



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
Senate Committee on Agriculture and Environment
And
Senate Committee on Government Operations
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by
Jan Gouveia
Vice President for Administration
University of Hawai'i System

HB 1568 HD2 – RELATING TO AGRICULTURE

Chairs Gabbard and Moriwaki, Vice Chairs Nishihara and Dela Cruz, and members of the committees:

Thank you for the opportunity to testify on HB 1568 HD2. The University supports the intent of HB 1568 HD2, but is compelled to oppose the bill because it could be interpreted to apply to concession arrangements across all campuses. This bill amends Act 176, SLH 2021, by changing the requirement of all state departments to ensure that a certain percentage of food purchased consists of fresh, local agricultural products or local value-added, processed, agricultural, or food products to apply only to the DOE, DOH, PSD, and UH System.

The University wholeheartedly supports the growth of local agriculture in our state in an effort to reduce our dependence on importing food and contribute to the State's economy. However, the legislature's intent with respect to the application of this bill to the University is unclear. The University would respectfully like to point out that the exclusions noted in Section 1 ("departmental or university staff travel expenses, office staff procurement, any other staff meals separate from each department's offered meal services or programs, or other staff meals separate from the university's offered meal services or programs") are not codified in Section 2. As such, the legislature's intent is not legally captured in the statutory language.

Furthermore, the University respectfully recommends that Section 2 of the bill be amended to exclude University concession agreements from the local food purchasing percentage requirement. Most, if not all, of the University's food contracts with vendors are concession-type agreements that support a business model in which the food service provider conducts business with the end consumer. As such, a strict requirement to purchase locally sourced food or agricultural products primarily impacts the end consumer, namely students, by passing on higher costs. Additionally, the University is concerned that its ability to source food locally will be restricted by the availability of the local food supply. As such, purchasing up to 50% of its food locally may be unachievable. Some of the University's contracts with vendors have already implemented a "local first" policy. However, at best, this results in approximately 30% of

food purchased locally due to supply constraints. Additionally, there are a number of other challenges to purchasing food locally. For example, farms may not meet our vendors' required purchasing standards or be willing to complete the process to become an approved vendor, which is accompanied by insurance and distribution requirements; and the University's food needs are generally highest from Fall through Spring and lowest in the Summer, which is generally the peak of the local food supply.

To address these concerns, the University respectfully requests that the exclusions set forth in Section 1 and language excluding concession agreements be added to Section 2 of the bill to be properly codified and clarify the legislature's intent.

Thank you for the opportunity to testify on HB 1568 HD2.