JOSH B. GREEN, M.D. GOVERNOR KE KIA'ĀINA



# STATE OF HAWAI'I | KA MOKU'ĀINA O HAWAI'I STATE PROCUREMENT OFFICE

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TESTIMONY
OF
BONNIE KAHAKUI, ADMINISTRATOR
STATE PROCUREMENT OFFICE

TO THE SENATE COMMITTEE ON GOVERNMENT OPERATIONS MARCH 28, 2025, 10:02 AM

HOUSE BILL 1187, HD1
RELATING TO PROCUREMENT

Chair Dela Cruz, Vice Chair Moriwaki, and members of the committee, thank you for the opportunity to submit comments on House Bill 1187, HD1. The State Procurement Office (SPO) supports the intent of this bill to phase in a ban on state departments and administratively attached agencies from purchasing imported flowers and lei.

HB1187, HD1, provides a structured transition for state agencies to align purchasing policies with sustainability goals while supporting local businesses. By phasing in procurement requirements over time, the bill allows state agencies to plan for and integrate local sourcing into their procurement processes. This gradual shift ensures that agencies can comply with the new requirements efficiently while fostering partnerships with local suppliers. Additionally, prioritizing locally grown products enhances supply chain resilience, mitigates risks associated with external market disruptions, and contributes to the long-term economic stability of the state.

However, SPO acknowledges a **potential challenge** in ensuring compliance with this measure. State departments and agencies will need a clear and practical method to verify the origin of flowers and lei purchased under the procurement process. To address this, we recommend that vendors be required to include a label or certification indicating that the plant materials used in their products are locally grown. This labeling requirement would enhance transparency, simplify procurement decisions, and support agencies in meeting the bill's requirements.

Thank you for the opportunity to provide testimony in support of HB1187, HD1.



March 25, 2025

To: Senator Dela Cruz

Chair of Senate Ways & Means

RE: Written Testimony for HB1187

#### Aloha,

My name is Monty Pereira, General Manager and Sales and Marketing Director at Watanabe Floral, Inc. I am also the *Cut Flowers Director* for the Hawaii Floriculture & Nursery Association (HFNA). I would like to express my opposition to HB1187 as presently stated.

I completely understand the intent to support our local floriculture, however, approximately 10%-15% of the flowers and Lei used in this state are grown locally. As a leader in the floral industry, we would love to be able to get all our products locally, but there is simply nowhere near enough production to satisfy the demand. We understand the challenges of local growers, as we were growers from our inception in 1945 until 2008. But the lack of workers and international competition made continuing to grow nearly impossible, at least profitably.

In addition, the verbiage of the bill, which includes all "Lei, Flowers and Flower" materials, is problematic. Many, if not most of our materials that farms use to grow flowers, come from outside the state. As rose growers for over 60 years, we needed to import the cuttings to start growing. Many of our local plant producers do the same thing, bringing in cuttings and/or seeds to grow the plants.

Importing flowers is a necessary part of running a floral operation here in Hawaii and not being able to bring anything in from outside the state would render most floral operations in the state in peril. Most wedding flowers, a part of our Tourism, are not locally grown. Local production of Lei flowers are dwindling here and are harder and harder to source. Some local floral growers have turned to tourism, over wholesaling their products, like the Waimanalo Sunflower farms and the Plumeria tours on the North Shore. Part of the issue is not only the growing of flowers, but more concerning is the ability to find the workers necessary to farm and in the case of Lei, string the Lei. I would estimate nearly 1 million orchid lei per year are used by hotels and local luaus. I cannot fathom how we would be able to string those Lei here locally, as we are unable currently to keep up with the demand.

Another concern we have is that without the ability to import flowers/lei, prices locally will skyrocket and floral, which is such an important part of our culture, will suffer dramatically, as well as the consumer, who will find it very difficult and costly to buy flowers/lei/plants.

I would like to provide suggested amendments to the bill that will at least provide a realistic opportunity to accomplish the goal stated, which is locally grown Lei flowers. I appreciate the time and consideration. Changes are highlighted in red. If we ever get to the point where everything can be produced locally, that would be amazing, but in the interim, we should have a clause that acknowledges

that if it is not possible to meet the quotas being discussed, florists and floral providers do not lose business unnecessarily, when we have viable alternatives, if necessary.

As a former grower, we appreciate the intent of this bill, to help our local growers, but this is not the way to do it. This ban would be catastrophic to our local floral industry and should not be implemented as currently written. I am happy to sit down and discuss with anyone willing to listen.

Warmest regards,

Monty Pereira
General Manager and Sales & Marketing Director
Watanabe Floral, Inc
Cut Flower Director (HFNA)

Enclosed: Suggested amendments to HB1187

HOUSE OF REPRESENTATIVES THIRTY-THIRD LEGISLATURE, 2025 STATE OF HAWAII

H.B. NO. H.D. 1

# A BILL FOR AN ACT

RELATING TO PROCUREMENT.

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

SECTION 1. Chapter 103D, Hawaii Revised Statutes, is amended by adding a new section to part IV to be appropriately designated and to read as follows:

"S103D- Floral Lei. For each of the following time periods, each state department or administratively attached agency shall purchase no more than the following percentage of floral Lei that contain flowers, harvested outside the State if

the capacity to meet existing demands can be met by local producers:

- (1) From January 1, 2030, to December 31, 2044: ninety percent.
- (2) From January 1, 2045, to December 31, 2054: fifty percent; and
- (3) From January 1, 2055, to December 31, 2064: twenty-five percent.

Beginning January 1, 2065, no state department or administratively attached agency shall purchase any floral leithat contains flowers harvested outside the State if the capacity to meet existing demands can be met by local producers:

- SECTION 2. New statutory material is underscored.
- SECTION 3. This Act shall take effect on July 1, 3000.

## Report Title:

Procurement; State Administrative Departments; Executive Agencies; Imported Lei; Restriction

#### Description:

Phases in a ban on state departments and administratively attached agencies from purchasing imported floral lei. Effective 7/1/3000. (HD1)

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

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Aloha Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Senate Ways and Means Committee,

The Hawai'i Farmers Union is a 501(c)(5) agricultural advocacy nonprofit representing a network of over 2,500 family farmers and their supporters across the Hawaiian Islands. **HFU supports HB1187.** 

HB1187 aligns with the mission to bolster local agriculture and support Hawaiian farmers by phasing out the purchase of imported flowers and lei by state departments and agencies. By prioritizing the procurement of locally grown flowers, this bill reduces the carbon footprint associated with importing flowers from other regions. This legislation will also have positive economic impacts, stimulating job creation and economic growth within the agricultural sector. The transition to local purchasing acts as an investment in Hawaii's future agriculture, encouraging younger generations to engage in farming and agricultural entrepreneurship.

Mahalo for the opportunity to testify.

Hunter Heaivilin Advocacy Director Hawai'i Farmers Union



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

March 28, 2025

# HEARING BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS

# **TESTIMONY ON HB 1187, HD1**RELATING TO PROCUREMENT

Conference Room 211 & Videoconference 10:02 AM

Aloha Chair Dela Cruz, Vice-Chair Moriwaki, 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 1187, HD1, which phases in a ban on state departments and administratively attached agencies from purchasing imported flowers and lei. Encouraging the procurement of locally grown flowers and lei supports Hawai'i's farmers, strengthens the local floriculture industry, and promotes sustainability by reducing reliance on imports.

Hawai'i's floriculture industry is an important part of the state's agricultural sector, providing lei and flowers that are deeply embedded in Hawaiian culture and traditions. However, the industry has faced challenges due to competition from imported flowers, high production costs, and market fluctuations. Phasing in a requirement for state agencies to purchase locally grown flowers and lei will help provide a stable and predictable market for local producers, allowing them to reinvest in their operations and expand production.

While we support the intent of HB 1187, HD1, we recognize that increasing local production will be necessary to meet the growing demand created by this transition. Farmers need time to scale up their operations, invest in infrastructure, and address workforce challenges to ensure they can meet the benchmarks established in the bill.

Strengthening Hawai'i's floriculture industry will require a collaborative approach, including:

- **Providing resources and support for farmers** to increase production capacity, including access to land, water, and financial assistance.
- **Encouraging research and development** in floriculture to improve yields, pest management, and post-harvest handling.
- **Ensuring procurement practices** that make it easier for local flower growers to participate in state purchasing programs.

We encourage the Legislature to consider mechanisms to support local flower producers as this transition takes place, such as investment in agricultural infrastructure, increased funding for agricultural research and extension services, access to affordable land, water, and energy, access to capital, protection of agricultural lands from non-agricultural uses and development, expansion of workforce training programs, streamlined permitting processes that reduce regulatory barriers for farmers, and business development programs and technical assistance for floriculture farmers. With the right support, Hawai'i's floriculture industry can grow to meet the demand, ensuring that locally grown lei and flowers are available for state procurement while strengthening local agriculture.

Thank you for the opportunity to testify on this measure.



## HB-1187-HD-1

Submitted on: 3/27/2025 3:03:19 PM

Testimony for WAM on 3/28/2025 10:02:00 AM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Derek Kondo	Testifying for Paradise Leis	Oppose	Written Testimony Only

#### Comments:

I, Derek Kondo, am writing to express my opposition to Bill HB1187. I am local born and raised in Hawaii, and I own a business called Paradise Leis, which supplies numerous local lei shops and businesses with the flowers needed to create leis. Leis are not only an integral part of Hawaiian culture but also a symbol of Hawaii's identity and the spirit of Aloha.

