



**STATE OF HAWAII**  
**DEPARTMENT OF HEALTH**  
P. O. Box 3378  
Honolulu, HI 96801-3378  
doh.testimony@doh.hawaii.gov

**Testimony COMMENTING on HB1568 HD2**  
**RELATING TO AGRICULTURE.**

REP. SYLVIA LUKE, CHAIR  
HOUSE COMMITTEE ON FINANCE

Hearing Date: February 25, 2022

Room Number: Videoconference

1 **Fiscal Implications:** Unspecified general fund expenditure to purchase foods that are likely  
2 more expensive than current inventories.

3 **Department Testimony:** The Department of Health (DOH) supports the intent of this measure,  
4 which is to improve Hawaii's food security and enhance the local economy. However, the two  
5 entities to which this measure would apply will have negligible benefits:

- 6 • The Hawaii State Hospital's facility license is a maximum 273 patients.
- 7 • The Kalauapapa Settlement on Molokai has a patient census of 9 individuals.
- 8 • The sum of these two populations is .0002% of the State's population.

9 DOH respectfully requests the Legislature to reconsider the inclusion of the department, at least  
10 at this early stage.

11 Thank you for the opportunity to testify.

12 **Offered Amendments:**

13



# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

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Testimony Presented Before the  
House Committee on Finance  
February 25, 2022 at 1:30 p.m.  
by  
Jan Gouveia  
Vice President for Administration  
University of Hawai'i System

### HB 1568 HD2 – RELATING TO AGRICULTURE

Chair Luke, Vice Chair Yamashita, and members of the committee:

Thank you for the opportunity to submit comments on HB 1568 HD2. This bill would amend Act 176, SLH 2021, by changing the requirement of all state departments to ensure that a certain percentage of food purchased consists of fresh, local agricultural products or local value-added, processed, agricultural, or food products to apply only to the DOE, DOH, PSD, and UH System.

The University wholeheartedly supports the growth of local agriculture in our state in an effort to reduce our dependence on importing food and contribute to the State's economy. However, most, if not all, of the University's food contracts with vendors are concession-type agreements that support a business model in which the food service provider conducts business with the end consumer. As such, a strict requirement to purchase locally sourced food or agricultural products primarily impacts the end consumer, namely students, by passing on higher costs.

Furthermore, the University is concerned that its ability to source food locally will be restricted by the availability of the local food supply. As such, purchasing up to 50% of its food locally may be unachievable. Some of the University's contracts with vendors have already implemented a "local first" policy. However, at best, this results in approximately 30% of food purchased locally due to supply constraints. Additionally, there are a number of other challenges to purchasing food locally. For example, farms may not meet our vendors' required purchasing standards or be willing to complete the process to become an approved vendor, which is accompanied by insurance and distribution requirements; and the University's food needs are generally highest from Fall through Spring and lowest in the Summer, which is generally the peak of the local food supply.

Given that the University supports the intent of this bill, but has the above concerns, it respectfully requests the language of the bill be revised to either institute a local-first policy or allow for exceptions when it is not practicable to meet the local food requirements posed by this bill.

Thank you for the opportunity to testify on this measure.

DAVID Y. IGE  
GOVERNOR



STATE OF HAWAII  
**DEPARTMENT OF PUBLIC SAFETY**  
1177 Alakea Street  
Honolulu, Hawaii 96813

**MAX N. OTANI**  
DIRECTOR

**Maria C. Cook**  
Deputy Director  
Administration

**Tommy Johnson**  
Deputy Director  
Corrections

**Jordan Lowe**  
Deputy Director  
Law Enforcement

No. \_\_\_\_\_

TESTIMONY ON HOUSE BILL 1568, HOUSE DRAFT 2  
RELATING TO AGRICULTURE.

by  
Max N. Otani, Director  
Department of Public Safety

House Committee on Finance  
Representative Sylvia Luke, Chair  
Representative Kyle T. Yamashita, Vice Chair

Friday, February 25, 2022, 1:30 p.m.  
Via Videoconference)

Chair Luke, Vice Chair Yamashita, and Members of the Committee:

The Department of Public Safety (PSD) offers comments on House Bill (HB) 1568, House Draft (HD) 2, which amends Act 176, Session Laws of Hawaii 2021, requiring PSD to ensure that a certain percentage of food purchased consists of fresh, local agricultural products or local value-added, processed, agricultural, or food products.

