

STAND. COM. REP. NO.

547

Honolulu, Hawaii

FEB 15 2019

RE: S.B. No. 763
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 Agriculture and Environment, to which was referred S.B. No. 763 entitled:

"A BILL FOR AN ACT RELATING TO ADVERTISING AND MARKETING,"

beg leave to report as follows:

The purpose and intent of this measure is to require the Department of Business, Economic Development, and Tourism, in consultation with the Department of Agriculture, to conduct a study assessing the economic impact of companies selling products in the United States using place-based marketing without any material ties to the State.

Your Committees received testimony in support of this measure from the Department of Agriculture, Hawai'i Farm Bureau, Hawaii Coffee Association, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one individual. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism.

Your Committees find that many products manufactured in Hawaii use locally grown or produced agricultural products, despite the often higher costs of manufacturing those products within the State or using a particular quality of locally sourced ingredients. The State has policies and educational and marketing campaigns in place to increase local food production and decrease

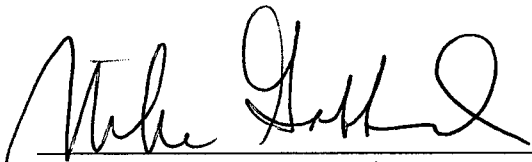


food imports, and many consumers have embraced the call to buy locally made and grown products. However, products without such material ties to the State have also been introduced into commerce and falsely use Hawaii place-based marketing, which has taken advantage of the Hawaii brand and misled many consumers. This measure will require the Department of Business, Economic Development, and Tourism, in collaboration with the Department of Agriculture, to conduct a study of impacts and recommendations to maintain and protect the integrity of Hawaii-branded products and support Hawaii's economy.

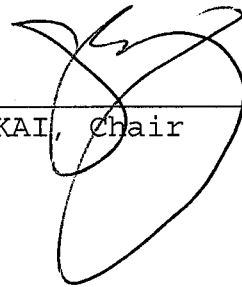
Your Committees have amended this measure by inserting an appropriation amount of \$250,000 for the study.

As affirmed by the records of votes of the members of your Committees on Energy, Economic Development, and Tourism and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 763, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 763, 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
Agriculture and Environment,



MIKE GABBARD, Chair



GLENN WAKAI, 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:		
SB 763	EET/AEN, WAM	2/8/19		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
WAKAI, Glenn (C)	/			
TANIGUCHI, Brian T. (VC)				/
INOUYE, Lorraine R.				/
KEOHOKALOLE, Jarrett	/			
FEVELLA, Kurt	/			
TOTAL	3			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; margin-top: 10px;"> </div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes

