

JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



SHARON HURD
Chairperson, Board of Agriculture

DEPT. COMM. NO. 218
DEXTER KISHIDA
Deputy to the Chairperson

State of Hawai'i
DEPARTMENT OF AGRICULTURE
KA 'OIHANA MAHI'AI
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January 3, 2024

The Honorable Ronald D. Kouchi,
President and Members of the Senate
Thirty-Second State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Scott K. Saiki,
Speaker and Members of the House of
Representatives
Thirty-Second State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

For your information and consideration, I am transmitting a copy of the Report on Food Hub Pilot Program as required by Act 313, Session Laws of Hawaii 2022. In accordance with Section 93-16, Hawaii Revised Statutes, I am also informing you that the report may be viewed electronically at <https://hdoa.hawaii.gov/meetings-reports/legislative-reports/>.

Sincerely,

A handwritten signature in cursive script that reads "Sharon Hurd".

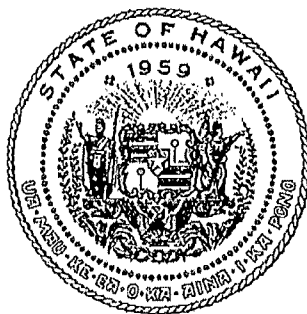
Sharon Hurd
Chairperson, Board of Agriculture

Enclosures



**REPORT TO THE THIRTY-SECOND
LEGISLATURE 2024 REGULAR SESSION
STATE OF HAWAII**

**IN RESPONSE TO ACT 313, SESSION LAWS OF HAWAII 2022
REQUIRING THE DEPARTMENT OF AGRICULTURE TO REPORT ANNUALLY ON
THE PROGRAM'S IMPLEMENTATION, PRELIMINARY RESULTS, FINDINGS, AND
RECOMMENDATIONS.**



Prepared by:

**THE STATE OF HAWAII
DEPARTMENT OF
AGRICULTURE
KA 'OIHANA MAHI'AI**

DECEMBER 2023

FOOD HUB PILOT PROGRAM

Annual Report to Legislature for Fiscal Year 2024

Background

In the Thirty-First State Legislature, Regular Session of 2022, Act 313 was passed which requires the Department of Agriculture to establish a five-year food hub pilot program and to submit an annual report to the legislature on the program's implementation, preliminary results, findings and recommendations. The following information is to be reported:

1. Department's progress on program's implementation;
2. Preliminary results on annual basis; and
3. Findings and recommendations.

Executive Summary

This report covers the period January 3, 2023, to November 30, 2023. Pursuant to Section 16 of Article III of the State Constitution, SB2218 SD1 HDI CD2, entitled "RELATING TO A FOOD HUB PILOT PROGRAM." became law as ACT 313, Session Laws of Hawai'i 2022, on July 13, 2022, for a period of 5 years and was assigned to the HDOA.

This program established food hubs, which are centrally located facilities having a business management structure that facilitates aggregation, storage, processing, distribution, and marketing of locally produced food products. By actively coordinating these activities along the value chain, food hubs may provide wider access to institutional and retail markets for small- to mid-sized producers and increase consumer access to fresh healthy food, including those consumers in underserved areas and food deserts.

In December 2022, the Department had requested approval from the State Governor to release and allot funds pursuant to Act 313, SLH 2002. The Governor released \$1,350,000 for SFY 2023 and a Request for Proposals (RFP) for this food hub program was issued and posted on March 27, 2023.

Upon the closing deadline of the RFP in early May 2023, a total of 27 proposals were received, totaling \$6,218,019.26. Six (6) awards were recommended to the Chairperson for funding by the Evaluation Committee (EC). Overall, the success rate for this RFP was 22.2 percent.

The six (6) successful projects that were funded, totaling \$1,350,000 included:

- Adaptations, Inc. (\$242,515.20);
- Alternative Structures International (\$201,104.00);

- Elepaio social Services (250,000.00);
- Hawaii Institute of Pacific Agriculture (Kohala Food Hub) (\$203,213.46);
- Papa`aloa Country Store and Café Food Hub (\$203,213.46); and
- Sustainable Molokai (\$249,953.88).

The various projects are currently in different stages of development and the next annual report will document their respective progress. No findings and recommendations are available at this time.