

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

GLORIA CHANG
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION
ON
HOUSE BILL NO. 1528

February 10, 2022
9:00 a.m.
Room 325 and Videoconference

RELATING TO COMPOSTING

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill No. 1528 requires the Department of Agriculture to establish a compost reimbursement pilot program to provide reimbursements to farmers and ranchers for up to 50% on purchases of compost from certified vendors, provided that no single farmer or rancher can receive more than \$50,000 per year. This bill also appropriates an unspecified amount of general funds in FY 23 for 1.00 permanent Program Manager position, program administrative costs, and reimbursements.

B&F notes that, with respect to the general fund appropriation in this bill, the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and

- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal American Rescue Plan (ARP) Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.

DAVID Y. IGE
Governor

JOSH GREEN
Lt. Governor



PHYLLIS SHIMABUKURO-GEISER
Chairperson, Board of Agriculture

MORRIS M. ATTA
Deputy to the Chairperson

State of Hawaii
DEPARTMENT OF AGRICULTURE
1428 South King Street
Honolulu, Hawaii 96814-2512
Phone: (808) 973-9600 FAX: (808) 973-9613

TESTIMONY OF PHYLLIS SHIMABUKURO-GEISER
CHAIRPERSON, BOARD OF AGRICULTURE
BEFORE THE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION
FEBRUARY 10, 2022
9:00 A.M.
CONFERENCE ROOM 325 & VIA VIDEOCONFERENCE
HOUSE BILL NO. 1528
RELATING TO COMPOSTING

Chairperson Lowen and Members of the Committee:

Thank you for the opportunity to testify on House Bill 1528. The bill establishes and appropriates funds for a compost reimbursement program within the department of agriculture and one full-time permanent compost reimbursement program manager position to oversee the program and requires an annual progress report of the program to the legislature prior to each regular session. The Department supports this bill.

The Department successfully administered a similar program in 2019-2021 and would implement the same controls to ensure the proper disbursement of funds for this program. In order to maximize funds available for reimbursement, the program will be administered by existing staff. The previous program was popular with the agriculture sector and would assist farmers and ranchers with compost costs.

As such, the Department supports this measure provided it does not adversely impact our priorities in the Executive Supplemental Budget. Thank you for the opportunity to testify.



HB-1528

Submitted on: 2/9/2022 12:41:21 AM

Testimony for EEP on 2/10/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Morris Atta	Hawaii Department of Agriculture	Comments	Yes

Comments:

I am available to answer questions.



Officers

Vincent Mina
State President
HFUU

Anabella Bruch
Vice-President
HFUU

Maureen Datta
Secretary
HFUU

Reba Lopez
HFUU Treasurer

Chapter Presidents

Dash Kuhr
Kohala, Hawai'i

Drake Weinert,
East Hawai'i

Steve Lund
Puna, Hawai'i

Andrea Drayer
K'au, Hawaii

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Kona, Hawai'i

Robert Boudreaux
Hana, Maui

Reba Lopez
Haleakala, Maui

Bobby Pahia
Mauna Kahalawai,
Maui

Kaipo Kekona
Lahaina, Mau

Brynn Foster
North Shore, Oahu

Christian Zuckerman
Wai'anae, Oahu

Vincent Kimura
Waimanalo, Oahu

Anabella Bruch
Kauai

Aloha Chair Lowen, Vice Chair Marten, and Members of the Committee on Energy & Environmental Protection,

The Hawaii Farmers Union United (HFUU) is a 501(c)(5) agricultural advocacy nonprofit representing a network of over 2,500 family farmers and their supporters across the Hawai'ian islands. **HFUU strongly supports HB1528** to provide cost-sharing with farms to purchase compost.

During 2019 and 2020 the compost reimbursement pilot program provided over \$300,000 in funding to farmers large and small, organic and conventional, as well as landscape and turf operations, as cost-share for purchasing compost. **HFUU would like a compost reimbursement program re-established and made permanent.** The success of the pilot program is clearly demonstrated by wide adoption by producers, which would only grow through the establishment of a permanent program.

HB1528 serves as a mechanism to increase demand for locally produced agricultural inputs and supports farmer transitions towards sustainable agriculture.

Mahalo for the opportunity to testify.

Vincent Mina President HFUU/HFUF



House Committee on Energy & Environmental Protection

Hawai'i Alliance for Progressive Action (HAPA) Supports: HB1528

Thursday, February 10th, 2022 9:00 a.m. Conference Room 325

Aloha Chair Lowen, Vice Chair Marten and Members of the Committee,

HAPA supports HB1528 which will establish, and appropriate funds for, a compost reimbursement program within the department of agriculture and one full-time permanent compost reimbursement program manager position to oversee the program.

