## A BILL FOR AN ACT

RELATING TO AGRICULTURAL CLIMATE RESILIENCY.

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

- 1 SECTION 1. The legislature finds that in 2024, the
- 2 department of agriculture launched a statewide "Go B.I.G. (Buy,
- 3 Invest, Grow) for Agriculture" initiative to encourage buying
- 4 local products, invest in the State's agricultural development,
- 5 and grow the scale of agricultural operations in the State. As
- 6 part of the initiative, agricultural producers were surveyed to
- 7 identify the agricultural industry's top challenges. Based on
- 8 the data collected, the high cost of equipment poses a major
- 9 barrier to agricultural growth.
- 10 The legislature further finds that agricultural producers
- 11 require capital to purchase technology and other equipment
- 12 necessary for their operations. The legislature believes that
- 13 by investing in the agricultural supply chain, the State can
- 14 increase local food production, enhance climate resilience,
- 15 improve food security, and support the economic growth of small-
- 16 to mid-sized farms.
- 17 The purpose of this Act is to:

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- (1) Establish a three-year climate-resilient food systems
   grant pilot program; and
- 3 (2) Appropriate funds for the pilot program.
- 4 SECTION 2. (a) There is established a three-year climate-
- 5 resilient food systems grant pilot program, which shall be
- 6 administered by the department of agriculture.
- 7 (b) The climate-resilient food systems grant pilot program
- 8 shall provide grants to agricultural producers in the State, in
- 9 an amount ranging from \$ to \$ , for the
- 10 acquisition of special-purpose equipment, technology, and
- 11 ancillary costs.
- 12 (c) Grants shall be awarded on a competitive basis through
- 13 a request for applications, in compliance with rules adopted
- 14 pursuant to chapter 91, Hawaii Revised Statutes, and
- 15 chapter 103D, Hawaii Revised Statutes.
- (d) Grant proposals shall be submitted to the department
- 17 of agriculture in accordance with administrative rules adopted
- 18 by the department to administer the grant pilot program. Each
- 19 request shall, at a minimum, state:
- 20 (1) The name of the farmer or rancher requesting grant
- 21 funds;

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1	(2)	That the applicant is engaged in expanding production
2		capacity of the applicant's agricultural or value-
3		added products; and
4	(3)	How the applicant intends to use the grant for
<b>5</b>		projects that demonstrate a significant impact on

- projects that demonstrate a significant impact on local agriculture production and enhance the economic viability of small family farms or ranches.
- 8 (e) Each applicant for a grant shall provide proof that
  9 the applicant:
- 10 (1) Has United States citizenship or permanent United
  11 States resident alien status and is a resident or
  12 domiciliary of the State at the time of the
  13 application;
- (2) Grows or produces raw or processed agricultural
  products on a small family farm or ranch in the State
  at the time of the application;
- 17 (3) Complies with all other federal, state, or county

  18 statutes, rules, or ordinances necessary to conduct

  19 the activities or provide the services for which a

  20 grant is awarded, including the United States Food and

  21 Drug Administration Food Safety Modernization Act,

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1		P.L. III-353, and that Act's provisions on supplier
2		verification;
3	(4)	Complies with all applicable federal and state laws
4		prohibiting discrimination against a person on the
5		basis of race, color, national origin, religion,
6		creed, sex, age, sexual orientation, or disability;
7	(5)	Agrees not to use state funds for travel, conferences,
8		entertainment, perquisites, or lobbying activities;
9	(6)	Allows the department, legislative committees and
10		their staff, and the auditor full access to the
11		applicant's records, reports, files, and other related
12		documents and information for the purposes of
13		monitoring, measuring the effectiveness of, and
14		ensuring the proper expenditure of the grant;
15	(7)	Agrees to indemnify and hold harmless the State and
16		any of its officers, agents, and employees from and
17		against any and all claims arising out of or resulting
18		from activities carried out or projects undertaken
19		with funds provided by this Act, and procure
20		sufficient insurance to provide this indemnification

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1		if requested to do so by the department of
2		agriculture;
3	(8)	Satisfies any other standards that may be required by
4		the source of funding; and
5	(9)	Meets all other standards prescribed in rules adopted
6		by the department of agriculture to implement the
7		grants awarded under this Act.
8	(f)	No grant shall be awarded under this Act unless the
9	applicant	matches up to twenty per cent of the total project
10	costs.	
11	(g)	For the purposes of this Act, "small family farm or
12	ranch" me	ans any farm or ranch where the majority of the
13	business	is owned by the producer and individuals related to the
14	producer	and with a gross cash farm or ranch income of less than
15	\$350,000	per year.
16	(h)	The climate-resilient food systems grant pilot program
17	shall ter	minate on June 30, 2028.
18	SECT	ION 3. (a) The department of agriculture shall submit
19	interim r	eports to the legislature no later than twenty days
20	prior to	the convening of the regular sessions of 2026 and 2027

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The interims reports shall include:

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1	(1)	The department's progress on the implementation of	
2		this Act;	
3	(2)	Preliminary results of the climate-resilient food	
4		systems grant pilot program, including the number of	
5		grants awarded each year; and	
6	(3)	Any findings and recommendations, including any	
7		proposed legislation.	
8	(d)	The department of agriculture shall submit a final	
9	report of	its administrative activities, expenditures, findings	
10	and recom	mendations, including any proposed legislation, no	
11	later than	n twenty days prior to the convening of the regular	
12	session o	f 2028. The report shall include the outcomes of the	
13	climate-resilient food systems grant pilot program and a		
14	recommendation as to whether the program should be made		
15	permanent	, with or without modifications.	
16	SECT	ION 4. There is appropriated out of the general	
17	revenues	of the State of Hawaii the sum of \$ or so	
18	much there	eof as may be necessary for fiscal year 2025-2026 and	
19	the same	sum or so much thereof as may be necessary for fiscal	
20	year 2026	-2027 to carry out the purposes of this Act.	

- 1 The sums appropriated shall be expended by the department
- 2 of agriculture for the purposes of this Act.
- 3 SECTION 5. This Act shall take effect on July 1, 3000.

#### Report Title:

Climate-resilient Food Systems Grant Pilot Program; Reports; Appropriation

### Description:

Establishes a three-year climate-resilient food systems grant pilot program, to be administered by the Department of Agriculture. Requires reports to the Legislature. Appropriates funds. Effective 7/1/3000. (HD2)

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