



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

June 29, 2018

GOV. MSG. NO. 1190

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Twenty-Ninth State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Twenty-Ninth State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on June 29, 2018, the following bill was signed into law:

HB1577 HD1 SD2 CD1

RELATING TO COMPOSTING
ACT 089 (18)

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

Approved by the Governor
on JUN 29 2018
HOUSE OF REPRESENTATIVES
TWENTY-NINTH LEGISLATURE, 2017
STATE OF HAWAII

ACT 089
H.B. NO. 1577
H.D. 1
S.D. 2
C.D. 1

A BILL FOR AN ACT

RELATING TO COMPOSTING.

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

1 SECTION 1. The legislature finds that according to the
2 United States Environmental Protection Agency and United States
3 Department of Agriculture, food waste is the second largest
4 component that enters a waste stream and accounts for twenty-
5 five per cent of all materials sent to landfills. Recycling
6 food waste into compost has environmental benefits, such as
7 improving soil health, increasing drought resistance, and
8 reducing the need for supplemental water, fertilizers, and
9 pesticides. Furthermore, applying compost and organic matter to
10 soil sequesters carbon from the atmosphere, forming the largest
11 land-based carbon sink, and mitigates climate change by
12 effectively reducing greenhouse gas emissions. The legislature
13 believes that food waste diversion will help move the State
14 toward the Aloha+ Challenge commitment of seventy per cent waste
15 stream reduction by 2025.

16 The purpose of this Act is to appropriate moneys to the
17 department of agriculture to establish and implement a compost



1 reimbursement pilot program to assist farmers and ranchers in
2 the State with affordable compost material.

3 SECTION 2. (a) The department of agriculture shall
4 establish and implement a three-year compost reimbursement pilot
5 program to provide cost reimbursement to farming operations in
6 the State to assist farmers and ranchers in meeting the costs of
7 acquiring compost purchased from a certified processor, dealer,
8 retailer, or wholesaler licensed to do business in the State.

9 (b) Applications for cost reimbursements shall be
10 submitted on a form furnished by the department and shall be
11 filed with accompanying documentation of the costs of purchasing
12 compost pursuant to subsection (c); provided that:

13 (1) The applicant shall indemnify and hold harmless the
14 State and its officers, agents, and employees from all
15 claims arising out of or resulting from the compost
16 purchased; and

17 (2) The department may request an applicant to provide
18 necessary information for the purposes of verifying
19 the size or sale weight, as applicable, and amount of
20 compost purchased.



1 (c) Documentation of compost costs, requested by the
2 department, shall be filed for compost purchased within the
3 fiscal year immediately preceding the filing and be effective
4 for compost costs incurred after June 30, 2018, and before July
5 1, 2021.

6 (d) Funds shall be dispersed upon approval on an annual
7 basis by the department to the farmer or rancher for up to fifty
8 per cent of the costs incurred for the purchase of the compost
9 after June 30, 2018, and before July 1, 2021.

10 (e) The department shall aggregate the total reimbursement
11 applications pursuant to this section and divide and distribute
12 the available moneys on a first come, first served basis;
13 provided that no single farmer or rancher shall receive a
14 reimbursement total of more than \$50,000 per year.

15 (f) There is established within the department a compost
16 reimbursement pilot program manager position, which shall be a
17 full-time, temporary position exempt from chapters 76 and 89,
18 Hawaii Revised Statutes. The compost reimbursement pilot
19 program manager shall possess a requisite level of knowledge and
20 expertise in the area of program management necessary to carry



1 out the duties of the position. The compost reimbursement pilot
2 program manager shall:

3 (1) Facilitate the division and distribution of available
4 costs for reimbursement; and

5 (2) Manage the day-to-day coordination of the compost
6 reimbursement pilot program.

7 The compost reimbursement pilot program manager shall receive a
8 salary not to exceed \$50,000 per year.

9 (g) Any action taken by the department pursuant to this
10 section shall be exempt from the rulemaking requirements of
11 section 91-3, Hawaii Revised Statutes.

12 (h) As used in this section:

13 "Compost" means a product of a process in which organic
14 materials are biologically decomposed under controlled
15 conditions to produce a stable humus-like mulch or soil
16 amendment. The composting process includes but is not limited
17 to receipt of materials, primary processing, decomposition
18 activities, and final processing for sale and marketing.
19 Compostable materials shall include pre- and post-consumer food
20 waste, waste from animal food processing operations, green



1 waste, crop residues, and waste from vegetable food processing
2 operations and similar materials.

3 "Department" means the department of agriculture.

4 "Farming operations" shall have the same meaning as in
5 section 165-2, Hawaii Revised Statutes.

6 SECTION 3. The department of agriculture shall submit a
7 report of its findings and recommendations, including any
8 proposed legislation, regarding the results of the compost
9 reimbursement pilot program and whether the program should be
10 reinstated, with or without modifications, to the legislature no
11 later than twenty days prior to the convening of the regular
12 session of 2022.

13 SECTION 4. There is appropriated out of the general
14 revenues of the State of Hawaii the sum of \$1,000,000 or so much
15 thereof as may be necessary for fiscal year 2018-2019 for the
16 department of agriculture to develop and implement a compost
17 reimbursement pilot program pursuant to section 2 of this Act;
18 provided that the department of agriculture may expend:

- 19 (1) \$50,000 per year to establish one full-time, temporary
20 program manager position for the compost reimbursement
21 pilot program; and



1 (2) \$20,000 per year for program and administrative costs.

2 The sum appropriated shall be expended by the department of
3 agriculture for the purposes of this section; provided that this
4 appropriation shall not lapse at the end of fiscal year 2018-
5 2019; provided further that all moneys that are unencumbered as
6 of June 30, 2020, shall lapse as of that date.

7 SECTION 5. This Act shall take effect on July 1, 2018;
8 provided that section 2 of this Act shall be repealed on
9 December 31, 2021.

APPROVED this 29 day of JUN , 2018



GOVERNOR OF THE STATE OF HAWAII



HB No. 1577, HD 1, SD 2, CD 1

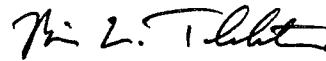
THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 1, 2018
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Twenty-Ninth Legislature of the State of Hawaii, Regular Session of 2018.



Scott K. Saiki
Speaker
House of Representatives



Brian L. Takeshita
Chief Clerk
House of Representatives

H.B. No. 1577, H.D. 1, S.D. 2, C.D. 1

THE SENATE OF THE STATE OF HAWAI'I

Date: May 1, 2018
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the
Senate of the Twenty-ninth Legislature of the State of Hawai'i, Regular Session of 2018.



President of the Senate



Clerk of the Senate