HAPA supports efforts to reduce landfill waste, increase composting, address climate change and support regenerative agriculture. By expanding composting, which can divert up to 54% of household waste from the landfill and create rich fertilizer for healthy, nutritious plants.

HAPA believes that HB1528 is part of the solution to establishing a sustainable, profitable and regenerative agriculture system for Hawai'i while improving our land management practices.

Through encouraging on-site composting on agricultural lands, food producers have the added benefit of avoiding the costs associated with hauling waste to another location for recycling or disposal as well as reducing costs of inputs such as fertilizer or compost.

Keeping organic matter out of the landfill will reduce carbon dioxide and human-made methane emissions, which are greenhouse gasses that contribute to climate change and are also a critically important part of regenerative agriculture.

Please support HB1528. Thank you for your consideration.

Respectfully,

A handwritten signature in black ink, appearing to read 'Anne Frederick', written in a cursive style.

Anne Frederick
Executive Director

HB-1528

Submitted on: 2/8/2022 9:01:18 PM

Testimony for EEP on 2/10/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Kevin Mulkern	Mulkern Landscaping & Nursery	Support	No

Comments:

As a landscape professional, I've found that organic material helps considerably to repress weeds, retain moisture and improve the health of plants.

Please support this bill.

Thank you

HB-1528

Submitted on: 2/8/2022 9:03:13 PM

Testimony for EEP on 2/10/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Susan Shaheen Mulkern	Mulkern Landscaping & Nursery	Support	No

Comments:

As a landscape professional, I've found that organic material helps considerably to repress weeds, retain moisture and improve the health of plants.

Please support this bill.

Thank you



P.O. Box 253, Kunia, Hawai'i 96759
Phone: (808) 848-2074; Fax: (808) 848-1921
e-mail info@hbf.org; www.hbf.org

February 10, 2022

HEARING BEFORE THE
HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

TESTIMONY ON HB 1528
RELATING TO COMPOSTING

Conference Room 325 & Videoconference
9:00 AM

Aloha Chair Lowen, Vice-Chair Marten, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic, and educational interests of our diverse agricultural community.

The Hawaii Farm Bureau supports HB 1528, which establishes and appropriates funds for a compost reimbursement program within the department of agriculture and one full-time permanent compost reimbursement program manager position to oversee the program.

HFB strongly supports the concept of building soil structure and nutrient capacity. Caring for the soil is a cornerstone to having multigenerational farms that continue to provide for the people of Hawaii. Many of our farms add compost made off-site as well as utilize short-term fallow between crop cycles to increase organic content in their soils. HFB recognizes and supports the diversion of discarded food and other useful wastes away from landfills. The benefits of this and of composting are well-known.

Farming is a tough business. High production costs are a major driver of narrow profit margins for Hawaii's farmers. Land, water, labor, taxes, transportation, utilities, inputs, invasive species, and food safety regulations are all costs of doing business that often results in our farmers just being able to break even. HFB supports this initiative that could reduce the cost of production for local farmers by incentivizing, with a 50% match, the use of compost material. This is another mechanism that can help locally produced goods compete with imported products, strengthening our local economy.

Thank you for this opportunity to testify on this important subject.

HB-1528

Submitted on: 2/9/2022 10:07:32 AM

Testimony for EEP on 2/10/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Malama Kaua'i	Malama Kaua'i	Support	No

Comments:

The compost reimbursement program is especially important to the farmers of Kaua'i, as our soils become constantly depleted due to rainfall. Please support this effort for increasing quality food production for our islands.



Food+ Policy Internship 2022

food@purplemaia.org

9 February 2022

To: Chair Nicole Lowen, Vice Chair Lisa Marten and the House Committee on Energy and Environmental Protection

Re: HB1528, Relating to Composting

I, Kahealani Acosta, testify **IN SUPPORT** of **HB1528**, relating to composting.



According to UHERO study conducted in 2015 [1], approximately 26% of food is wasted along Hawai'i's available food supply, which estimates a total loss of \$1 billion dollars of fresh consumable food annually. Food is lost all along the food chain, with greatest losses occurring at the consumer level. In 2020, Honolulu alone accounted for 400 million pounds of food waste. Consequently, Hawai'i residents lose an average of \$700 on food that goes straight to the garbage. On O'ahu, 15

percent of residential garbage is food, equating to about 435 pounds of food waste per household per year (opala.org). This waste has the potential to become an agricultural commodity, if suited for outcomes that regenerate this waste into a valuable, nutrient-rich source material for agricultural and soil remediation strategies.

