
A BILL FOR AN ACT

RELATING TO AGRICULTURE.

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

1 SECTION 1. Chapter 147, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§147- Agricultural commodities; "made in Hawaii"
5 labeling requirements; penalties. (a) Retailers, distributors,
6 farmers, producers, and producer-distributors that sell
7 agricultural commodities for purchase or consumption by
8 consumers may be subject to "made in Hawaii" labeling
9 requirements pursuant to law or adopted by the board of
10 agriculture through rules.

11 (b) No later than July 1, 2015, "made in Hawaii" labeling
12 requirements of all agricultural commodities may be determined
13 by the board through rules adopted pursuant to chapter 91. Any
14 rules that the board of agriculture adopts pursuant to this
15 section shall have the force and effect of law and shall not
16 supersede any state law regarding "made in Hawaii" labeling
17 requirements for agricultural commodities enacted prior to the
18 effective date of this Act.



1 (c) Any person who violates this section or rules adopted
2 pursuant to this section shall be subject to penalties under
3 section 147-2.

4 (d) For the purposes of this section, "made in Hawaii"
5 labeling requirements" means the written, printed, or graphic
6 matter on or attached to an agricultural commodity or any of its
7 containers or wrappers that uses the phrase "made in Hawaii" or
8 "produced in Hawaii" or that by any other means represents the
9 geographic origin of the agricultural commodity as being from
10 any place within the State."

11 SECTION 2. Section 147-4, Hawaii Revised Statutes, is
12 amended to read as follows:

13 **"§147-4 Rules.** The department may make rules, subject to
14 chapter 91:

15 (1) Defining grades and grade labeling requirements of
16 agricultural commodities and standard containers for
17 packing of particular agricultural commodities;

18 (2) Prohibiting the sale, offering for sale, or
19 transportation of agricultural commodities unless
20 packed in standard containers and labeled with the
21 appropriate grade or offgrade designation; provided
22 that this prohibition shall not apply to the sale,



1 offering for sale, or transportation to a plant for
2 grading, packing, or processing, or transportation to
3 a warehouse for storage;

4 (3) Prohibiting the use of grade terms or abbreviations of
5 grade terms on agricultural commodities for which no
6 grades have been established under this part;

7 (4) Defining "suitable shipping condition" for
8 agricultural commodities which are to be shipped for
9 sale from one island to another within the State or to
10 points outside the State, and prohibiting such
11 shipment for sale of agricultural commodities which do
12 not meet the minimum standards set for "suitable
13 shipping condition";

14 (5) Prescribing records to be kept in connection with
15 purchases of agricultural commodities by persons,
16 other than produce dealers purchasing from a producer
17 or producers, for purposes of resale five or more tons
18 of agricultural commodities during any one calendar
19 month;

20 (6) Prescribing records to be kept by produce dealers in
21 connection with the purchase, sale, transport for



- 1 sale, solicitation, or negotiation of sale with
2 respect to an agricultural commodity; ~~and~~
- 3 (7) Relating to the inspection and documentation of the
4 geographic origin of Hawaii-grown green coffee
5 beans~~[-]~~; and
- 6 (8) Beginning July 1, 2015, defining "made in Hawaii"
7 labeling requirements of all agricultural commodities.

8 In making the rules the department shall take into account,
9 among other things, the factors of maturity, condition,
10 soundness, color, shape, size, and freedom from defects of the
11 agricultural commodity in question ~~and shall also take into~~
12 ~~consideration~~; the official standards, grades, or
13 classifications adopted by the secretary of the Department of
14 Agriculture of the United States, commonly known as U.S.
15 Grades~~[-]~~; the geographic origin of the agricultural commodities
16 or any portion thereof; and the accuracy or completeness of and
17 implications reasonably created by any labeling of agricultural
18 commodities regarding quality, official standards, grades,
19 classifications, or geographic origin."

