

STATE OF HAWAI'I DEPARTMENT OF EDUCATION KA 'OIHANA HO'ONA'AUAO P.O. BOX 2360

HONOLULU, HAWAI'I 96804

Date: 03/11/2025 **Time:** 02:00 PM

Location: 309 VIA VIDEOCONFERENCE

Committee: House Education

Department: Education

Person Testifying: Keith T. Hayashi, Superintendent of Education

Bill Title: SB 0659, SD2 RELATING TO THE DEPARTMENT OF EDUCATION.

Purpose of Bill: Exempts from the electronic procurement system the Department of Education's

purchase of fresh local agricultural products and local value-added processed,

agricultural, or food products not exceeding \$250,000, subject to certain

requirements. Requires the Department of Education to establish guidelines for determining a geographic preference for locally sourced products. Exempts the Department of Education from the requirement that certain agricultural products are subject to the Hawaii Public Procurement Code. Effective 7/1/2050. (SD2)

Department's Position:

The Hawaii State Department of Education (Department) is submitting testimony in support of SB 659, SD 2 with comments.

This bill will increase the School Food Services Branch's (SFSB) small purchase procurement capacity and flexibility to procure more locally grown produce. This will aid in the Department's progress toward meeting the 30% by 2030 local farm-to school ingredients purchase goals.

The Department would like to point out that amendments made in SD2 will likely result in an increase in cost due to the procurement preference of locally sourced products, thus appropriations may be needed to help cover SFSB food costs.

The Department recognizes that it will be responsible for establishing guidelines with a geographic preference for locally sourced products in accordance with the United States Department of Agriculture's National School Lunch Program and state procurement laws, including the necessity of gathering competitive bids.

The process proposed in this bill will allow us to purchase items that currently are unavailable from

our distributors such as poi and limu.

Exempting the Department from the electronic procurement system will increase opportunities to procure from local farmers across the state who may be electronically limited, yet food safety compliant. The SFSB further recognizes that educating farmers about procurement compliance is a part of its farm to school mission.

Thank you for the opportunity to testify in support of this measure.

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



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

P.O. Box 119
Honolulu, Hawaii 96810-0119
Tel: (808) 586-0554
email: state.procurement.office@hawaii.gov
http://spo.hawaii.gov

TESTIMONY
OF
BONNIE KAHAKUI, ADMINISTRATOR
STATE PROCUREMENT OFFICE

TO THE HOUSE COMMITTEE ON EDUCATION MARCH 11, 2025; 2:00 PM

SENATE BILL 659, SD2 RELATING TO THE DEPARTMENT OF EDUCATION

Chair Woodson, Vice Chair La Chica, and members of the committee, thank you for the opportunity to submit testimony on Senate Bill 659, SD2. The State Procurement Office (SPO), respectfully opposes the language to increase the threshold to \$250,000 to procure fresh agricultural products and local value-added processed, agricultural, or food products without using an electronic procurement system. The SPO provides the following comments and recommendations:

The principles of ethical procurement require all public employees conduct and participate in public procurement in an ethical manner including but not limited to:

- Acting as a fiduciary and trustee of public moneys; and
- Encouraging economic competition by ensuring all persons have equal opportunity to compete in a fair and transparent process and environment.

The threshold increase from \$25,000 to \$250,000, a 100% increase, is exorbitant and seems arbitrary, from the standpoint of the SPO, and could be questioned by taxpayers. Other stakeholders, including the Department of Education and the Hawaii Farm Bureau, testified that they support increasing the threshold to under \$100,000. Increasing the thresholds to \$250,000 to use an electronic procurement system would result in less transparency and reduced competition, which may lead to increased costs, procurement irregularities and inefficiencies, and higher risk of parceling,

There's no evidence that local farmers are more or less technologically challenged at \$100,000 versus \$250,000.