Moreover, in alignment with other agricultural bills moving through the 2022 legislative session, HB1528 would serve as a companion to SB2989, relating to a healthy soils program in Hawai'i. Soils are composed of 45% parent material, 25% air, 25% water, and 5% organic matter, in which organic matter is the sole source of energy for biological matter within the soil and is required for a healthy and well-functioning soil [2, 3].

According to the US EPA [4], compost possess the following benefits:

The Food+ Policy internship develops student advocates who learn work skills while increasing civic engagement to become emerging leaders. We focus on good food systems policy because we see the importance and potential of the food system in combating climate change and increasing the health, equity, and resiliency of Hawai'i communities.

In 2022, the cohort of interns are undergrads and graduate students from throughout the UH System. They are a mix of traditional and nontraditional students, including parents and veterans, who have backgrounds in education, farming, public health, nutrition, and Hawaiian culture.

- Organic waste in landfills generates methane, a potent greenhouse gas. By composting wasted food and other organics, methane emissions are significantly reduced.
- Compost reduces and in some cases eliminates the need for chemical fertilizers.
- Compost promotes higher yields of agricultural crops.
- Compost can help aid reforestation, wetlands restoration, and habitat revitalization efforts by improving contaminated, compacted, and marginal soils.
- Compost can be used to remediate soils contaminated by hazardous waste in a cost effective manner.
- Compost can provide cost savings over conventional soil, water and air pollution remediation technologies, where applicable.
- Compost enhances water retention in soils.
- Compost provides carbon sequestration.

In alignment with the aloha+ challenge goal of solid waste diversion to 70% by 2030, as well as other supportive measures in the 2022 legislative session, **HB1528** is primed as an opportunity of converting food and other green waste into food for Hawai'i's soils, and ultimately a healthier and more resilient food system.

As a graduate student of indigenous cropping systems, a budding farmer, and advocate for sustainable and resilient food systems, I urge the committee to pass HB1528. On behalf of the Hawai'i Food+ Policy Internship, I would like to thank Chair Lowen, Vice Chair Marten, and members of the House Committee on Energy and Environmental Protection, for considering the comments made herein.

Me ka mahalo nui (with deep gratitude),
Kahealani & the Food+ Interns
#fixourfoodsystem

References

[1] Matthew K Loke and PingSun Leung, "Quantifying food waste in Hawaii's food supply chain," Waste Management & Research, 2015, Vol. 33 (12) pp. 1076-1083

[2] <http://soilhealth.cals.cornell.edu>

[3] <https://soilhealthhawaii.org/what-is-soil-health/>

[4] <https://www.epa.gov/sustainable-management-food/reducing-impact-wasted-food-feeding-soil-and-composting>

HB-1528

Submitted on: 2/8/2022 1:51:45 PM

Testimony for EEP on 2/10/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Lois Crozer	Individual	Support	No

Comments:

We waste SO much food which can be turned back into dirt! This is a great idea

HB-1528

Submitted on: 2/8/2022 5:35:25 PM

Testimony for EEP on 2/10/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Lois Crozer	Individual	Support	No

Comments:

Balloons find their way into the oceans and eaten by marine animals. No need to release them into the atmosphere.

HB-1528

Submitted on: 2/8/2022 5:43:54 PM

Testimony for EEP on 2/10/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Scott Crawford	Individual	Support	No

Comments:

Aloha,

I urge your support for HB1528. As someone who was involved in large-scale community composting green waste on Maui all the way back in the early 1990s, I think the idea of a compost reimbursement program is a great one. Please support it!

Mahalo, Scott Crawford

HB-1528

Submitted on: 2/8/2022 6:24:06 PM

Testimony for EEP on 2/10/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Deborah Umiamaka	Individual	Support	No

Comments:

I strongly support HB1528.

Sincerely, Deborah Umiamaka.

HB-1528

Submitted on: 2/8/2022 8:21:11 PM

Testimony for EEP on 2/10/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Ken Stover	Individual	Support	No

Comments:

Feed the soil

HB-1528

Submitted on: 2/8/2022 10:53:40 PM

Testimony for EEP on 2/10/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Steve Sakala	Individual	Support	No

Comments:

Aloha Chair Lowen, Vice-Chair Marten, and Members of the Committee on Energy & Environmental Protection,

The Hawaii Farmers Union United (HFUU) is a 501(c)(5) agricultural advocacy nonprofit representing a network of over 2,500 family farmers and their supporters across the Hawai‘ian islands. HFUU **strongly** supports HB1528 to provide cost-sharing with farms to purchase compost. As a long-time member and past president of the Kona chapter I too strongly support HB1528.