The Department understands and is supportive of the goal of increased local agricultural production and consumption, and PSD, itself, promotes farm programs at the Waiawa Correctional Facility and Women's Community Correctional Center on Oahu and the Kulani Correctional Facility on Hawaii Island. To help support the Department's program, the Corrections Program Services division contracts with the University of Hawaii at Manoa "Go Farm" to provide education to inmates on basic agricultural education and "farm-to-table" processes. These programs are successful in producing small amounts of vegetable crops, but their greatest success is in the training and positive outcomes for the facilities' participating inmates.

The Department recognizes that involving large Executive Branch departments in meeting increased benchmarks may seem to be a good strategy to quickly reach the desired goal, but PSD is struggling with the mechanics needed to make the institutional change(s) that will be required to meet these benchmarks. One must consider the strict regulations under which State departments operate and the time involved to make program adjustments and secure the necessary funding as with any new initiative. PSD's food service program is an institutional food service program, which requires large quantities of foodstuffs, reliably delivered when it is to be prepared and consumed.

**Budget:** The Department's Food Services budget is lean – in CY 2020, PSD served 3,964,000 meals. In FY 2020-21, food costs were \$7,199,772, of which, \$213,700 (2.97%) was locally produced.

**Procurement:** Foodstuffs must be purchased through lowest-bid vendors approved by the State Procurement Office, under the Department of Accounting and General Services.

**National Nutritional Guidelines:** Facilities' menus include certain items in certain quantities, based on the U.S. Department of Agriculture's *Dietary Guidelines for Americans*. These guidelines inform the creation of facilities' menus, which are planned months in advance.

**Staple Items:**

Produce – Apples, bananas, carrots, celery, head lettuce, romaine lettuce, oranges, potatoes, round onions – 3 (highlighted) out of the 8 can be reliably sourced locally. Locally produced head cabbage and Chinese cabbage, papayas and pineapples, and shell eggs may also be sourced locally, but smaller supplies and higher costs make them infrequent purchases.

Beef, Pork, Chicken – local supplies are insufficient for PSD needs.

The Food Services program does make an effort to purchase local agricultural products and would be willing to increase its purchasing of local agricultural products, but that is not feasible under current conditions. Bearing in

mind that PSD is operating on lean budgets and local food products are generally more expensive (sometimes up to triple the cost), the Department would not be able to meet the proposed benchmarks without a significant increase in its budget. To meet the 2025 calendar year target of 10%-local proposed in HB 1568, HD 2, the Department will need to request of the Legislature a significant Food Services budget increase, beginning in the 2024-25 fiscal year.

PSD suggests that other factors may affect its ability to meet the proposed targets, most importantly, the question of adequate supplies to meet institutional needs. It is unknown if there is a local agricultural entity(ies) that is willing or able to produce foodstuffs on a commercial scale, necessary to meet the needs of institutional customers. The availability of land and sufficient development and working capital are factors that might be considered. The Department will make a good faith effort to meet the requirements of HB 1568, HD 2, should it be enacted, and respectfully requests that consideration be given to forming a working group with agricultural entities to address the supply issues that we believe stand in the way of successfully increasing local food production and consumption.

Thank you for the opportunity to present this testimony.



COMMITTEE ON FINANCE  
Rep. Sylvia Luke, Chair  
Rep. Kyle T. Yamashita, Vice Chair

**HB1568 HD2**  
Relating to Agriculture

Friday, February 25, 2022, 1:30 p.m.  
VIA VIDEOCONFERENCE

Chair Luke, Vice Chair Yamashita, and Members of the Committee,

The Hawaii Cattlemen's Council (HCC) is the Statewide umbrella organization comprised of the five county level Cattlemen's Associations. Our member ranchers represent over 60,000 head of beef cows; more than 75% of all the beef cows in the State. Ranchers are the stewards of over 750 thousand acres of land in Hawaii, or 20% of the State's total land mass. We represent the interests of Hawaii's cattle producers.

The Hawaii Cattlemen's Council **supports HB1568 HD2** to change the law requiring all state departments to ensure that a certain percentage of food purchased consists of fresh, local agricultural products or local value-added, processed, agricultural, or food products to apply only to the DOE, DOH, PSD, and UH System and for a report to the legislature on its progress toward meeting these benchmarks and clarifies the information to be reported.

