RELATING TO CAPITAL IMPROVEMENT PROJECTS FOR THE BENEFIT OF THE HONALO MARSHALLING YARD.

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

SECTION 1. The legislature finds that the Honalo marshalling yard was built twenty-five years ago; is situated in Kona, Hawaii; and was not utilized to its full potential until the Hawaii ‘Ulu Cooperative began its operations at the facility in 2017. The cooperative has grown to sixty-five local farm members, serving public schools, hospitals, hotels, and restaurants statewide. However, the facility's existing equipment and infrastructure do not support the projected ulu and other co-crops production of ten thousand pounds per day, or two million pounds per year.

Cooperatives are needed to help achieve the State's ambitious goals for expanded local food production and agricultural development because Hawaii's farming community is dominated by small-scale operators (about ninety-five per cent of farmers generate less than $250,000 per year) who must work together to realize economies of scale and meet local food
demand with export market potential. Only by pooling resources and leveraging collective capabilities will the State meet its goals, such as the Aloha+ Challenge. While farmers continue to improve the State's self-sufficiency of certain food groups like fruit and beef, in the whole grain or starch category, the State remains virtually solely dependent on imports like rice, wheat, and potatoes. Ulu has unique potential to help reverse this scenario; it is among the most sustainable staple foods globally because it grows on a perennial tree, thereby eliminating the need for annual tilling and replanting and providing other ecosystem services like carbon sequestration and soil and water retention. Moreover, ulu is a prolific producer with average yields of three hundred pounds per tree per year and requires far less inputs of fertilizer and pesticides than comparable staple crops. In addition, it is a culturally appropriate food and played an important role in Hawaii's food sovereignty in the past. It is also highly nutritious, gluten free, low glycemic, and high protein, making it increasingly compelling in the national and international food market with potential as a high-value density export crop after processing.
The purpose of this Act is to appropriate funds to accommodate the increased production of ulu and other co-crops processed at the Honalo marshalling yard.

SECTION 2. The following sums, or so much thereof as shall be sufficient to finance the projects listed in this Act, are hereby appropriated out of the general revenues of the State of Hawaii for fiscal year 2019-2020:

1. Honalo Marshalling Yard, Hawaii

   Plans, design, and equipment and appurtenances.

   Plans $25,000
   Design $50,000
   Equipment $1,025,000
   Total funding $1,100,000

The sum appropriated for this capital improvement project shall be expended by the department of agriculture for the purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2019.

INTRODUCED BY: [Signature]
Report Title:
Capital Improvement Project; Honalo Marshalling Yard

Description:
Appropriates funds for a capital improvement project for the Honalo marshalling yard.

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