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SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT Monday, March 10, 2025 — 1:01 p.m.

Ulupono Initiative <u>strongly supports</u> HB 773 HD 1, Relating to Agriculture.

Dear Chair Gabbard and Members of the Committee:

My name is Micah Munekata, and I am the Director of Government Affairs at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve the quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food, renewable energy and clean transportation choices, and better management of freshwater resources.

Ulupono strongly supports HB 773 HD 1, which appropriates funds to establish grant specialist positions to assist farmers and ranchers in meeting the requirements to receive grants offered by the United States Department of Agriculture, State, counties, or private entities.

Ulupono supports the State's efforts to actively pursue grant opportunities that help local agriculturalists. Many federal programs are dedicated to aiding departments or agencies across the states that can apply for funding to support local initiatives. Establishing and funding positions within the DOA for this work is extremely timely, not only to secure new funding for local farmers and ranchers, but also to preserve existing grant funding amid current uncertainties at the federal level.

Based on a preliminary search of federal funding opportunities available in FY25, the DOA identified more than 20 distinct funding opportunities totaling more than \$22 million in potential awards. These range from agricultural innovation to water infrastructure to food systems development. The DOA is well positioned to secure significant federal resources, but only if equipped with sufficient staff capacity to pursue these opportunities, as many of these grants require complex applications with detailed project budgets, measurable outcomes, and coordination across agencies and stakeholders. Without this capacity, Hawai'i risks leaving millions in federal dollars on the table that could otherwise support critical investments in agricultural infrastructure, food security, and more. Even securing just a few of the larger grants like the \$5 million Regional Conservation Partnership Program or Regional Agricultural Promotion Program would justify the personnel costs with substantial and transformative return on investment.



To further illustrate the substantial return on investment from agricultural grant writing, we offer an example from the private nonprofit sector: From 2014 to 2023, Ulupono provided funding for grant writers with organizations such as The Kohala Center, the Oʻahu Agriculture and Conservation Association, and the Hawaiʻi Farm Bureau. These efforts brought in a total of approximately \$140 million, 100 times the full grant writing investment. Ulupono believes that the State should strongly consider general funding DOA grant writers as they will similarly prove well worth the investment and result in millions of dollars in federal funding to further support the State's agricultural efforts.

We appreciate this committee's effort to hear important measures that look to establish long-term support for our local farmers and ranchers.

Thank you for the opportunity to testify.

Respectfully,

Micah Munekata Director of Government Affairs

Attachment



STRENGTHENING HDOA'S ABILITY TO ACCESS FEDERAL FUNDING

Funding grant writing staff within the Hawai'i Department of Agriculture (HDOA) is a valuable investment that can yield a high return and long-term benefits for the state. Not only are they essential for pursuing new funding but also for maintaining existing federal grants — particularly crucial given current uncertainties in the federal funding landscape — which makes it imperative to build this capacity as quickly as possible. Filling these positions also follows through on legislators' requests to maximize existing positions toward legislative intent.

Budget Request

Three grant writer positions to be dedicated to securing block and competitive federal grant programs.

- HDOA manages approximately \$6 million in recurring annual grants. For FY2025, an additional \$22 million in new federal funding opportunities has been identified, bringing the total potential grant funding to \$28 million.
- Examples of funding opportunities are:
 - \$5 million USDA Regional Agricultural Promotion Program
 - \$5 million U.S. Bureau of Reclamation WaterSMART Storage Projects
 - \$1.82 million USDA Local Food for Schools and Child Care Program
 - \$1.32 million for school food programs
 - \$496,000 for child care facilities
 - \$1.21 million USDA Local Food Purchase Assistance Program
 - \$1 million USDA Regional Food Systems Partnerships
- These grants support diverse agricultural initiatives including innovation, water infrastructure improvements, and food systems development.

Why Grant Writers?

This investment in personnel could result in a return on investment dozens of times over. Skilled grant writers will help the State to:

- Access federal funds by preparing competitive and compelling grant proposals that align with local farmer needs
- Identify and pursue grants that supplement and leverage existing State resources, maximizing the impact of HDOA's programs

Federal grants will provide:

- Additional means to support important projects and services without solely relying on State funds, especially in times of natural disasters and economic hardship
- A diversified source of long-term funding for HDOA, offering stability and flexibility to address emerging challenges or capitalize on new opportunities



STRENGTHENING HDOA'S ABILITY TO ACCESS FEDERAL FUNDING

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Did You Know That ...

Stimulus bills approved by Congress beginning in 2020 unleashed the largest flood of federal money into the U.S. economy. Roughly \$5 trillion went to households, mom-and-pop shops, restaurants, airlines, hospitals, local governments, schools, and other institutions around the country grappling with the blow inflicted by COVID-19. A number of large USDA grant programs were created. The HDOA needs grant writer support in order to go after these multi-million-dollar opportunities.

Other Benefits for the State

By having grant writers on HDOA's staff, the State will benefit from:

- Grant writing is a specialized skill, and having dedicated grant writers allows other HDOA staff to focus on their core responsibilities leading to better use of resources and expertise.
- Aligned grant-seeking efforts with the HDOA's strategic goals and priorities ensures that all federal funding opportunities will support the agency's long-term objectives.
- Stronger partnership with Hawai'i's congressional delegation to better communicate the agricultural industry's needs.



Return on Investment

Grant writers provide a significant return on investment

Investing in grant-writing capacity not only pays for itself but also brings in funds several times the initial investment.

- Ulupono Initiative invested \$1.4 million in grant writers over the past 10 years through organizations such as The Kohala Center, Oʻahu Agriculture & Conservation Association, and Hawaiʻi Farm Bureau.
- Secured ~\$140 million for local agriculture (100x return on investment).
- This included unprecedented funding from the USDA.
 - \$40 million from the Climate-Smart Commodities program to help farmers fund climate-smart farming practices that reduce greenhouse gas emissions.
 - \$30 million from the Regional Food Business Centers (RFBC) program to establish regional centers, which provide farmers with grants and connect them with federal programs.
 - \$3.2 million from the newly created USDA Resilient Food Systems Infrastructure (RFSI) program.