

## Testimony for the H.B. NO. 2633

Our company, Hawaii Kai Corporation, produces and distributes Hawaiian sea salt products. Currently, we have a Hawaiian sea salt harvesting operation on the island of Molokai. We own land on Molokai and we employ between 8 to 10 individuals, as and when our operation demands. 8 to 10 families, fully or partially, depend of our operations. Additionally, we signed a long term lease agreement with NELHA (Big Island) to build another facility within NELHA, which will employ more individuals and will increase our sea salt and fresh water productions.

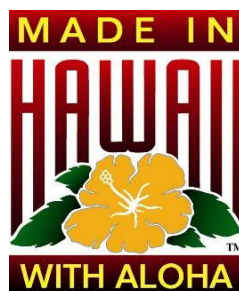
Hawaiian sea salts are very popular in the USA and around the world. During the last few years our business have been suffered by other non-Hawaiian salt producing companies who sell Red and Black sea salts labeling them as "Hawaiian Alaea (Red) sea salt" and "Hawaiian Black sea salt" – in the USA as well as around the world. Based on our knowledge, these companies do not have any operations in the state of Hawaii. It is misleading, especially when Hawaiian contents in their Hawaiian Red (Alaea) sea salt or Hawaiian Black sea salt are questionable. They call it "Hawaiian" on their website and sell these so called Hawaiian sea salts at a much lower price, competing with our more expensive Hawaiian sea salt products.

The misleading labeling practices are damaging to the image of state of Hawaii. They are underselling the great image of Hawaii.

In our current world of diversity and globalized economy, it is practically impossible to make anything 100% Hawaiian, or for that matter, even 100% USA. Hawaii Kai also do have non-Hawaiian components in our sea salts to make it more palatable and practical, which is based on our consumer inputs and requests. For example: to facilitate grinding, dryness, anti-caking, flavor, economical packaging, etc. However, we could at least give assurance to consumers around the world that anything sold as "Hawaiian" has certain authenticity.

In order to determine the authenticity of each Hawaiian product, we would humbly refer to "The Made in Hawaii with Aloha" branding program (MIHA), which is managed by the Hawaii Department of Agriculture (HDOA) and is promoted jointly by HDOA, Hawaii Department of Business, Economic Development and Tourism (DBEDT), and the Chamber of Commerce of Hawaii (CoC).

Companies can apply to HDOA to have each of their product qualified under the MIHA program. The labeling could be consistent with the MIHA program.



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BEFORE THE HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

February 8, 2016  
2:05 P.M.

HOUSE BILL NO. 2633  
RELATING TO PRODUCT LABELING

Chairperson McKelvey and Members of the Committee:

Thank for the opportunity to testify on House Bill No. 2633 relating to product labeling. This bill proposes to establish product labeling standards for products purporting to be Hawaiian sea salt or alaea salt, or Hawaiian salt. The department has concerns with this bill.

Enforcement of this bill is difficult. The department lacks the expertise to determine the identity of salt, whether it was produced from kiln dried salt; or salt water harvested from Hawaii or another geographic location outside of Hawaii; the origin of the alaea; or the percent of alaea contained in alaea salt; or if the salt contains any color additives.

Section 721(a) of the Food, Drug & Cosmetic Act (FD&C) (21 U.S.C. 379e(a)) defines conditions under which a color additive is deemed unsafe. A color additive used in or on a food will be deemed unsafe unless: (1) there is a regulation listing such color additive; (2) the regulation allows that particular use; and (3) the color additive and its use conform to the regulation. Red clay is not listed for safe use by the United States Food and Drug Administration (FDA) under section 721(a) of the FD&C Act. In addition,



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red clay is not otherwise exempt from such listing. Alaea, or red clay is not listed in FDA's regulations for use in coloring food, including sea salt. Therefore, any food that contains this color additive is adulterated under section 402(c) of the FD&C Act (21 U.S.C. 342(c)). The introduction or delivery for introduction into interstate commerce of any food that is adulterated is a prohibited act. The FDA can take enforcement action against an adulterated food product, consistent with our priorities and resources.

Manufacturers of sea salt that intend to add color additives that are not currently approved for food use to their products, such as alaea, must first obtain approval for the use of these substances through the color additive petition process from the FDA.

We respectfully defer to the Department of Health.

Thank you for the opportunity to testify on this measure.