We appreciate the inclusion of livestock products, as Hawaii's cattle producers are poised to increase production of local beef with the increase of harvest and processing capacity and the increase of demand for products. The required reporting of purchases is important, as data on local food purchasing has been scant, but could help us to get onto the path of increased food production.

Nicole Galase  
Hawaii Cattlemen's Council  
Managing Director





Email: [communications@ulupono.com](mailto:communications@ulupono.com)

HOUSE COMMITTEE ON FINANCE  
Friday, February 25, 2022 — 1:30 p.m.

**Ulupono Initiative supports HB 1568 HD 2, Relating to Agriculture.**

Dear Chair Luke and Members of the Committee:

My name is Micah Munekata, and I am the Director of Government Affairs at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve the quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food; renewable energy and clean transportation; and better management of freshwater and waste.

**Ulupono supports HB 1568 HD 2**, which changes the law requiring all State departments to ensure that a certain percentage of food purchased consists of fresh, local agricultural products or local value-added, processed, agricultural, or food products to apply only to the DOE, DOH, PSD, DOD, and UH System. This bill also requires each of those departments and the UH System to report to the Legislature on its progress toward meeting these benchmarks and clarifies the information to be reported.

Ulupono supports the State leading by example in purchasing 100% locally grown, raised and harvested local food as part of institutional purchases. This bill seeks to provide a few housekeeping updates to Act 176, SLH 2021, by adding clarifying language around local food and targeting institutional purchase goals with the DOE, DOH, PSD, DOD, and UH System. These agencies represent the bulk of State institutional food purchases.

We appreciate the continued commitment by the State to support local farmers and ranchers with a consistent market, and keeping State money here in the islands.

Thank you for the opportunity to testify.

Respectfully,

Micah Munekata  
Director of Government Affairs

*Investing in a Sustainable Hawai'i*



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February 24, 2022

HEARING BEFORE THE  
HOUSE COMMITTEE ON FINANCE

**TESTIMONY ON HB 1568, HD2**  
**RELATING TO AGRICULTURE**

Conference Room 309 & Videoconference  
1:30 PM

Aloha Chair Luke, Vice-Chair Yamashita, and Members of the Committee:

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

**The Hawai'i Farm Bureau supports HB 1568, HD2**, which changes the law requiring all state departments to ensure that a certain percentage of food purchased consists of fresh, local agricultural products or local value-added, processed, agricultural, or food products to apply only to the DOE, DOH, PSD, DOD, and UH System. It also requires each of those departments and the UH System to report to the legislature on its progress toward meeting these benchmarks and clarifies the information to be reported.

HFB strongly supports the increased use of locally grown agricultural products, fruits, vegetables, meats, dairy, poultry, and local value-added products in our state institutions.

HFB appreciates the intent of Act 176 SLH 2021 (HB 817, HD2, SD1) which established benchmarks to increase the required percentage of locally grown produce and value-added food products that all departments must purchase. The changes proposed to ACT 176 SLH make the implementation of the local purchase requirement more practical.

We believe that policies, investments, and resources that support agriculture are necessary to ensure that Hawai'i's farmers and ranchers can supply the produce and food products to meet the goals established in Act 176 SLH and in this measure.

Thank you for this opportunity to testify.





## House Committee on Finance

### Hawai'i Alliance for Progressive Action (HAPA) Supports: HB1568 HD2 w/ amendments

Friday, February 25th, 2022 1:30pm, Conference Room 308

Aloha Chair Luke, Vice Chair Yamashita and Members of the Committee,

HAPA supports HB1568 HD2, which we believe helps to provide a tangible solution to moving toward more local food production and strengthening our local food system, while supporting our local farmers and food producers, as well as our economy.

HB1568 HD2 changes the law requiring all state departments to ensure that a certain percentage of food purchased consists of fresh, local agricultural products or local value-added, processed, agricultural, or food products to apply only to the DOE, DOH, PSD, DOD, and UH System. Requires each of those departments and the UH System to report to the legislature on its progress toward meeting these benchmarks and clarifies the information to be reported.