20 SECTION 3. Section 147-22, Hawaii Revised Statutes, is
21 amended to read as follows:



1 "**§147-22 Rules.** The department shall have the necessary
2 powers to carry out and effectuate the purposes of this part,
3 including [~~the following~~]

4 ~~To establish, prescribe, modify, or alter,~~ establishing,
5 prescribing, modifying, or altering, by rules, such grades,
6 standards, grade labels, and classifications as shall be the
7 minimum requirements for fresh and processed agricultural
8 commodities destined for shipment by commercial exporters to
9 points outside the State; provided that [~~the~~]:

10 (1) Beginning on July 1, 2015, any "made in Hawaii"
11 labeling requirements for agricultural commodities
12 shall comply with rules adopted by the board pursuant
13 to section 147- ;

14 (2) The provisions of such grades, standards, grade
15 labels, and classifications shall not excuse failure
16 to comply with the provisions of the federal and state
17 food, drug, and cosmetic acts[-];

18 (3) The department, in establishing such rules, shall
19 consult with appropriate state and federal agencies
20 and with any appropriate industry or trade
21 organization[-];



- 1 (4) The standards, grades, grade labels, and
2 classifications so established shall be on the basis
3 of what the department may deem best suited to the
4 agricultural, horticultural, or other interests of the
5 State; provided further that the minimum requirements
6 for the grades, standards, grade labels, and
7 classifications so established for processed
8 agricultural commodities shall not be higher than that
9 of any standardized product which is sanitary and
10 which has been demonstrated to be a commercially-
11 acceptable product of the class to which it belongs
12 and for which a market has been established; [~~provided~~
13 ~~further that different~~]
- 14 (5) Different minimum requirements may be applied to
15 different styles of processed agricultural
16 commodities; and [~~provided further that any~~]
- 17 (6) Any processed pineapple product, in which the fruit
18 ingredient is at least ninety-five per cent pineapple
19 in compliance with the provisions of the federal and
20 state food, drug, and cosmetic acts, may be exported
21 from the State."



1 SECTION 4. Section 486-119, Hawaii Revised Statutes, is
2 amended to read as follows:

3 **"§486-119 Hawaii-made products; Hawaii-processed products.**

4 (a) No person shall keep, offer, display or expose for sale, or
5 solicit for the sale of any item, product, souvenir, or any
6 other merchandise that is labeled "made in Hawaii" or that by
7 any other means misrepresents the origin of the item as being
8 from any place within the State, or uses the phrase "made in
9 Hawaii" as an advertising or media tool for any craft item that
10 has not been manufactured, assembled, fabricated, or produced
11 within the State and that has not had at least fifty-one per
12 cent of its wholesale value added by manufacture, assembly,
13 fabrication, or production within the State.

14 (b) Subsection (a) notwithstanding, no person shall keep,
15 offer, display, expose for sale, or solicit the sale of any
16 perishable consumer commodity that is labeled "made in Hawaii",
17 "produced in Hawaii", or "processed in Hawaii" or that by any
18 other means represents the origin of the perishable consumer
19 commodity as being from any place within the State, or use the
20 phrase "made in Hawaii", "produced in Hawaii", or "processed in
21 Hawaii" as an advertising or media tool for any perishable
22 consumer commodity, unless the perishable consumer commodity is



1 wholly or partially manufactured, processed, or produced within
2 the State from raw materials that originate from inside or
3 outside the State and at least fifty-one per cent of the
4 wholesale value of the perishable consumer commodity is added by
5 manufacture, processing, or production within the State.

6 (c) This section shall not apply to the "made in Hawaii"
7 labeling requirements of agricultural commodities determined by
8 the board through rules adopted pursuant to section 147- ."

9 SECTION 5. There is appropriated out of the general
10 revenues of the State of Hawaii the sum of \$ or so
11 much thereof as may be necessary for fiscal year 2014-2015 for
12 the board of agriculture to create "made in Hawaii" labeling
13 requirements, through rules, for agricultural commodities in
14 Hawaii.

15 The sum appropriated shall be expended by the department of
16 agriculture for the purposes of this Act.

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

19 SECTION 7. This Act shall take effect on July 1, 2050.



Report Title:

Agricultural Commodities; "Made in Hawaii" Labeling Requirements; Board of Agriculture; Appropriation

Description:

Authorizes the Board of Agriculture to create "made in Hawaii" labeling requirements for all agricultural commodities in Hawaii no later than July 1, 2015, through rules, which shall not supersede any state law regarding "made in Hawaii" labeling requirements for agricultural commodities enacted prior to the effective date of this Act. Effective July 1, 2050. (SD2)

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