

STAND. COM. REP. NO.

1615

Honolulu, Hawaii

April 10, 2015

RE: S.B. No. 379
S.D. 2
H.D. 2

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 379, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO FOOD,"

begs leave to report as follows:

The purpose of this measure is to support small businesses engaged in cottage food operations, while ensuring the safety of food products sold by these businesses to the public, by making the Department of Health responsible for regulating cottage food operations, including establishing requirements for cottage food operations, permits, and compilation and posting of a sample list of approved cottage food products.

The Hawaii Farm Bureau, Counter Culture Food + Ferments, Tea Hawaii & Company, Barking Deer Farm, Black Dog Farms Kauai, 'Ai Pohaku, Hawaii Farm Union United, Local Food Coalition, Hawaii Tropical Fruit Growers, Kohala Center, and numerous individuals testified in support of this measure. The Department of Health testified in opposition to this measure. The Department of the Attorney General and an individual provided comments on this measure.



Your Committee notes that the Department of Health is in the process of adopting rules that regulate the permitting process of cottage food operations. Your Committee was informed that the rules regulating the issuance of permits for cottage food operators should be adopted by the end of December 31, 2015. Your Committee notes that this measure is intended to regulate the permitting process of cottage food operations until rules are adopted and will be repealed upon the adoption of rules.

Your Committee further notes that it received testimony that provisions of Chapter 46, Hawaii Revised Statutes (HRS), have unduly caused impediment to the issuance of food establishment permits by the Department of Health.

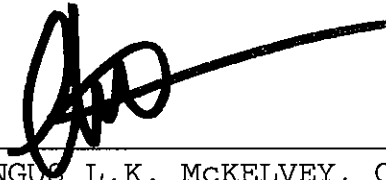
Accordingly, your Committee has amended this measure by:

- (1) Establishing the requirements of this measure under Chapter 321, HRS, rather than Chapter 328, HRS;
- (2) Requiring that each cottage food operation shall specify in the permit application the names of each of its cottage food operators and submit proof of a valid food handlers certificate for each cottage food operator;
- (3) Requiring an application fee of \$25 be collected by the Department of Health with each permit application;
- (4) Requiring that cottage food products be labeled with their ingredients in order of predominance and with a notification that the product has not been inspected by the Department of Health;
- (5) Requiring the Department of Health to issue food establishment permits notwithstanding chapter 46, HRS;
- (6) Changing its effective date to July 1, 2112; provided that Part I of this measure shall take effect on July 1, 2015; provided further that part I of this measure shall be repealed upon the adoption of rules by the department of health that regulate the permitting of cottage food operations; and
- (7) Making technical, nonsubstantive amendments for clarity, consistency, and style.



As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 379, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 379, S.D. 2, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ANGUS L.K. MCKELVEY, Chair



