from locally grown food remains in the  
21 State. This Act is not meant to capture departmental or



1 university staff travel expenses, office staff procurement, any  
2 other staff meals separate from each department's offered meal  
3 services or programs, or other staff meals separate from the  
4 university's offered meal services or programs.

5 SECTION 2. Section 27-8, Hawaii Revised Statutes, is  
6 amended to read as follows:

7 " ~~[+]§27-8[+]~~ **Contracts for produce, food; percentage to**  
8 **be grown within the State.** (a) ~~[Each principal department of~~  
9 ~~the State, as established in section 26-4, that purchases~~  
10 ~~produce]~~ The department of education, department of health,  
11 department of public safety, department of defense, and  
12 University of Hawaii system shall ensure that a certain  
13 percentage of the ~~[produce]~~ food purchased ~~[by that department]~~  
14 for public schools, youth campuses, public hospitals, public  
15 prisons, and any purchases made directly by the University of  
16 Hawaii for use in its academic programs is fresh local  
17 agricultural products and local value-added, processed,  
18 agricultural, or food products as follows:

- 19 (1) By January 1, 2025, fresh local agricultural products  
20 and local value-added, processed, agricultural, or  
21 food products shall constitute a minimum of ten per



1 cent of the total [~~produce~~] food purchased [~~by the~~  
2 ~~department~~] during each calendar year, as measured by  
3 the per cent of total food cost;

4 (2) By January 1, 2030, fresh local agricultural products  
5 and local value-added, processed, agricultural, or  
6 food products shall constitute a minimum of eighteen  
7 per cent of the total [~~produce~~] food purchased [~~by the~~  
8 ~~department~~] during each calendar year, as measured by  
9 the per cent of total food cost;

10 (3) By January 1, 2035, fresh local agricultural products  
11 and local value-added, processed, agricultural, or  
12 food products shall constitute a minimum of twenty-six  
13 per cent of the total [~~produce~~] food purchased [~~by the~~  
14 ~~department~~] during each calendar year, as measured by  
15 the per cent of total food cost;

16 (4) By January 1, 2040, fresh local agricultural products  
17 and local value-added, processed, agricultural, or  
18 food products shall constitute a minimum of  
19 thirty-four per cent of the total [~~produce~~] food  
20 purchased [~~by the department~~] during each calendar  
21 year, as measured by the per cent of total food cost;



1 (5) By January 1, 2045, fresh local agricultural products  
2 and local value-added, processed, agricultural, or  
3 food products shall constitute a minimum of forty-two  
4 per cent of the total [~~produce~~] food purchased [~~by the~~  
5 ~~department~~] during each calendar year, as measured by  
6 the per cent of total food cost; and

7 (6) By January 1, 2050, fresh local agricultural products  
8 and local value-added, processed, agricultural, or  
9 food products shall constitute a minimum of fifty per  
10 cent of the total [~~produce~~] food purchased [~~by the~~  
11 ~~department~~] during each calendar year, as measured by  
12 the per cent of total food cost.

13 (b) [~~Each principal department of the State~~] The  
14 department of education, department of health, department of  
15 public safety, department of defense, and University of Hawaii  
16 system shall, to the extent practicable, prioritize contracts  
17 with vendors that use locally sourced food products.

18 (c) The department of education, department of health,  
19 department of public safety, department of defense, and  
20 University of Hawaii system shall each submit a report to the  
21 legislature no later than twenty days prior to the convening of



1 each regular session on ~~[that department's]~~ progress toward  
2 meeting the benchmarks described in subsection (a), including:

3 (1) The ~~[amount of]~~ total ~~[produce]~~ cost of food purchased  
4 ~~[by the department]~~ during the calendar year preceding  
5 that regular session~~[, as measured by the per cent of~~  
6 ~~the total food cost]~~;

7 (2) The ~~[amount of]~~ percentage of the total cost of food  
8 purchased during the calendar year preceding that  
9 regular session accounted for by the cost of fresh  
10 local agricultural products and local value-added,  
11 processed, agricultural, or food products ~~[purchased~~  
12 ~~by the department during the calendar year preceding~~  
13 ~~that regular session, as measured by the per cent of~~  
14 ~~the total food cost,~~

15 ~~-(3)-~~ The ~~percentage of fresh local agricultural products~~  
16 ~~and local value added, processed, agricultural, or~~  
17 ~~food products purchased by the department during the~~  
18 ~~year preceding that regular session]~~; and

19 ~~[-(4)-]~~ (3) If the department or University of Hawaii did not  
20 meet the relevant benchmark described in subsection



1 (a), an explanation of why the department or  
2 University of Hawaii did not meet that benchmark.

3 [~~(c) For the purposes of~~] (d) As used in this section:

4 "Fresh local agricultural products" means fruits,  
5 vegetables, nuts, coffee, eggs, poultry, and poultry products,  
6 livestock, and livestock products, milk and milk products,  
7 aquacultural, and maricultural products, and horticultural  
8 products, that are one hundred per cent grown, raised, and  
9 harvested in Hawaii.

10 "Local value-added, processed, agricultural, or food  
11 product" means a product for which at least fifty-one per cent  
12 of its primary agricultural product is grown, raised, and  
13 harvested in Hawaii.

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

17 [~~"Produce" means fruits, vegetables, staple starches, nuts,~~  
18 ~~coffee, eggs, poultry and poultry products, livestock and~~  
19 ~~livestock products, milk and milk products, aquacultural and~~  
20 ~~maricultural products, and horticultural products.] "~~



1       SECTION 3. This Act does not affect rights and duties that  
2   matured, penalties that were incurred, and proceedings that were  
3   begun before its effective date.

4       SECTION 4. Statutory material to be repealed is bracketed  
5   and stricken. New statutory material is underscored.

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





**Report Title:**

Procurement; Food Contracts; Specifications; Department of Education; Department of Health; Department of Public Safety; Department of Defense; University of Hawaii System

**Description:**

Changes the law requiring all state departments to ensure that a certain percentage of food purchased, excluding certain purchases made within the University of Hawaii System, consists of fresh, local agricultural products or local value-added, processed, agricultural, or food products to apply only to the Department of Education, Department of Health, Department of Public Safety, Department of Defense, and University of Hawaii System. Requires each of those departments to prioritize contracts with vendors that use locally sourced food products. Requires each of those departments and the University of Hawaii System to report to the Legislature on its progress toward meeting these benchmarks and clarifies the information to be reported. Effective 7/1/2112. (SD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