During 2019 and 2020 the compost reimbursement pilot program provided over \$300,000 in funding to farmers large and small, organic and conventional, as well as landscape and turf operations, as cost-share for purchasing compost. HFUU would like a compost reimbursement program re-established and made permanent. The success of the pilot program is clearly demonstrated by its wide adoption, which would only grow through the establishment of a permanent program.

HB1528 serves as a mechanism to increase demand for locally produced agricultural inputs and supports farmer transitions towards sustainable agriculture.

Mahalo for the opportunity to testify.

Steve Sakala

HB-1528

Submitted on: 2/9/2022 12:16:35 AM

Testimony for EEP on 2/10/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Ilima DeCosta	Individual	Support	No

Comments:

I support this bill! Mahalo

HB-1528

Submitted on: 2/9/2022 8:54:55 AM

Testimony for EEP on 2/10/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Charles Matthew Shofman	Individual	Support	No

Comments:

Aloha,

HB 1528 RELATING TO COMPOSTING..

Respected members of the Committee, my name is Charles Matthew Shofman. I am concerned resident of Maui, and I am in SUPPORT of HB1528.

This is a crucial moment in our lives on these islands. We have an opportunity to keep Hawai'i beautiful and prosperous and perserve the lands for our children and their families. Part of preserving the land is establishing legal systems and infrastructure to promote preservation activities. The Composting Pilot Program encourages the return of nutrient rich biomass to be returned to the land. In recent year, the Pilot Program has shown to be successful. Now is the time to make it a permanent fixture of Hawaii's conservation strategy. I respectfully request the Committee to pass and implement HB1528. Mahalo.

HB-1528

Submitted on: 2/9/2022 9:04:30 AM

Testimony for EEP on 2/10/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Paul Bernstein	Individual	Support	No

Comments:

Aloha Chair Lowen, Vice Chair Marten, and Members of the House Committee on Energy and Environmental Protection:

I'm writing in support of HB1528. I support bills like these that will facilitate and incentivize composting in the state. I believe that this is necessary to help us reduce net our greenhouse gas emissions and waste.

Respectfully,

Paul Bernstein

HB-1528

Submitted on: 2/9/2022 9:40:35 AM

Testimony for EEP on 2/10/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Tierra Bartolotti	Individual	Support	No

Comments:

Aloha Hawai'i State Legislators,

As a previous HFUU member, I stand in full support for proposed bill HB1528 Relating to Composting. On Maui, Kaua'i, & Hawai'i County especially, this cost-reimbursement pilot program for composting, will help to alleviate the financial burden for many local farmers whom already integrate & utilize composting into their soil management practices. Investing in the health of our soils is essential to ensure the longevity of our environment & local agricultural production. Composting is specifically important for increasing organic matter, improving soil structure, microbial activity, and nutrient holding capacity. I greatly appreciate that this bill has been introduced.

HB-1528

Submitted on: 2/9/2022 3:11:52 PM

Testimony for EEP on 2/10/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Stuart Coleman	Individual	Support	No

Comments:

Aloha Chair, Vice Chair and Committee Members,

My name is Stuart Coleman, and I support this bill to increase composting across the state, help reduce the amount of opala going to landfills and the associated green house gases. Mahalo.

Aloha, Stuart

Stuart Coleman, 2927 Hibiscus Pl., Hon., HI 96815

HB-1528

Submitted on: 2/9/2022 4:52:42 PM

Testimony for EEP on 2/10/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Jennifer Rodwell	Individual	Support	No

Comments:

Dear Members, as a long time Hawaii resident and educator in locals schools with a background in sustainable development I stringly urge you to support this Bill.

HB-1528

Submitted on: 2/9/2022 9:48:44 PM

Testimony for EEP on 2/10/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Jessica Waia'u	Individual	Support	No

Comments:

Aloha,

My name is Jessica Waia'u and I am a resident of Hilo. I support this bill to help close the circle of food waste. This will help us to invest in our food system and in our long term sustainability.

Mahalo,

Jessica Waia'u

HB-1528

Submitted on: 2/10/2022 6:49:52 AM

Testimony for EEP on 2/10/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
shantee brown	Individual	Support	No

Comments:

please support HB1528