

JAN 17 2020

A BILL FOR AN ACT

RELATING TO A FOOD HUB PILOT PROGRAM.

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

1 SECTION 1. The legislature finds that our state's food
2 security may be strengthened by growing more food locally and
3 increasing residents' access to local food. This endeavor may
4 be supported by establishing food hubs, which are centrally
5 located facilities with a business management structure that
6 facilitates the aggregation, storage, processing, distribution,
7 or marketing of local produced food products. By actively
8 coordinating these activities along the value chain, food hubs
9 may provide wider access to institutional and retail markets for
10 small to mid-sized producers, and increase consumers' access to
11 fresh healthy food, including those consumers in underserved
12 areas and "food deserts."

13 The legislature also finds that food hubs encounter
14 financial obstacles when seeking to launch or expand their
15 operations. Non-profit organizations may apply for certain
16 types of federal program funding, but the awarded amounts are
17 generally insufficient for anything but small-scale farming.



1 Therefore, a funding source is needed to support the
2 establishment and growth of food hubs on a scale that meets
3 demand by state institutions such as schools, hospitals, and
4 correctional facilities.

5 Accordingly, the purpose of this Act is to establish a
6 five-year food hub pilot program under the department of
7 agriculture and appropriate funds for the program.

8 SECTION 2. (a) There is established a five-year food hub
9 pilot program, which shall be administered by the department of
10 agriculture.

11 (b) The pilot program shall:

12 (1) Adopt the United States Department of Agriculture's
13 working definition of "food hub," which is "a
14 centrally located facility with a business management
15 structure facilitating the aggregation, storage,
16 processing, distribution, and/or marketing of
17 locally/regionally produced food products;" and

18 (2) Award grant funding to qualified applicants for the
19 construction of critical infrastructure to establish
20 and expand food hubs in each of the counties of Maui,
21 Kauai, Hawaii, and Honolulu, including:



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1 (A) Construction of facilities that comply with food
2 safety requirements, including aggregation,
3 washing, minimal processing, packaging, cold
4 storage, and other value-added facilities; and

5 (B) Provision of technical assistance to develop in-
6 state capacity to supply state institutions and
7 other markets.

8 (c) The department of agriculture shall establish criteria
9 for the award of initial start-up grant funding and subsequent
10 expansion funding under the pilot program, including the
11 following provisions:

12 (1) Priority shall be given to funding the establishment
13 of food hubs in areas where none currently exist;

14 (2) Qualifying applicants shall include limited liability
15 corporations, for-profit organizations, non-profit
16 organizations, and agricultural cooperatives;

17 (3) Applicants seeking initial start-up funding shall have
18 first secured a physical location for the food hub and
19 drafted a detailed plan for the food hub's operation,
20 including activities that the applicant intends to
21 engage in, such as serving as a marketplace for buying



1 and selling, or providing certified kitchen space in
2 which multiple farmers may share use of facilities for
3 value-added product development; and

4 (4) Applicants shall explain their intended actions to
5 increase access to locally produced food.

6 (d) The department of agriculture shall adopt rules
7 pursuant to chapter 91, Hawaii Revised Statutes, for the
8 administration and operation of the pilot program.

9 SECTION 3. (a) The department of agriculture shall submit
10 interim reports on:

11 (1) The department's progress in implementing this Act;

12 (2) Preliminary results of the food hub pilot program; and

13 (3) The department's findings and recommendations,
14 including any proposed legislation,

15 to the legislature no later than twenty days prior to the
16 convening of the regular sessions of 2021, 2022, 2023, and 2024.

17 (b) The department shall submit a final report of its
18 findings and recommendations, including any proposed
19 legislation, to the legislature no later than twenty days prior
20 to the convening of the regular session of 2025. The report
21 shall include the results of the food hub pilot program and a



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1 recommendation as to whether the program should be expanded
2 statewide, with or without modifications.



3 SECTION 4. There is appropriated out of the general
4 revenues of the State of Hawaii the sum of \$1,000,000 or so much
5 thereof as may be necessary for fiscal year 2020-2021 for the
6 establishment of a five-year food hub pilot program, including
7 the awarding of grant moneys to qualifying food hubs.

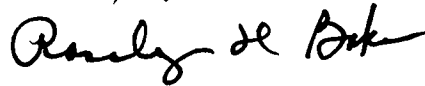

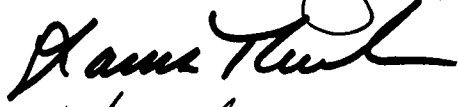

8 The sum appropriated shall be expended by the department of
9 agriculture for the purposes of this Act.

10 SECTION 5. This Act shall take effect on July 1, 2020.

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INTRODUCED BY:



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Report Title:

HDOA; Food Hub Pilot Program; Grant Funding; Appropriation

Description:

Requires the Department of Agriculture to establish a five-year food hub pilot program to increase access to local food. Provides for the award of grant funding by qualified applicants wishing to establish or expand a food hub. Requires reports to the Legislature. Appropriates funds.

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