My business provides employment to many local individuals, supporting local jobs and helping small businesses remain operational. The demand for leis in Hawaii, especially during graduation season, consistently exceeds the local supply. As such, businesses like mine play a crucial role in meeting this demand. While many local lei shops prioritize sourcing flowers locally, they often have to supplement their supply with imported orchids due to limitations in local flower availability and labor. Unfortunately, local farms are unable to meet the growing demand, as the agricultural workforce in Hawaii has significantly decreased, and many farms are no longer owned or operated by local people.

The shortage of land and farming expertise necessary to meet the state's demand for leis is a significant challenge. Without the option to import flowers, we would be unable to fulfill the needs of the state and maintain the cherished tradition of lei giving. This would negatively impact graduations, ceremonies, political events, and cultural celebrations throughout Hawaii.

I respectfully urge you to consider the implications of this bill on our local businesses and cultural practices.

Thank you for your time and attention to this matter.

Sincerely,

Derek Kondo

Owner, Paradise Leis



## HB-1187-HD-1

Submitted on: 3/27/2025 3:30:42 PM

Testimony for WAM on 3/28/2025 10:02:00 AM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Daniel Cheung	Testifying for Buy Hawaiian Lei	Oppose	Written Testimony Only

#### Comments:

This is my written testimony to express my strong opposition to Bill HB1187. I am a local that is born and raised in Hawaii and I own a business named Buy Hawaiian Lei. We supply lei to individuals, shops and businesses with the imported flowers needed to create leis. Leis are not only an integral part of Hawaiian culture but also a symbol of Hawaii's identity and the spirit of Aloha.

My business provides employment to local individuals, supporting local jobs and helping small businesses remain operational. The demand for leis in Hawaii, especially during graduation season, consistently exceeds the local supply. As such, businesses like mine play a crucial role in meeting this demand. While many local lei shops prioritize sourcing flowers locally, they often supplement their supply with imported orchids due to limitations in local flower availability and labor. Unfortunately, local farms are unable to meet the growing demand, as the agricultural workforce in Hawaii has significantly decreased, and many farms are no longer owned or operated by local people.

The shortage of land and farming expertise necessary to meet the state's demand for leis is a significant challenge. Without the option to import flowers, we would be unable to fulfill the needs of the state and maintain the cherished tradition of lei giving. This would negatively impact graduations, ceremonies, political events, and cultural celebrations throughout Hawaii.

I respectfully urge you to consider the implications of this bill on our local businesses and cultural practices.

Mahalo for your consideration on this matter.

Sincerely,

**Daniel Cheung** 

Owner, Buy Hawaiian Lei



## HB-1187-HD-1

Submitted on: 3/28/2025 3:35:36 AM

Testimony for WAM on 3/28/2025 10:02:00 AM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Brent Young	Testifying for Paradise Leis	Oppose	Written Testimony Only

#### Comments:

#### Aloha!

I am writing to express my very strong opposition to Bill HB1187. I am a local born and raised in Hawaii, and I own a small business called Paradise Leis, which supplies numerous local lei shops and businesses with the flowers needed to create leis. Leis are not only an integral part of Hawaiian culture but also a symbol of Hawaii's identity and the spirit of Aloha.

My business provides employment to many local individuals, supporting local jobs and helping small businesses remain operational. The demand for leis in Hawaii, especially during graduation season, consistently exceeds the local supply. As such, businesses like mine play a crucial role in meeting this demand. While many local lei shops prioritize sourcing flowers locally, they often supplement their supply with imported orchids due to significant limitations in local flower availability and labor. Unfortunately, local farms are unable to meet the growing demand, as the agricultural workforce in Hawaii has significantly decreased, and many farms are no longer owned or operated by local people.

The shortage of land and farming expertise necessary to meet the state's demand for leis is a significant challenge. Without the option to import flowers, we would be unable to fulfill the needs of the state and maintain the cherished tradition of lei giving. This would negatively impact graduations, ceremonies, political events, and cultural celebrations throughout Hawaii. Imagine how many graduating kids and special occasions would significantly suffer without the availability of enough flower to provide their cherished lei with real flowers. And this is only possible with help from other country partners.

I respectfully urge you to consider the implications of this bill on our local businesses and cultural practices, especially in such a global world and the necessity of importing orchid flowers.

Thank you for your time and attention to this matter.

Sincerely,

Brent Young

Owner, Paradise Leis