

GOV. MSG. NO. 1048

#### EXECUTIVE CHAMBERS

HONOLULU

LINDA LINGLE GOVERNOR

July 10, 2007

The Honorable Colleen Hanabusa, President and Members of the Senate Twenty-Fourth State Legislature State Capitol, Room 409 Honolulu, Hawaii 96813

Dear Madam President and Members of the Senate:

I am transmitting herewith SB1988 SD1 HD2, without my approval, and with the statement of objections relating to the measure.

SB1988 SD1 HD2

A BILL FOR AN ACT RELATING TO HONEY.

Sincerely,

LINDA LINGLE

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WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of the Governor's plan to return with the Governor's objections any bill presented to the Governor less than ten days before adjournment sine die or presented to the Governor after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 1988, entitled "A Bill for an Act Relating to Honey," passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 1988 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, LINDA LINGLE, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 1988 with my objections thereon to the Legislature as provided by said Section 16 of Article III of the Constitution.

> DONE at the State Capitol, Honolulu, State of Hawaii, this 25th day of June, 2007.

LINDA LINGLE Governor of Hawaii

# EXECUTIVE CHAMBERS HONOLULU July 10, 2007

#### STATEMENT OF OBJECTIONS TO SENATE BILL NO. 1988

Honorable Members Twenty-Fourth Legislature State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1988, entitled "A Bill for an Act Relating to Honey."

The purpose of this bill is to establish labeling and advertising requirements for products produced in whole or in part from Hawaii-produced honey.

This bill is objectionable because its raises serious constitutional issues, particularly in its effect on interstate commerce and commercial free speech.

While I applaud this bill's attempt to ensure the accurate labeling and advertising of honey products that are produced in Hawaii and the integrity of products that claim to contain Hawaii's high quality honey, this bill does not limit its application to such. Instead it is far-reaching in its application to all honey products that contain any amount of Hawaii-produced honey, even reaching labeling requirements for those who were not planning on making any claims with regard to geographic origin. For example, this bill would require STATEMENT OF OBJECTIONS SENATE BILL NO. 1988 Page 2

particular geographic identification for honey with a very small quantity of Hawaii honey, even in the absence of a desire by the manufacturer to make any representation as to type or origin of the honey. Thus, this bill is simply not narrowly tailored to prevent the deception or misleading of consumers, as its labeling and advertising requirements would apply even to products that may not otherwise make a claim to contain Hawaii-produced honey or are not otherwise deceptive or misleading. Therefore, this bill's labeling and advertising requirements may be deemed to be more extensive than necessary to advance the Legislature's purpose, in violation of the First Amendment.

The bill also presents significant Commerce Clause issues, especially as it reaches products distributed outside Hawaii. The bill attempts to regulate manufacturers and advertisers outside of Hawaii who deal with products that contain at least a portion of Hawaii-produced honey. Additionally, the wording of this bill would require honey produced outside of Hawaii to meet Hawaii's grade standards.

In contrast, current law regulating the labeling of Hawaii-grown coffee applies only to the portion of the coffee that is Hawaii-grown. Similarly, labeling requirements for Hawaii-grown macadamia nuts apply only to package labels making the geographic claim that all or a portion of its macadamia nut STATEMENT OF OBJECTIONS SENATE BILL NO. 1988 Page 3

contents were grown in Hawaii. These laws are more narrowly tailored to achieving accurate and non-deceptive labeling of Hawaii-grown products.

I believe this bill should be re-written so that misleading or deceptive claims about Hawaii honey are prohibited, but also so that the bill does not violate provisions of the United States Constitution.

For the foregoing reasons, I am returning Senate Bill No. 1988 without my approval.

Respectfully,

LINDA LINGLE **O** Governor of Hawaii

THE SENATE TWENTY-FOURTH LEGISLATURE, 2007 STATE OF HAWAII

# **VETO** S.B. NO. <sup>1988</sup> S.D. 1 H.D. 2

# A BILL FOR AN ACT

RELATING TO HONEY.

