



House Select Committee on COVID-19 Economic and Financial Preparedness
Monday, April 20, 2020
10:00 a.m.

COVID-19 Impacts on Hawaii's Agricultural Producers

After urgent health issues, feeding our community is the most critical challenge we face in the continuing coronavirus pandemic. With no clear end to the crisis within sight, we are already seeing the attention of leaders from around the world shift as food producer markets contract and transportation networks are shaken to their core.

Hawaii's tenuous dependence on just-in-time delivery and importing 90% of our food has left our communities exposed to another heightened threat. The second curve to "flatten" is food insecurity.

Food banks and non-profits are struggling to feed Hawaii families on a massive scale – especially those most impacted by this crisis. They are doing this all while their usual sources of funds and donations are diminished. In a typical month, the Hawaii Foodbank purchases roughly \$33,000 in food. Over the last four weeks, it has had to make \$640,000 in purchases to keep up with demand. It is also encountering other challenges unique to these times, such as having to outbid other food banks and grocers across the country due to demand for long shelf-life goods and consumer hoarding.

Skyrocketing unemployment rates (more than 240,000 people in Hawaii since March 1, 2020) are intensifying fears and the uncertainty many now face around access to the basic necessity of food. Adding to this perfect storm is the threat of a literal one, as hurricane season nears. We would be gambling with lives to assume a pandemic is the only crisis Hawaii may face in the coming months.

Local farmers serve as a lifeline. They are our greatest defense against food insecurity and our greatest hope for future resiliency. They need our support as much as we need theirs.

Short Term Need:

Hawaii will receive an estimated \$4B in COVID-19 funding through the CARES Act, including \$1.25B for State and County response efforts, \$1.14B in unemployment assistance, \$1.24B in direct cash payments to Hawaii residents, \$130M for food stamps/SNAP, \$53M for local school and colleges, \$11M for community health centers, and \$8M in community development block grants.

1. Creation of a Food Security Subsidy Fund/Program
 - a. Provide funding directly to local food producers that provide food to the community through local non-profits (i.e., Hawaii Foodbank) that provide free or discounted fresh produce or prepared meals to Hawaii's community.
 - b. Provide direct funding to local food producers for farm inputs and other production costs that include, but are not limited to, feed, water fees, land lease/rents, energy costs, and transportation costs.

2. Local farmer/rancher voice as member on the House Select COVID-19 Committee on Economic and Financial Preparedness.
3. State influence with Federal programs that can bring resources to local producers.
 - a. SNAP expansion: provide new funds to support this program and expand Hawaii participation including increased support for SNAP Double Up Food Bucks program for local food purchases.
 - b. PPP: encourage federal government to increase funding for this program and clearly state that funding is available for local producers.
 - c. Influence the USDA (including its undefined program to provide \$9.5B) to support and expand programs such as: small producer grants, grants to organizations facilitating direct farm to consumer delivery, loan forgiveness/forbearance, technical assistance to navigate the federal opportunity process, reimbursement of transportation cost payment program, and microgrants.
4. Influencing State institutional restrictions and purchasing
 - a. DOE, DOH, HHSC, PSD - food programs with minimum local food purchasing.
 - b. For example, increase DOE meals to have at least 25% of the content be local food within 5 years.
 - c. State institutional buying should consider forward-looking contracts so that farmers can plan to meet institutional demand.
 - d. Allow use of state facilities such as DOE kitchens and cold storage to support community food programs.
5. Official statement supporting and re-opening farmers' markets that comply with health restrictions to protect vendors and customers across the state.
 - a. Prompt establishment of a "certification" classification for these markets or clarification of Governor Ige's Third Supplemental Proclamation that only allows "certified" (a non-existent classification) farmers' markets to remain open.
 - b. Many markets are already taking precautionary steps to ensure safety during this time.

Long Term Need:

1. State DOA CIP shovel-ready projects that support the ag industry
 - a. All agricultural irrigation projects – provide much needed resource to continue growing local food.
 - i. Includes work in East Maui, Galbraith, Kahuku, Molokai, Waimanalo, Waimea, Honokaa-Paauilo, & Waiahole
 - b. Kamuela Vacuum Cooling Plant FSMA compliance
 - c. Oahu Livestock Feed Mill
2. Consideration of CIP GIA's that support the agricultural producers statewide.
 - a. Food hub/aggregation site development across the state to accommodate aggregation/intake, cold storage, packaging and processing, and delivery services.
 - b. Future harvesting facilities to increase local livestock products for local consumption.
3. State institution local purchasing goals – develop mandates requiring local purchasing for all state meal services.