Testimony of the State Procurement Office Senate Bill 659, SD2 House Committee on Education March 11, 2025 Page 2

Increasing the procurement threshold to \$250,000 is unlikely to significantly increase opportunities for local farmers, there is no substantial evidence that local farmers are broadly limited in their ability to use an electronic procurement systems. Many farmers engage in online transactions, utilize digital platforms for sales, and access government programs through electronic means. According to the 2019 Hawaii Farm Technology Use Report, "Farm technology, from drones to accounting software, is used and in demand by Hawaii farmers, according to a study conducted by the United States Department of Agriculture National Agricultural Statistics Service (NASS), in cooperation with the Hawaii Department of Agriculture." (Attached). NASS mailed a survey and conducted a phone follow-up to 1,750 farms in all of Hawaii's counties. That survey showed that most farmers use smart phone and computer applications for data such as field conditions, yield information, budgets, and farm operations.

If certain farmers face challenges with electronic procurement, the solutions should be to provide simplified access, rather than bypassing the system altogether. Furthermore, raising the threshold to \$250,000 excludes both procurement staff and farmers from the benefits of an efficient, streamlined process, and will instead relegate them to time-consuming, manual paperwork that can be easily misplaced or misfiled. The electronic procurement system minimizes bias and errors and ensures oversight.

For these reasons, the SPO recommends the threshold reverts to that in SB659, SD1, which limits the threshold to \$100,000 and is in line with the small purchase threshold pursuant to Section 103D-305, Hawaii Revised Statutes (HRS), and that Section 1, page 1, lines 4 to 17, and page 2, lines 1-2, read as follows:

- §302A- Procurement; locally sourced products; geographic preference; small purchases. (a) Notwithstanding section 103D-305(c) or any other law to the contrary, the department may procure fresh local agricultural products and local value-added, processed, agricultural, or food products of less than \$100,000 without using an electronic system; provided that for these procurements:
- (1) No less than three written quotes shall be obtained for procurements of \$25,000 to less than \$100,000; provided further that the department may instead require no less than two written quotes for procurements of \$25,000 to less than \$100,000 for fresh local agricultural products and local value-added processed, agricultural, or food products to supply schools in rural communities, as determined by the department;

Thank you for the opportunity to submit testimony on this measure.

Attachment: <u>2019 Hawaii Farm Technology Use Report</u>, United States Department of Agriculture National Agricultural Statistics Service (NASS), in cooperation with the Hawaii Department of Agriculture





2019 Hawaii Farm Technology Use Report



Cooperating with the Hawaii Department of Agriculture

Pacific Regional Office Hawaii · 300 Ala Moana Blvd Suite 7-118· Honolulu, HI 96850 · 1-(800)-804-9514· Fax 1-(844)-332-7146 · www.nass.usda.gov/hi

Released: October 18, 2019

Survey Results Show Demand for Technology on Hawaii Farms

Farm technology, from drones to accounting software, is used and in demand by Hawaii farmers, according to a recent survey conducted by the USDA National Agricultural Statistics Service (NASS), in cooperation with the Hawaii Department of Agriculture (HDOA). The Hawaii Farm Technology Use survey was conducted during the fall of 2019 to determine the types of technology farmers currently use and the number of specific items farmers wanted in the future. NASS mailed the survey questionnaire and then did phone follow-up to a sample size of 1,750 farms, which included farmers in all of Hawaii's counties. This was the first year this survey was conducted. Results from the survey include:

- 1,516 pieces of video surveillance technology are used on farms in Hawaii and farmers want more. Farmers reported 3,383 pieces of video surveillance technology are wanted.
- Drones are in demand on Hawaii farms, with 872 wanted for future use to add to the 182 currently used.
- Hawaii farms are short the 2,778 of GPS/RFID livestock tracker tech in demand. Farmers reported they are using 69 livestock tracker tech across all farms in the state.
- Smart phone apps are used by farms across all categories, with 1,263 in use today and 1,208 wanted.

