

Honolulu, Hawaii

FEB 14 , 2020

RE: H.B. No. 2538

H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Economic Development & Business, to which was referred H.B. No. 2538 entitled:

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

begs leave to report as follows:

The purpose of this measure is to appropriate funds for the education and support of local businesses regarding the Food and Drug Administration's (FDA) industry guidance on colored sea salt, contingent upon the collective contribution by private businesses of one-half of the cost of conducting any research, studies, or analysis required to obtain FDA approval of color additives used in Hawaii sea salt.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Chamber of Commerce Hawaii; H.K. Enterprise Group dba: Hawaii Kai Corporation; Molokai Chamber of Commerce; Hawaiian Paakai Inc.; Sea Salts of Hawaii; For J's Hawaii Inc.; and three individuals.

Your Committee finds that Hawaii-made sea salt products are growing in popularity. Sea salt products colored with Hawaiian charcoal, volcanic clay, and other natural ingredients help to promote the State's brand. Your Committee further finds that FDA 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. This measure appropriates funds to provide education and support to local businesses regarding the industry guidance on colored sea salt to ensure the continued viability of the State's sea salt manufacturing industry.

Your Committee has amended this measure by changing its effective date to July 1, 2112, to encourage further discussion.


Your Committee notes that despite its altruism in assisting these businesses in these endeavors, the Department of Business, Economic Development, and Tourism is not the appropriate agency to receive an appropriation to provide education and support to businesses in Hawaii regarding the FDA's industry guidance on colored sea salt. Your Committee strongly feels that the University of Hawaii at Manoa College of Tropical Agriculture and Human Resources may be a more appropriate entity to receive the appropriation to carry out this measure.

Your Committee respectfully requests the Senate, should it receive and deliberate on this measure, to consider discussing this issue with the University of Hawaii at Manoa College of Tropical Agriculture and Human Resources, the Department of Agriculture, and the Department of Business, Economic Development, and Tourism.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2538, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2538, H.D. 1, and be referred to your Committee on Finance.



Respectfully submitted on
behalf of the members of the
Committee on Economic
Development & Business,



ANGUS L.K. McKELVEY, Chair



