



**DEPARTMENT OF BUSINESS,  
ECONOMIC DEVELOPMENT & TOURISM**

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Statement of  
**MIKE MCCARTNEY**  
**Director**  
Department of Business, Economic Development, and Tourism  
before the  
**SENATE COMMITTEE ON WAYS AND MEANS**  
Thursday, February 20, 2020  
1:00 PM  
State Capitol, Conference Room 211

In consideration of  
**SB 2098**  
**RELATING TO FOOD SAFETY.**

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee.

The Department of Business, Economic Development and Tourism (DBEDT) **supports** SB 2098, which seeks to ensure the continued viability of the State's sea salt manufacturing industry by providing funding to conduct and submit to the FDA research, studies and analysis required to obtain FDA approval of color additives used in Hawaii sea salts.

DBEDT believes to obtain FDA approval, detailed research, studies and analysis by science and industry experts must be conducted and submitted to the FDA for review. In further discussion with industry, we found that the total estimated cost of such an application to the FDA would be more in the neighborhood of a minimum of \$225,000, of which 50 percent will be paid by the salt industry.

DBEDT supports this bill provided its passage does not replace or adversely impact the priorities indicated in our Executive Budget.

Thank you for the opportunity to testify.



# Chamber of Commerce HAWAII

*The Voice of Business*

**Testimony to the Senate Committee on Ways and Means  
Thursday, February 20, 2020 at 1:00 P.M.  
Conference Room 211, State Capitol**

**RE: SB 2098, RELATING TO FOOD SAFETY**

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committees:

The Chamber of Commerce Hawaii ("The Chamber") **supports** SB 2098, which appropriates funds to the Department of Business, Economic Development, and Tourism to provide education and support to local businesses regarding the Food and Drug Administration (FDA)'s industry guidance on colored sea salt. This bill would also require that Hawaii sea salt industry companies will collectively pay for half of the cost to conduct a study regarding the FDA's approval of color additives used in Hawaii sea salt.

The Chamber is Hawaii's leading statewide business advocacy organization, representing 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

Additionally, as the exclusive representative in Hawaii for the National Association of Manufacturers, the Chamber has created the Manufacturing in Hawaii Initiative. This initiative is led by the Manufacturing in Hawaii Group and made up of business leaders from various fields and industries. Its mission is to enhance the opportunities and competitiveness of doing business in Hawaii by becoming an advocate and voice for the manufacturing industry in the State of Hawaii.

Back in 2015, the FDA issued a guideline that required the two colorants in Hawaiian black sea salt and red sea salt to be added to the list of approved colorants. However, this also includes having to file out the Color Additive Petition application with the FDA, a process which can be very expensive, especially for small manufacturers of sea salt here in Hawaii.

Since this guideline was issued, the Hawaiian black and red sea salt business has suffered a gradual decline, and some companies, have had to resort to developing non-Hawaiian related products to insure continued growth of their companies. SB 2098 would be a first step in helping these companies return to selling these two very important products at their stores.

Thank you for the opportunity to provide testimony in support of this measure.



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**Toby Taniguchi**, KTA Superstores, *Advisor*

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TO:

Committee on Ways and Means  
Senator Donovan M. Dela Cruz, Chair  
Senator Gilbert S.C. Keith-Agaran, Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION  
Lauren Zirbel, Executive Director

DATE: February 20, 2020  
TIME: 1pm  
PLACE: Conference Room 211

RE: SB2098 Relating to Food Safety

Position: Support

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, and distributors of food and beverage related products in the State of Hawaii.

**Colored sea salt is an important industry in our State and it will probably not survive without the passage of this measure.**

Making colored sea salt is culturally and historically significant in Hawaii. It's also an industry that supports jobs and contributes to our economy. Unfortunately, due to an oversight during an FDA rule change in 2015 the traditional ingredients that give Hawaiian salts their color, alea and black lava, were not included in the list of approved additives. Hawaiian sea salt companies have already dedicated years and spent thousands of dollars to get this situation rectified, and now they need the help of their legislators to preserve this industry.

We often talk about diversifying and strengthening Hawaii's economy, and the potential growth in manufacturing in our state. This is an ideal opportunity for the state to support that diversification and growth. We urge you to vote yes on this measure and we thank you for the opportunity to testify.