Hawaii: Types of Farm Technology, Number Used, Number Wanted, 2019

Type of Technology	Number Used	Number Wanted (in addition to Number Used)
Physical Technology (hardware)		
Tablet for farm use (i.e., Apple iPad, Samsung Galaxy Tab)	1,210	1,512
Satellite Phones	634	737
Unmanned Aerial Vehicle for farm use (i.e., drone)	182	872
Video Surveillance	1,516	3,383
Hand Held Sensors (moisture, plant health, etc.)	364	1,085
Field Sensors (moisture, soil conditions, etc.)	251	1,153
GPS – Guided Equipment	148	414
GPS / RFID Livestock Tracking	69	2,778
Non-Physical Technology (software)		
Smart Phone Apps (field conditions, yield information, etc.)	1,263	1,208
Computer Applications (budget, farm operations, etc.)	1,945	1,357
Third Party Service Application (i.e., fee for service plan)	322	266

JOSH GREEN, M.D. Governor

> SYLVIA LUKE Lt. Governor



SHARON HURD
Chairperson, Board of Agriculture

DEAN M. MATSUKAWADeputy to the Chairperson

State of Hawai'i **DEPARTMENT OF AGRICULTURE**

KA 'OIHANA MAHI'AI 1428 South King Street Honolulu, Hawai'i 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613

TESTIMONY OF SHARON HURD CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON EDUCATION

TUESDAY, MARCH 11, 2025 2:00 PM CONFERENCE ROOM 309

SENATE BILL NO. 659 SD2
RELATING TO THE DEPARTMENT OF EDUCATION

Chair Woodson, Vice Chair La Chica, and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill 659 SD2 that exempts from the electronic procurement system the Department of Education's purchase of fresh, local agricultural products and local value-added processed, agricultural, or food products not exceeding \$25,000, subject to certain requirements, requires the Department of Education to establish guidelines for determining a geographic preference for locally sourced products, and exempts the Department of Education from the requirement that certain agricultural products are subject to the Hawaii Public Procurement Code.

The Department of Agriculture **supports** this bill and greatly appreciates the amendment that exempts fresh meats and produce from 103D-104.5 for the Department of Education.

Thank you for the opportunity to testify on this measure.



LATE *Testimony submitted late may not be considered by the Committee for decision making purposes.

OFFICE OF CLIMATE CHANGE SUSTAINABILITY AND RESILIENCY

KE KE'ENA LOLI ANIAU MĀLAMA 'ĀINA A ME KE OLA LOA CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 11th FLOOR • HONOLULU, HAWAI'I 96813 PHONE: (808) 768-2277 • EMAIL: resilientoahu@honolulu.gov • INTERNET: www.resilientoahu.org

RICK BLANGIARDI MAYOR



BENJAMIN SULLIVAN EXECUTIVE DIRECTOR & CHIEF RESILIENCE OFFICER PO'O HO'OKŌ & KAHU OLA LOA

KEALOHA FOX DEPUTY DIRECTOR & CHIEF RESILIENCE OFFICER HOPE PO'O & HOPE KAHU OLA LOA



TUESDAY, MARCH 11, 2025, 2:00 P.M.

STATE OF HAWAI'I HOUSE COMMITTEE ON EDUCATION

TESTIMONY ON SENATE BILL 659, SD2 RELATING TO THE DEPARTMENT OF EDUCATION

BY,

BENJAMIN SULLIVAN
EXECUTIVE DIRECTOR AND CHIEF RESILIENCE OFFICER
OFFICE OF CLIMATE CHANGE, SUSTAINABILITY AND RESILIENCY

Dear Chair Woodson, Vice Chair La Chica, and Members of the Committee:

The City and County of Honolulu ("City") Office of Climate Change, Sustainability and Resiliency ("Resilience Office") **supports** SB659, SD2, which exempts the Department of Education's (DOE) purchase of local agricultural and food products not exceeding \$250,000 from the electronic procurement system, subject to certain requirements.

The Resilience Office coordinates implementation of the Oʻahu Good Food Program, which is committed to increasing institutional purchasing of locally grown food to support local farmers, strengthen the island's food system, and improve access to fresh, nutritious food. By leveraging the DOE's significant buying power, this measure can help drive a broader shift in institutional food procurement, influencing not only schools but also hospitals, hospitality groups, and other public and private entities to prioritize local purchasing.

