STAND. COM. REP. NO. 1403

Honolulu, Hawaii

MAR 2 2 2019

RE: H.B. No. 1229

H.D. 1

S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirtieth State Legislature Regular Session of 2019 State of Hawaii

Sir:

Your Committees on Energy, Economic Development, and Tourism and Commerce, Consumer Protection, and Health, to which was referred H.B. No. 1229, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO FOOD SAFETY,"

beg leave to report as follows:

The purpose and intent of this measure is to ensure the continued viability of the State's sea salt manufacturing industry by appropriating funds for providing education and support to local businesses regarding the Food and Drug Administration's (FDA) industry guidance on colored sea salt.

Your Committees received testimony in support of this measure from the Chamber of Commerce Hawaii; H.K. Enterprise Group, Inc.; Hawaii Food Manufacturers Association; Salty Wahine Gourmet Hawaiian Sea Salts LLC; Hawaiian Chip Company; Psalty Acres; and one individual. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism.

Your Committees find that the popularity of Hawaii-made sea salt products is on the rise. Sea salt products colored with Hawaiian charcoal, volcanic clay, and other natural ingredients help to promote the State's brand.

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Your Committees also find that the FDA's industry guidance on the use of color additives in sea salt products indicates that sea salt manufacturers who intend to use color additives that are not currently approved for food use should first obtain approval through the FDA's color additive petition process. Based on the testimony of the Department of Business, Economic Development, and Tourism, your Committees further find that to obtain FDA approval of the color additives used by Hawaii sea salt companies, lengthy, costly, and detailed research, studies, and analysis by science and industry experts must be conducted and submitted to the FDA for review.

With the intent to facilitate the continued success of these Hawaii sea salt businesses and maintain the strength and integrity of the Hawaii brand, this measure appropriates funds to the Department of Business, Economic Development, and Tourism to provide education and support to local businesses regarding the industry guidance on colored sea salt. However, since the appropriation of public funds proposed by this measure would largely benefit a private industry, your Committees find it fair and reasonable to require that sea salt industry companies collectively pay for half of the cost to conduct any necessary research and studies to be submitted to the FDA.

Accordingly, your Committees have amended this measure by:

- (1) Adding a condition that the appropriation shall not be made unless the Hawaii sea salt industry collectively contributes one-half of the cost to conduct a study to be submitted to the FDA for approval of the color additives used by Hawaii sea salt companies; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy, Economic Development, and Tourism and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1229, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1229, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Energy, Economic Development, and Tourism and Commerce, Consumer Protection, and Health,

ROSALYN H. BAKER, Chair

GLENN WAKAT Chair

## The Senate Thirtieth Legislature State of Hawai'i

## Record of Votes Committee on Energy, Economic Development, and Tourism EET

Bill / Resolution No.:*	Committee Referral: Date:							
HB 1229 HD1	EET/CPH, WAM 3/18/19							
The Committee is reconsidering its previous decision on this measure.								
If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members		Aye /	Aye (WR)	Nay	Excused			
WAKAI, Glenn (C)					_			
TANIGUCHI, Brian T. (VC)								
INOUYE, Lorraine R.					<b>√</b>			
KEOHOKALOLE, Jarrett		<u> </u>						
FEVELLA, Kurt					<b>✓</b>			
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TOTAL		2	\	0	2			
Recommendation:  Adopted  Not Adopted								
Chair's or Designee's Signature:								
<b>Distribution:</b> Original File with Committee								

\*Only one measure per Record of Votes

## The Senate Thirtieth Legislature State of Hawai'i

## Record of Votes Committee on Commerce, Consumer Protection, and Health CPH

Bill / Resolution No.:*	Committee Referral:		D	Date:				
HB 1229, HD1	EET/CPH, NAM		1	3/12/19				
The Committee is reconsidering its previous decision on this measure.								
If so, then the previous decision was to:								
The Recommendation is:	-							
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members		Aye	Aye (WR)	Nay	Excused			
BAKER, Rosalyn H. (C)		V						
CHANG, Stanley (VC)		<b>V</b>	1.					
KEOHOKALOLE, Jarrett		~	i					
NISHIHARA, Clarence K.		V		1				
RUDERMAN, Russell E.			V					
THIELEN, Laura H.		V						
FEVELLA, Kurt					~			
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TOTAL		5	1					
Recommendation:  Adopted  Not Adopted								
Chair's or Designee's Signature:								
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy								

\*Only one measure per Record of Votes