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

SECTION 1. The legislature finds that producers of high
quality honey in Hawaii have been losing market share to
products labeled as "Honey", which fail to disclose their
country of origin or contain blends of sweeteners that should be
labeled as "processed honey".

6 The legislature also finds that large amounts of processed 7 honey are imported into the United States, repackaged by United 8 States-based companies, and labeled using formats and verbiage 9 that mislead the consumer into believing that the products are 10 pure honey produced in the United States. While this is a 11 consumer protection issue, it is also one of fairness to Hawaii 12 honey producers and the United States honey industry.

13 The purpose of this Act is to ensure that honey products: 14 (1) Are accurately advertised or labeled as produced in 15 Hawaii; and

16 (2) If advertised or labeled as produced in Hawaii, meet17 grade standard requirements of the U.S. Department of

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1	Agriculture and rules established by the state	
2		department of agriculture.
3	SECI	TION 2. Chapter 486, Hawaii Revised Statutes, is
4	amended by adding a new section to be appropriately designated	
5	and to read as follows:	
6	" <u>§</u> 48	6- Hawaii-produced honey; labeling requirements.
7	<u>(a) In a</u>	ddition to all other labeling requirements, the
8	identity	statement used for labeling or advertising honey
9	products	produced in whole or in part from Hawaii-produced honey
10	shall mee	t the following requirements:
11	(1)	For honey that contains one hundred per cent Hawaii-
12		produced honey by weight, the identity statement may
13		consist of the phrase "Hawaiian honey";
14	(2)	For honey consisting entirely of two or more Hawaii-
15		produced honeys, the identity statement may consist of
16		the per cent honey by weight of the Hawaii-produced
17		honeys used in the blend, and the phrase "blend of
18		Hawaiian honeys";
19	(3)	For honey consisting of a blend of one or more Hawaii-
20		produced honeys and honey not produced in Hawaii, the
21		identity statement shall consist of the per cent honey
22		by weight of the Hawaii-produced honeys used in the



1		blend and the per cent honey by weight of the honey
2		not produced in Hawaii and the phrase "honey blend";
3		and
4	(4)	Each word or character in the identity statement shall
5		be of the same type size and shall be contiguous. The
6		smallest letter or character of the identity statement
7		on packages of sixteen ounces or less net weight shall
8		be at least one and one-half times the type size
9		required under federal law for the statement of net
10		weight, or three-sixteenths of an inch in height,
. 11		whichever is smaller. The smallest letter or
12		character of the identity statement on packages of
13		greater than sixteen ounces net weight shall be at
14		least one and one-half times the type size required
15		under federal law for the statement of net weight.
16		The identity statement shall be conspicuously
17		displayed without any intervening material in a
18		position above the statement of net weight. Upper and
19		lower case letters may be used interchangeably in the
20		identity statement.
21	<u>(b)</u>	A listing of the geographic origins of a blend
22	consistin	g of one hundred percent Hawaii-produced honey may show



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1	the various Hawaii-produced honeys on the label. If used, this
2	list shall consist of the term "contains:", followed by, in
3	descending order of per cent by weight and separated by commas,
4	the respective geographic origin of the various honeys in the
5	blend that the manufacturer chooses to list. Each geographic
6	origin shall be preceded by the per cent honey by weight
7	represented by that geographic origin expressed as a number
8	followed by the per cent sign. The type size used for this list
9	shall not exceed half that of the identity statement. This list
10	shall appear below the identity statement, if included on the
11	front panel of the label.
12	(c) A listing of the geographic origins of honeys not
13	produced in Hawaii that are included in a blend shall be shown
14	on the label. This list shall consist of the term "contains:",
15	followed by, in descending order of per cent by weight and
16	separated by commas, the respective geographic origin of various
17	honeys in the blend. Each geographic origin shall be preceded
18	by the per cent of honey by weight represented by that
19	geographic origin, expressed as a number followed by the per
20	cent sign. The type size used for this list shall not exceed
21	half that of the identity statement. This list shall appear
77	below the identity statement

22 below the identity statement.