The DOE's farm-to-school goal of sourcing 30% local food by 2030 is a key step toward building a more resilient and self-sufficient food system. This measure will provide the department with greater flexibility to establish long-term relationships with local producers, reduce administrative barriers to procurement, and strengthen the local supply chain. These efforts align with the City's commitment to expanding access to fresh, locally grown food while supporting Hawai'i's agricultural economy.

Thank you for the opportunity to testify in support of SB659, SD2.



Email: communications@ulupono.com

HOUSE COMMITTEE ON EDUCATION Tuesday, March 11, 2025 — 2:00 p.m.

Ulupono Initiative <u>supports</u> SB 659 SD 2, Relating to Department of Education.

Dear Chair Woodson 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 choices, and better management of freshwater resources.

Ulupono <u>supports</u> **SB 659 SD 2**, which exempts from the electronic procurement system the Department of Education's (DOE) purchases of fresh local agricultural products and local value-added processed, agricultural, or food products not exceeding \$250,000, subject to certain requirements; requires the DOE to establish guidelines for determining a geographic preference for locally sourced products; and exempts the DOE from the requirement that certain agricultural products are subject to the Hawai'i Public Procurement Code.

Ulupono supports the State's farm-to-institution efforts, including the DOE's Farm to School Program, which has the potential to leverage the department's significant buying power to become one of the state's largest purchasers of local food (perhaps one day the largest) while also shaping the tastes, attitudes and eating habits of Hawai'i's keiki for healthy outcomes. The State has committed to local food procurement goals through 2050 (including the DOE's own statutorily required goal of 30% local by 2030), and it is important to provide opportunities for local producers to participate in institutional purchasing.

While the DOE's regional kitchen construction plans advance, the fact remains that these facilities won't be operational for many years. The department should seize current opportunities to strengthen relationships with local food producers. By engaging farmers now, we can align DOE's food requirements with local agricultural production and build supply chain capacity. This proactive approach not only serves today's students better than waiting for kitchen completion, but also sets up the regional kitchen strategy for long-term success — ensuring a robust supply chain is ready when these facilities open.



By expanding the small purchase exemption for the DOE, schools across the state will have an additional tool now to procure fresh products from local farmers and ranchers.

Thank you for the opportunity to testify.

Respectfully,

Micah Munekata Director of Government Affairs



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 11, 2025

HEARING BEFORE THE HOUSE COMMITTEE ON EDUCATION

TESTIMONY ON SB 659, SD2 RELATING TO THE DEPARTMENT OF EDUCATION

Conference Room 309 & Videoconference 2:00 PM

Aloha Chair Woodson, Vice-Chair La Chica, 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 SB 659, SD2, which allows the Department of Education to procure fresh local agricultural products and local value-added processed agricultural or food products not exceeding \$250,000 subject to certain requirements. It also requires the department to establish guidelines with a geographic preference for locally sourced products and exempts the Department of Education from the requirement that certain agricultural products are subject to the Hawaii Public Procurement Code.

Hawai'is Farm to School program plays a crucial role in improving student nutrition, supporting local farmers and ranchers, and increasing the state's food security. The state has committed to sourcing at least 30 percent of school meals from local food sources by 2030 under Act 175, SLH 2021. However, one of the main challenges in achieving this goal has been the complexities of the procurement process, which has historically favored large, out-of-state suppliers over local farmers.

SB 659, SD1 addresses this issue by exempting the Department of Education's purchases of fresh local agricultural products and value-added food products under \$250,000 from the electronic procurement system and exempting fresh local agricultural products and local value-added, processed, agricultural, or food products from the Procurement Code. This change will streamline the purchasing process and make it easier for local farmers and ranchers to participate in school food procurement. By allowing DOE to establish geographic preferences, the bill ensures that local producers are given a fair opportunity to compete in supplying Hawai is schools.