To ensure meaningful reporting of departments covered by the statute, and for that reporting to provide market signals to the agricultural industry, **we ask that this bill be amended to require ALL departments and UH reporting on the following:**

- Status of the department's progress in meeting the local percentage procurement goal
- Total spending on consumable foods
- Total spending on produce (as defined in the current statute)
- Total local purchase spending
- For departments that do direct purchasing and food preparation, total purchases and total local purchases by produce category, (as demonstrated by the exemplary and clear reporting by the Department of Public Safety). Namely:
  - Fruits & Vegetables
  - Coffee
  - Staple Starches
  - Eggs
  - Poultry & Poultry Products
  - Livestock (Beef)
  - Livestock (Pork)
  - Milk & Milk Products

- Aquacultural and maricultural products
- For departments that only purchased food in the form of prepared meals from third-party vendors, an estimate use/purchase of local produce/products (as demonstrated in the reporting of the Department of Defense)
- If the department or UH did not meet the relevant benchmark, an explanation of why

Sourcing our food locally is key to increasing our local food production, supporting our farmers, and future farmers, and developing a society that values and understands the vital role of agriculture, food security, quality food, and natural resources systems in advancing personal, local, and global well-being.

The more we develop a framework to help support sourcing local foods the more we support our local farmers and help our economy. When sourcing more local food we also reduce carbon emissions related to shipping and packaging waste associated with importation from the United States.

HB1568 HD2 will also support access to more culturally appropriate and nutritious foods for public school students, such as kalo, sweet potatoes and others.

Please support HB1568 HD2.

Thank you for your consideration,



Anne Frederick  
Executive Director



# Food+ Policy Internship 2022

[food@purplemaia.org](mailto:food@purplemaia.org)

February 24, 2022

To: The House Committee on Finance

Subject: HB1568, Support with Amendments

Aloha,

Mahalo for hearing this testimony to **support HB1568 with amendments.**

Our organization supported the creation of Act 176 last year, and now we support the intent of HB1568 to get the ball rolling and begin to implement Act 176's changes to state procurement practices. Increasing local food procurement is a win-win idea that can have a virtuous effect on developing local agriculture and the local economy while feeding vulnerable populations good, healthy, local food.

HB1568 would set up needed requirements and reporting for the top departments with the highest food purchasing, but **we believe the bill should be amended to apply these requirements to all principal departments** as was the intention passed into law last year. We believe that everyone individually and all institutions can do their part to support local, regenerative agriculture.

Furthermore, we ask that **this bill require departments and UH reporting on the following:**

- Status of the department's progress in meeting the local percentage procurement goal
- Total spending on consumable foods
- Total spending on produce (as defined in the current statute)
- Total local purchase spending

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**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, and Hawaiian culture.



# Food+ Policy Internship 2022

[food@purplemaia.org](mailto:food@purplemaia.org)

- For departments that do direct purchasing and food preparation, total purchases and total local purchases by produce category, (as demonstrated by the exemplary and clear reporting by the Department of Public Safety). Namely:
  - Fruits & Vegetables
  - Coffee
  - Staple Starches
  - Eggs
  - Poultry & Poultry Products
  - Livestock (Beef)
  - Livestock (Pork)
  - Milk & Milk Products
  - Aquacultural and maricultural products
- For departments that only purchased food in the form of prepared meals from third-party vendors, an estimate use/purchase of local produce/products (as demonstrated in the reporting of the Department of Defense)
- If the department or UH did not meet the relevant benchmark, an explanation of why

Mahalo for considering these amendments to the reporting metrics.

aloha,  
Kelsey Amos & the Food+ Interns  
#fixourfoodsystem

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**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, and Hawaiian culture.

**HB-1568-HD-2**

Submitted on: 2/23/2022 2:27:47 PM

Testimony for FIN on 2/25/2022 1:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Douglas Perrine	Individual	Support	No

Comments:

Using fresh local agricultural products in schools will benefit both the health of our keiki and also the viability of our agriculture and our food economy. I support HB1568

**HB-1568-HD-2**

Submitted on: 2/23/2022 8:12:05 PM

Testimony for FIN on 2/25/2022 1:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Zoe	Individual	Support	No

Comments:

Act 176 (SLH 2021) is very important to advancing farm to state efforts in Hawai‘i. And we know that it is going to require a large effort from all parties, and we appreciate and commend you for supporting this act. Farm to School and school garden support organizations are willing to support this effort as we see the immense value of these actions. However, we respectfully request that the bill be amended to require reporting on the total purchases and total local purchases by produce category (as reported by the Department of Public Safety in the table on page 4 of the [Governor’s Report to the 2022 Legislature on Act 176, SLH 2021](#)). Mahalo nui for your consideration.

