

Honolulu, Hawaii

FEB 13 2013

RE: S.B. No. 737

S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Madam:

Your Committee on Agriculture, to which was referred S.B. No. 737 entitled:

"A BILL FOR AN ACT RELATING TO TRUTH-IN-ADVERTISING,"

begs leave to report as follows:

The purpose and intent of this measure is to establish a farmers' market operator license to ensure that greater than fifty percent of vendors in farmers' markets sell food, farm produce, or flowers prepared, grown, or produced in Hawaii.

Your Committee received testimony in support of this measure from Hui O Malama Aina and one individual. Your Committee received testimony in opposition to this measure from the Ala Moana Farmers Market, Haleiwa Farmers Market, and three individuals. Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that consumers generally recognize farmers' markets as a venue where vendors sell locally produced or prepared food or agricultural products. In some farmers' markets throughout the State, however, vendors are selling imported agricultural products or products bought from wholesalers, which misleads consumers who believe they are purchasing locally grown products from a farmer. Your Committee further finds that requiring farmers' market operators to be licensed and to ensure that fifty percent of the market's vendors sell locally produced items will be difficult to monitor and enforce and will place a strain on the Department of Agriculture.



Your Committee concludes, however, that truth-in-advertising in farmers' markets is an important public concern and has amended this measure by:

- (1) Removing the farmers' market operator's licensing requirement;
- (2) Removing the requirement that fifty percent of vendors at farmers' markets sell locally grown food and products;
- (3) Requiring that all agricultural products sold at farmers' markets are displayed with a sign or label containing an identity statement declaring the products' geographic origin; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 737, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 737, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Respectfully submitted on
behalf of the members of the
Committee on Agriculture,

Clarence K. Nishihara

CLARENCE K. NISHIHARA, Chair