Increasing DOE procurement of locally grown agricultural products will help create a stable and reliable market for local farmers, encouraging them to expand production. Currently, many farmers hesitate to scale up operations due to uncertainty in demand. By simplifying the purchasing process, SB 659, SD2 helps provide the consistency that local farmers need to plan, invest, and grow more food for Hawai i's students.

To fully support the success of this initiative, the Hawai'i Farm Bureau encourages additional efforts to assist local farmers and ranchers in navigating the procurement system. Educational workshops, technical assistance, and direct collaboration between DOE and local producers will further enhance participation and ensure that Hawai'i-grown food reaches students across the state.

We urge the committee to pass SB 659, SD2 to support local farmers, strengthen Hawai'i's Farm to School program, and increase the availability of fresh, locally grown food for Hawai'i's students.

Thank you for the opportunity to testify on this measure.



HIPHI Board

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Justin Puckett, CPA, MBA Humana

Kathleen Roche, MS, RN, CENP Kaiser Permanente

Dina Shek, JD Medical-Legal Partnership For Children in Hawai'i

Garret Sugai HMSA

JoAnn Tsark, MPH John A. Burns School of Medicine, Native Hawaiian Research Office

HIPHI Initiatives

Coalition for a Tobacco-Free Hawai'i

Evaluation

Community Health **Worker Initiatives**

COVID-19 Response

Environmental Health

Hawai'i Drug & Alcohol-Free Coalitions

Hawai'i Farm to School Network

Hawai'i Oral Health Coalition

Hawai'i Public Health Training Hui

Healthy Eating + Active Living

Kūpuna Collective/Healthy Aging & **Community Living**

Public Health Workforce Development

Date: March 10, 2025

Representative Justin Woodson, Chair To: Representative Trish La Chica, Vice Chair Members of the House Committee on Education

RE: Support for SB 659: Relating to the Department of Education

Hrg: Tuesday, March 11, 2025 at 2 pm in Conference Room 309

Hawai'i Public Health Institute¹ (HIPHI) works to advance policy and systems change to reduce disparities and improve the health of Hawai'i residents. HIPHI is home to and testifies here on behalf of the Hawai'i Farm to School Network. Hawai'i Public Health Institute and the Hawai'i Farm to School Network appreciate the opportunity to support SB 659 HD1 strongly. This bill introduces flexible procurement procedures for the Department of Education (DOE), including requiring at least two written quotes for certain purchases supplying schools in rural communities and a sunset clause to assess the effectiveness of these changes.

More Straightforward to Work with Local Farmers

This bill increases flexibility for local food purchases from small and medium-sized farmers, particularly those in rural areas. Rural schools often face additional challenges, such as limited access to technology or fewer available vendors. Reducing the number of required quotes acknowledges these barriers and supports more equitable access to local procurement opportunities.

Local Guidelines

SB 659 requires the DOE to establish procurement guidelines with a geographic preference for locally grown or raised products and exempts purchases of local edible produce and packaged food products under \$100,000 from the electronic procurement system of the DOE. This smaller regional procurement model could be modeled after the School

¹ Hawai'i Public Health Institute's mission is to advance health and wellness for the people and islands of Hawai'i. We do this through expanding our understanding of what creates health of people and place, fostering partnerships, and cultivating programs to improve policies, systems, and the environments where people live, learn, work, age, and play.



Food Authority (SFA) of New Mexico, which is notable for its success in smaller regional procurement from small to medium farms. To learn from this SFA model and to assess what staff positions, laws, and infrastructure are necessary, DOE will grant permission and allocate funds for a DOE procurement staff member, a dietitian, and a farm-to-school coordinator to travel to this SFA to study the smaller regional procurement model.²

Increased Accessibility

Additionally, SB 659 proposes increasing DOE-exempt purchases from \$25,000 to \$100,000 for the small purchase procurement program. The proposed policy increases the Department of Education's small purchase procurement threshold from \$25,000 to \$100,000, streamlining the purchase of locally sourced foods. This change supports Hawai'i's farm-to-school initiatives and the goal to source 30% of school food locally by 2030.³ It reduces administrative burdens, allowing schools to acquire fresh, nutritious Hawai'i-grown produce quickly. The policy strengthens local agriculture, boosts economic self-sufficiency, and improves student health by providing fresher meals while advancing sustainability and reducing reliance on imported foods.