**HB-1568-HD-2**

Submitted on: 2/23/2022 8:13:05 PM

Testimony for FIN on 2/25/2022 1:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Nancy Redfeather	Ka Ohana O Na Pua	Support	No

Comments:

Act 176 (SLH 2021) is essential to advancing farm to state efforts in Hawai‘i. If this Bill is properly implemented and supported by government, it will do what Hawaii has always wanted....build a sustainable agricultural economy. With 54 million dollars to spend each year, DOE is the largest food purchaser in the state.

However, I would like to also request that the bill be amended to require reporting on total purchases and total local purchases by produce category (as reported by the Department of Public Safety in the table on page 4 of the [Governor’s Report to the 2022 Legislature on Act 176, SLH 2021](#)). This will help create the accountability necessary to insure success. If the DOE can build this, the farmers will come.

**HB-1568-HD-2**

Submitted on: 2/24/2022 11:44:16 AM

Testimony for FIN on 2/25/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Hunter Heavilin	Individual	Support	Yes

Comments:

Aloha Chair Luke, Vice Chair Yamashita, and Committee members,

My name is Hunter Heavilin and I am a food and agricultural planning consultant working across the state. My firm focuses on data in the agro-food system as a means to support the sector from planting to policy. I am testifying to aid further defining state efforts toward local procurement and in **support of the intent of HB1568**. The benchmarks established in Acts 175 and 176 (2021) are important mechanisms to increase local purchasing, thereby stimulating agricultural output and progressing towards the statewide goals in the Aloha+ Challenge and the Sustainable Hawaii Initiative.

The [Annual Report on Purchases of Fresh Local Agricultural Products and Local Value-Added, Processed, Agricultural or Food Products by the State Pursuant to Act 176, SLH 2021](#) found 11 of 18 departments reported ‘having no purchases of produce or local agricultural products as listed in Act 176’, though they ‘may have purchased food in the form of prepared meals from third-party vendors’.

Version HD2 significantly limits the the scope of the Act 176, effectively retaining the reporting requirement to departments that submitted 2021 reports. Doing so rewards wayward departments for non-compliance with Act 176. Until such time as at least a single initial report has been provided, the public and this body cannot reasonably assess the extent to which a departments participation in farm-to-state programming should be sustained. Few in the public would have surmised that the Department of Defense provides over half a million dollars of support to local agriculture. While DOD purchasing is dwarfed by possible HIDOE spending on local fare, for a state composed primarily of small farms \$500,000 properly routed can sustain multiple small farmers and make the difference in transition from lifestyle growing operations into farm livelihoods.

To ensure meaningful reporting of departments covered by the statute, and for that reporting to provide market signals to the agricultural industry, **I ask that this bill require ALL departments and UH reporting on the following:**

- Status of the department's progress in meeting the local percentage procurement goal
- Total spending on consumable foods
- Total spending on produce (as defined in the current statute)
- Total local purchase spending



- For departments that do direct purchasing and food preparation, total purchases and total local purchases by produce category, (as demonstrated by the exemplary and clear reporting by the Department of Public Safety). Namely:
  - Fruits & Vegetables
  - Coffee
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  - Eggs
  - Poultry & Poultry Products
  - Livestock (Beef)
  - Livestock (Pork)
  - Milk & Milk Products
  - Aquacultural and maricultural products
- For departments that only purchased food in the form of prepared meals from third-party vendors, an estimate use/purchase of local produce/products (as demonstrated in the reporting of the Department of Defense)
- If the department or UH did not meet the relevant benchmark, an explanation of why

Your consideration of these metrics and mechanisms to expand local procurement is very much appreciated.

Mahalo for the opportunity to testify,

Hunter Heavilin

**HB-1568-HD-2**

Submitted on: 2/24/2022 1:33:37 PM

Testimony for FIN on 2/25/2022 1:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Kapua Medeiros	Individual	Support	Yes

Comments:

Aloha Finance Chair and Committee members,

I SUPPORT HB1568 HD2.

This Bill creates true Food Sustainability solutions for our communities everywhere.

I am happy to see the Government taking the lead in promoting opportunities for our local farmers to be successful as well as Healthy meals for everyone, especially our keiki in schools.

Mahalo me ke Aloha,

Kapua Medeiros

Waimānalo Resident