# A BILL FOR AN ACT

RELATING TO PROCUREMENT.

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

1 SECTION 1. The legislature finds that Act 175, Session 2 Laws of Hawaii 2021 (Act 175), moves the Hawaii farm to school 3 program from the department of agriculture to the department of 4 education and establishes a programmatic goal that at least 5 thirty per cent of food served in public schools be locally 6 sourced by 2030. Act 175 notes that a key reason for the 7 creation of the Hawaii farm to school program in 2015 was to 8 improve the health of the State's keiki by encouraging 9 consumption of fresh, locally grown foods, both for their 10 nutritional content and to promote healthy behaviors at an early 11 age. The legislature also finds that other key reasons for the 12 creation of the program included supporting small businesses, 13 environmentally sound agricultural practices, fair labor 14 practices, and nutritional health.

15 The legislature further finds that Act 176, Session Laws of 16 Hawaii 2021 (Act 176), requires state departments to ensure that 17 a certain percentage of produce that is purchased is locally

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grown to ensure the continued growth of local produce, support
local farmers and ranchers, and guarantee that revenue derived
from the produce of contracts for locally-grown produce remains
in the State.

5 The legislature additionally finds that additional guidance 6 for state departments is needed regarding the implementation of 7 the agencies' purchasing and reporting obligations pursuant to 8 Act 175 and Act 176.

9 Accordingly, the purpose of this Act is to update the 10 reporting obligations for state departments, including the 11 department of education, pursuant to Act 175 and Act 176.

SECTION 2. Section 27-8, Hawaii Revised Statutes, isamended by amending subsection (b) to read as follows:

14 "(b) Each principal department of the State shall submit a 15 report to the legislature no later than twenty days prior to the 16 convening of each regular session [on-that department's progress 17 toward meeting the benchmarks described in subsection (a),

18 including:] containing the following information:

19 (1) The status of the department's progress in meeting the
20 relevant benchmarks described in subsection (a);



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1 (2) The total food cost incurred by the department during 2 the calendar year preceding that regular session; 3  $\left[\frac{1}{1}\right]$  (3) The amount of total produce purchased by the 4 department during the calendar year preceding that 5 regular session, as measured by the per cent of the 6 total food cost; 7  $\left[\frac{(2)}{(2)}\right]$  (4) The amount of fresh local agricultural products 8 and local value-added, processed, agricultural, or 9 food products purchased by the department during the 10 calendar year preceding that regular session, as 11 measured by the per cent of the total food cost; 12  $\left[\frac{3}{3}\right]$  (5) The percentage of fresh local agricultural 13 products and local value-added, processed, 14 agricultural, or food products purchased by the 15 department during the year preceding that regular 16 session[; and], as expressed as a ratio of the 17 percentage of the total food cost identified in 18 paragraph (2); and 19  $\left[\frac{4}{4}\right]$  (6) If the department did not meet the relevant 20 benchmark described in subsection (a), an explanation 21 of why the department did not meet that benchmark."



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| 1  | SECT               | ION 3. Section 302A-405.6, Hawaii Revised Statutes, is                           |
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| 2  | amended b          | y amending subsection (b) to read as follows:                                    |
| 3  | "(b)               | The department shall submit an annual report to the                              |
| 4  | legislatu          | re no later than twenty days prior to the convening of                           |
| 5  | each regu          | lar session, beginning with the regular session of                               |
| 6  | 2022, con          | taining the following information:   |
| 7  | (1)                | The status of the department's progress in meeting the                           |
| 8  |                    | local farm to school meal goal;  |
| 9  | (2)                | The [ <del>percentage of</del> ] <u>total</u> food [ <del>served in public</del> |
| 10 |                    | schools that consists of locally sourced products, by                            |
| 11 |                    | county, as measured by the percentage of the total]                              |
| 12 |                    | cost [ <del>of food;</del> ] <u>incurred by the department during the</u>        |
| 13 |                    | calendar year preceding that regular session;                                    |
| 14 | [ <del>(3)</del> - | The costs associated with the farm to school meals                               |
| 15 |                    | program and any savings realized;  |
| 16 | <del>(4)</del>     | A list of all large purchases of locally sourced                                 |
| 17 |                    | products and the identity of the seller;   |
| 18 | <del>(5)</del>     | A list of meals on a school menu consisting of the                               |
| 19 |                    | largest percentage of locally sourced products, as                               |
| 20 |                    | measured by the percentage of the total cost of food;                            |

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| 1  | <del>(6)</del> | The percentage of fresh food served, by county, as     |
|----|----------------|--|
| 2  |                | measured by the percentage of the total cost of food;  |
| 3  | <del>(7)</del> | The percentage of processed food served, by county, as |
| 4  |                | measured by the percentage of the total cost of food;  |
| 5  | <del>(8)</del> | A description of the training conducted to prepare     |
| 6  |                | cafeteria staff for cooking meals from scratch; and    |
| 7  | <del>(9)</del> | The percentage of locally sourced products purchased   |
| 8  |                | from the department's largest distributors, as         |
| 9  |                | measured by the percentage of the total cost of food.] |
| 10 | (3)            | The amount of total produce purchased by the           |
| 11 |                | department during the calendar year preceding that     |
| 12 |                | regular session, as measured by the per cent of the    |
| 13 |                | total food cost;                                       |
| 14 | (4)            | The amount of fresh local agricultural products and    |
| 15 |                | local value-added, processed, agricultural, or food    |
| 16 |                | products purchased by the department during the        |
| 17 |                | calendar year preceding that regular session, as       |
| 18 |                | measured by the per cent of the total food cost;       |
| 19 | (5)            | The percentage of fresh local agricultural products    |
| 20 |                | and local value-added, processed, agricultural, or     |
| 21 |                | food products purchased by the department during the   |



| 1 |            | calendar year preceding that regular session,          |
|---|------------|--|
| 2 |            | expressed as a ratio of the percentage of the total    |
| 3 |            | food cost identified in paragraph (2); and             |
| 4 | (6)        | If the department did not meet the relevant benchmark  |
| 5 |            | described in subsection (a), an explanation of why the |
| 6 |            | department did not meet that benchmark."               |
| 7 | SECTI      | ION 4. Statutory material to be repealed is bracketed  |
| 8 | and strick | en. New statutory material is underscored.             |
| 9 | SECTI      | CON 5. This Act shall take effect on January 1, 2023.  |



#### Report Title:

State Departments; Department of Education; Procurement; Produce Contracts; Locally Sourced Products; Reporting Requirements

### Description:

Provides additional guidance and updates the reporting obligations for state departments, including the Department of Education, pursuant to Acts 175 and 176 (SLH 2021), which established programmatic goals for the purchase and procurement of locally sourced products. Effective 1/1/2023. (SD1)

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

