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# A BILL FOR AN ACT

RELATING TO ADVERTISING AND MARKETING.

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

1           SECTION 1. (a) The department of business, economic  
2 development, and tourism, in consultation with the department of  
3 agriculture, shall conduct a study to assess the impacts of  
4 companies selling products in the United States using place-  
5 based marketing without any material ties to the State,  
6 including:

7           (1) A calculation of the resultant gross domestic product  
8 lost due to the non-sale of Hawaii-grown fresh foods  
9 and consumer packaged goods that comply with section  
10 486-119, Hawaii Revised Statutes; and

11           (2) The economic impact on Hawaii's agricultural community  
12 and local businesses actually based in the State or  
13 using Hawaii-grown ingredients.

14           (b) The study shall include recommended solutions to  
15 enable the State to protect itself from economic exploitation  
16 and protect consumers against dishonest or misleading marketing.



1 (c) For the purposes of this Act, the following  
2 definitions shall apply:

3 "Gross domestic product" shall mean the total taxable sales  
4 revenues from the alleged Hawaiian products or consumer packaged  
5 goods generated by companies exploiting the Hawaii brand.

6 "Material ties" shall mean an ingredient or ingredients  
7 that are grown or sourced in the State and marketed as  
8 explicitly derived from the State.

9 "Place-based marketing" includes but is not limited to the  
10 name of any Hawaiian island or district, or marketing the  
11 product as "Hawaiian".

12 (d) The department of business, economic development, and  
13 tourism shall submit a report of findings and recommendations  
14 resulting from the study, including any proposed legislation, to  
15 the legislature no later than twenty days prior to the convening  
16 of the regular session of 2020.

17 SECTION 2. There is appropriated out of the general  
18 revenues of the State of Hawaii the sum of \$ or so much  
19 thereof as may be necessary for fiscal year 2019-2020 for the  
20 department of business, economic development, and tourism, in  
21 consultation with the department of agriculture, to conduct a



1 study to assess the impacts of companies selling products in the  
2 United States using place-based marketing without any material  
3 ties to the State.

4 The sum appropriated shall be expended by the department of  
5 business, economic development, and tourism for the purposes of  
6 this Act.

7 SECTION 3. This Act shall take effect on July 1, 2050.



**Report Title:**

DBEDT; DOA; Study; Report; Economic Impact; Marketing;  
Appropriation

**Description:**

Requires the Department of Business, Economic Development, and Tourism, in consultation with the Department of Agriculture, to conduct a study calculating the economic impact and gross domestic product lost by the State as a result of companies exploiting the Hawaii brand and selling products in the United States using place-based marketing without any material ties to the State. Appropriates funds for the study. Effective 7/1/2050. (SD2)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