Uniform Purchase Limit

It is important to note that all other Departments have a \$100,000 threshold (e.g., Department of Agriculture (DOA), Department of Transportation (DOT), Department of Human Services (DHS), etc.). DOE is the only one with the lower \$25,000 threshold. This lower threshold dramatically limits the ability of schools to purchase local foods, as the amount demanded is usually well above this amount.⁴

Accountability Recommendations

Furthermore, the State Procurement Office (SPO) shall suggest to DOE's School Food Services Branch (SFSB) financial system accountability recommendations to reduce the risk of financial mistakes that run afoul of parceling. SPO is welcome to review SFSB's progress in implementing SPO's suggested financial safeguard protocols.⁵

² New Mexico Public Education Department, "Farm to School Procurement Guidelines." https://webnew.ped.state.nm.us/bureaus/student-success-wellness/nutrition/farm-to-school/

³ Hawai'i Farm to School Resource Hub - Advocacy, legislation, & policy. (n.d.). https://sites.google.com/hiphi.org/hawaiif2s/advocacy-legislation-policy

⁴ Hawaii DOE | Selling goods and services to the DOE. (n.d.).

 $[\]frac{https://www.hawaiipublicschools.org/ConnectWithUs/Vendors/Selling/Pages/home.aspx\#:\sim:text=Schools\%20and\%20 offices\%20are\%20authorized.or%20like\%20goods\%20and\%20services."$

⁵ Small Purchases Procurement method. (n.d.).

https://spo.hawaii.gov/for-vendors/vendor-guide/methods-of-procurement/goods-services-construction/small-purchases-procurement-method/



More Regionalized Purchasing

For several years, the Hawai'i Farm to School Network, HIPHI, and partner organizations have advocated for regionalizing local food purchases. For example, bananas to be served in school breakfasts on Kaua'i should be purchased from farmers on that island. This arrangement fosters stronger relationships between the school community and local farmers, increasing nutritional education and knowledge of locally grown and raised foods among Hawai'i's students. SB 659 will positively impact the health of our keiki and contribute to the development of sustainable food systems in Hawai'i.

Meeting our 30% by 2030 Goal

Under Act 175, the DOE is required to purchase locally grown food as 30% of total procurement by 2030 and 50% by 2050. The added flexibility in SB 659 will help achieve these goals and support students and their families in understanding the importance of local food systems. Additionally, a sunset clause ensures that the policy can be evaluated and adjusted to meet the evolving needs of Hawai'i's schools and agricultural communities.

Mahalo for this opportunity to testify in support of SB 659.

Mahalo,

Kawika Kahiapo

Hawai'i Public Health Institute

Hawai'i Farm to School Network Program Coordinator

https://www.civilbeat.org/2023/12/hawaii-education-department-takes-big-first-step-to-increase-local-food-in-school s/

⁶ Tagami, M.(2023, December 12). Hawaii Education Department takes 'Big first step' to increase local food in schools. *Honolulu Civil Beat*.

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Natalie Urminska Kaua'i



Aloha Chair La Chica, Vice Chair Woodson, and Members of the House Education 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 SB659.**

SB659 seeks to streamline the procurement of locally sourced agricultural products for Hawaii's public schools by exempting purchases under \$100,000 from the electronic procurement system and requiring the Department of Education (DOE) to establish guidelines with a geographic preference for locally sourced products.

Instead of broadly directing DOE to establish "guidelines", the bill should explicitly align these guidelines with HRS §103D-1002 (Hawaii product preferences) and enhance them by mandating the purchase of locally sourced products when priced within 10% of the lowest out-of-state option and recognizing discretionary purchases up to 15% higher with justification. This ensures stronger support for Hawaii's farmers while maintaining cost efficiency in school food procurement.