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1	<u>(d)</u>	It shall be a violation of this section:
2	<u>(1)</u>	To use the identity statement specified in paragraphs
3		(a)(1) and (2) or similar terms in labeling or
4		advertising unless the package of honey contains one
5		hundred per cent honey produced in the state;
6	(2)	To use the geographic origin "Hawaii" or any
7		geographic origin located in the state in labeling or
8		advertising, including in conjunction with a variety
9		of honey or in any other manner, if the honey contains
10		less than fifty-one per cent honey by weight produced
11		in the state;
12	<u>(3)</u>	To use a geographic origin in labeling or advertising
13		honey, including in conjunction with a variety of
14		honey or in any other manner, if the honey used in
15		that product does not meet the grade standard
16		requirements of rules adopted under chapter 147; and
17	(4)	To misrepresent the geographic origin, on a label or
18		in advertisements, of honey that has been imported
19		into the United States in bulk and repackaged.
20	<u>(e)</u>	Apiculturists, manufacturers, or other persons who
21	package h	oney covered by this section shall:

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1	(1)	Maintain, for a period of two years, records on the
2		volume and geographic origin of honeys produced and
3		sold and any other records required by the department
4		for the purpose of enforcing this section; and
5	(2)	Provide authorized employees of the department with
6		access to these records during normal business hours.
7	(f)	The department shall adopt rules pursuant to chapter
8	<u>91 to est</u>	ablish and enforce a program certifying compliance with
9	. this sect	ion and ensuring that honey sold in this state is not
10	misbrande	d as defined in sections 486-1 and 486-118.
11	<u>(g)</u>	For the purposes of this section:
12	"Geo	graphic origin" means that country, state, region,
13	county, c	ity, town, village, or place where the raw honey is
14	collected	, packaged, or otherwise produced.
15	"Per	cent honey by weight" means the percentage calculated
16	by dividi	ng the weight in pounds of honey of one geographic
17	origin us	ed in a production run of blended honey, by the total
18	weight in	pounds of the honey used in that production run of
. 19	honey, and	d multiplying the quotient by one hundred.
20	"Var:	iety of honey" means the significant variety of floral
21	source or	the classification of flavor of the honey.

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1	SECTION 3. Chapter 147, Hawaii Revised Statutes, is			
2	amended as follows:			
3	1. By amending the title of part I to read:			
4	"PART I. FRESH FRUITS AND VEGETABLES, NUTS, HONEY, AND COFFEE"			
5	2. By amending the title of part II to read:			
6	"PART II. EXPORTS: FRUITS, VEGETABLES,			
7	NUTS, [AND] COFFEE, AND HONEY"			
8	SECTION 4. Section 147-1, Hawaii Revised Statutes, is			
9	amended by amending the definition of "agricultural commodity"			
10	to read as follows:			
11	""Agricultural commodity" means fresh fruits and fresh			
12	vegetables of every kind and character, whether or not frozen or			
13	packed in ice, whether produced in the State or imported, nuts,			
14	and coffee, whether cherry, or parchment, or green beans which			
15	have been produced in the State[+], and raw unprocessed honey,			
16	whether produced in the State or imported."			
17	SECTION 5. Section 147-21, Hawaii Revised Statutes, is			
18	amended by amending the definition of "agricultural commodity"			
19	to read as follows:			
20	""Agricultural commodity" means fruits, vegetable, nuts,			
21	[and] coffee[+], and raw unprocessed honey."			

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SECTION 6. Statutory material to be repealed is bracketed
and stricken. New statutory material is underscored.

SECTION 7. This Act shall take effect on July 1, 2007.