UNIVERSITY OF HAWAIʻI SYSTEM
Legislative Testimony

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Senate Committee on Higher Education and the Arts and
Senate Committee on Agriculture
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by
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SB 377 – RELATING TO FOOD

Chairs Taniguchi and Ruderman, Vice Chairs Inouye and Riviere, and Members of the Committees:

We stand in support of SB 377, "Relating to Food." SB 377 authorizes the issuance of general obligation bonds and appropriates funds for a food innovation center to be operated by Kapiʻolani Community College (KapCC) for the purpose of utilizing processing-grade, locally grown farm products to manufacture prepared meals in a large-scale kitchen. This measure will allow for the production of healthy bulk and retail food products using locally grown food.

The plan for a Food Innovation Center has five major objectives:

1. **To increase food security by creating new revenue streams for Hawaiʻi farmers with a model food manufacturing facility for locally grown farm products.** Hawaii lacks a food manufacturing industry that can utilize blemishes, seconds, or processing grade, farm products to produce value added food items. Currently, 10% to 30% of such products are plowed back into the fields. A Hawaiʻi based food manufacturing industry will be a major source of additional income for the farmers. Institutions that utilize bulk food products, such as schools, prisons, state hospitals have their menus planned months and years ahead, thus allowing the farmers to grow according to demand.

2. **To create a model job-training center for new job opportunities in the farm-to-table supply chain.** KapCC currently has a $1 million grant from the US Department of Labor to install a small-scale pilot test kitchen at Honolulu Community College. Lessons learned in the pilot will allow us to develop a high-capacity production kitchen at the Food Innovation Center featuring state-of-the-art food production and analysis equipment. The Food Innovation Center will stimulate job growth in farms, food hubs, and increase demands for food packaging, processing, and manufacturing job opportunities. The Food Innovation Center's model is to serve as a low-cost production site for new businesses during their crucial first three years. After that point, they are to utilize commercial food manufacturers to operate and hopefully expand.

3. **To attract additional research and development grants, and private investment for projects that add value to Hawai‘i’s agricultural products.** The $1 million is an investment for the design and planning, and installing of infrastructure for a 20,000 square foot processing plant. This includes appropriate electrical wiring, plumbing, storage facility that will meet USDA and FDA HACCP guidelines. In our plan, this initial investment will attract additional investments in two phases. First, a startup and operational facility for the first five years of production that will be funded through a combination of federal and local foundation grants, and revenue from the multiple lines of products. Second, outfitting the rest of the facility will come from additional private food manufacturing contracts and federal grants.

4. **To make accessible affordable, healthy, nutritious food products to vulnerable populations.** Hawai‘i’s school children, senior citizens, hospital patients, and individuals who have special dietary requirements will be the primary beneficiary of the value added food products. The cook-chill technology used will maximize the inclusion of healthy ingredients such as locally grown vegetables and fruits, in healthy school lunch hot food items and meals for seniors and hospitals. The food items will be packaged for easy re-thermalizing (reheating) by the food service or individual customers, with little to no loss of nutritional value, and improving the efficiency of institutional food services. School lunch operators will have more time to focus on labor-intensive menu items such as salads that require using fresh fruits and vegetables.

5. **To increase the sustainability of Hawai‘i.** The reduction in the importing of food will reduce the amount of fuel being consumed to transport the food to the islands. The project also intends to recycle 100% of the food trim and waste into high-grade compost using an enclosed forced-air composter similar to the method currently utilized by the Culinary Arts program at the College.

We understand that the Governor calls for restraint and we do not support supplanting the University’s current priorities with this measure. Nonetheless, we believe this investment will generate new investment and revenue in many sectors, with ongoing health benefits for hundreds of thousands people that represent Hawai‘i’s most vulnerable populations.