

Honolulu, Hawaii

FEB 12 2015

RE: S.B. No. 1040
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committee on Agriculture, to which was referred S.B. No. 1040 entitled:

"A BILL FOR AN ACT RELATING TO FARMERS' MARKETS,"

begs leave to report as follows:

The purpose and intent of this measure is to require that all agricultural products sold at farmers' markets are displayed with a sign or label declaring the products' geographic origin.

Your Committee received comments on this measure from the Department of Agriculture and Hawaii Farm Bureau.

Your Committee finds that farmers' markets play an important role in Hawaii's communities by establishing and maintaining connections between consumers and local farms. Moreover, the consumption of locally produced agricultural products, when practicable, contributes significantly toward the goal set forth by the Hawaii 2050 Sustainability Plan to "increase production and consumption of local foods and products, particularly agricultural products." However, some outdoor markets purporting to be local farmers' markets sell imported agricultural products or agricultural products purchased from wholesalers. Furthermore, vendors are not required to disclose a product's geographic source of origin, thereby potentially misleading unassuming consumers.

Your Committee also finds that while it may be highly difficult for value-added products to contain all local ingredients because some ingredients cannot be sourced in Hawaii,



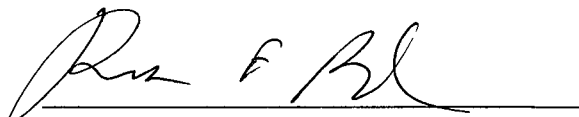
consumers expect that all fresh produce sold at a local farmers' market is of local origin. Additionally, as raised in testimony, your Committee finds that the current definition of "geographic origin" in this measure may conflict with the federal Country of Origin Labeling (COOL) program requirements.

Accordingly, your Committee has amended this measure by:

- (1) Applying the labeling requirement only to fresh produce;
- (2) Amending the definition of "geographic origin" to only include the location where the fresh produce is grown; and
- (3) 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. 1040, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1040, 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,



RUSSELL E. RUDERMAN, Chair