Alaska's Sec. 29.71.040 provides a model, requiring state-funded entities to buy in-state agricultural and fisheries products if they are of similar quality and price, with a 7% mandatory preference and 15% discretionary preference.

Proposed Amendment to Section 1 §302A(b):

The department shall establish guidelines with a geographic preference for locally sourced products when procuring products. The guidelines shall include the following provisions:

- (1) The department shall award contracts for locally sourced products if the cost is no more than 10% higher than the lowest-priced out-of-state option; and
- (2) The department may award contracts for locally sourced products if the cost is no more than 15% higher than the lowest-priced out-of-state option, provided that justification for the selection is documented.

This adjustment strengthens the bill's intent by ensuring that Hawaii's procurement policies prioritize local food while remaining flexible for budgetary considerations.

Mahalo for the opportunity to testify.

Hunter Heaivilin Advocacy Director Hawai'i Farmers Union



Food+ Policy Internship 2025

food@purplemaia.org



March 10, 2025

Subject: SB659 SD2 - Relating to the Department of Education

Aloha Chair Justin H. Woodson, Vice Chair Trish La Chica, and Members of the House Committee on Education.

Hawaii Food+ Policy is in strong support of SB659 SD2, which proposes to streamline procurement processes for the Department of Education by allowing the purchase of fresh local agricultural products and value-added food products **up to \$250,000** without requiring an electronic procurement system, while maintaining compliance with existing procurement rules for such purchases.

This bill directly supports Hawai'i's ongoing efforts to strengthen local agriculture and food sustainability. By removing purchases from \$25,000 to \$250,000 from the electronic procurement system, SB659 SD2 will allow schools to accommodate seasonal availability and potential "specials" for their schools.

SB659 SD2 also aligns with Hawai'i's local procurement objectives established in Act 176 (SLH 2021), Act 144 (SLH 2022), and Act 175 (SLH 2021), which emphasize increasing local food procurement minimums. Additionally, SB659 SD2 would support local farm-to-state initiatives through the Department of Education (DOE) while ensuring accountability through Hawaii Compliance Express.

An example where this would have been beneficial is in May of 2023. Over 70 schools sought to participate in a poi program but only 36 schools were able to participate as the DOE was constrained by procurement rules that limited equitable and full participation. SB659 SD2 would allow schools to accommodate for small-scale, culturally significant purchases like poi, enabling them to partner directly with local farmers and food hubs and facilitate these specials that were not initially planned up-to a year prior when the regular menus are created.

We respectfully urge your support for SB659 SD2 as a critical step toward strengthening our local food systems and supporting Hawai'i's agricultural community.

Mahalo for your consideration, The Hawaii Food+ Policy Team

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 2025, 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.

SB-659-SD-2

Submitted on: 3/10/2025 1:52:49 PM

Testimony for EDN on 3/11/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Debbie Millikan	Individual	Support	Written Testimony Only

Comments:

Committee: EDN

Hearing: March 11, 2025, 2pm

Position: Strong Support of SB659

Aloha Chair Woodson and Members of the Education Committee,

As a garden educator, I have seen how students grow and eat food directly from their campus garden/farm and love it. Their next question is always the same, "why can't we eat like this at school lunch?" We can do our part by working on the systems that prevent access to fresh and local.

Please support SB659 to raise the Department of Education's (DOE) small purchase procurement limit from \$25,000 to \$250,000, in alignment with all other state departments.

This procurement change is essential to meeting Hawai'i's goal to source 30% of school food locally by 2030 (as mandated by Act 175, 2021 / HRS 302A-405.6) and more importantly to ensure our vision that every child in Hawai'i has access to fresh, nutritious, locally grown food.

Please support our young people and our farmers by eliminating this huge barrier for local producers.

Mahalo for the opportunity to provide this testimony,

Debbie Millikan