Honolulu, Hawaii FEB 1 9 2021

RE: S.B. No. 263 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-First State Legislature Regular Session of 2021 State of Hawaii

Sir:

Your Committees on Energy, Economic Development, and Tourism and Agriculture and Environment, to which was referred S.B. No. 263 entitled:

"A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT,"

beg leave to report as follows:

The purpose and intent of this measure is to make an appropriation for an unspecified amount of funds for economic development.

Your Committees did not received testimony on this measure.

Prior to the hearing on this measure, your Committees posted and made available for public review a proposed S.D. 1, which amends this measure by:

- Transferring oversight of the Made in Hawaii program as (1)it to relates non-agricultural products to the Department of Business, Economic Development, and Tourism; and
- (2) Appropriating an unspecified amount of funds.

Your Committees received testimony in support of the proposed S.D. 1 from one individual. Your Committees received comments on the proposed S.D. 1 from the Department of Business, Economic

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Development, and Tourism; Department of Agriculture; and Chamber of Commerce Hawaii.

Your Committees find that the Made in Hawaii program is an integral part of the State's economic development strategy and a valuable asset established to protect the integrity and value of authentic Hawaii-branded products.

Your Committees further find that it is important to distinguish between products manufactured in Hawaii from agricultural products made or grown in Hawaii. In doing so, your Committees believe that the Department of Business, Economic Development, and Tourism is well-suited to administer and oversee the Made in Hawaii program based on its resources and means to promote these products in Hawaii and elsewhere allowing small businesses to expand, create job growth, and infuse the State's economy with external capital.

Your Committees also find that transferring the ownership of the Made in Hawaii with Aloha trademark to the Hawaii Technology Development Corporation, which is attached to the Department of Business, Economic Development, and Tourism, will help innovate and diversify Hawaii's economy.

Your Committees further find that it is important to provide oversight by the Department of Agriculture of the Grown in Hawaii program for agricultural products and those products manufactured with Hawaii grown inputs and percentages to prevent misleading labeling.

Accordingly, your Committees have amended this measure by:

- (1) Transferring ownership of the Made in Hawaii with Aloha trademark to the Hawaii Technology Development Corporation;
- (2) Establishing oversight of the Grown in Hawaii program to the Department of Agriculture as it relates to agricultural products; and
- (3) Appropriating \$150,000 for the administration of the Made in Hawaii program.

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. 263, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 263, 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

## The Senate Thirty-First Legislature State of Hawai'i

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

| Bill / Resolution No.:* Committee                                                                                          | Referral: | Dat<br>In I AA                                   | te: 2/17      | /21     |  |  |  |
|----------------------------------------------------------------------------------------------------------------------------|-----------|--------------------------------------------------|---------------|---------|--|--|--|
|                                                                                                                            |           |                                                  |               |         |  |  |  |
| 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)                                                                                                           | V         |                                                  |               |         |  |  |  |
| MISALUCHA, Bennette E. (VC)                                                                                                | /         |                                                  |               |         |  |  |  |
| LEE, Chris                                                                                                                 |           |                                                  |               |         |  |  |  |
| RIVIERE, Gil                                                                                                               |           |                                                  | <del></del>   |         |  |  |  |
| FEVELLA, Kurt                                                                                                              |           |                                                  |               |         |  |  |  |
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| TOTAL                                                                                                                      | 3         | 0                                                | Ö             | 7       |  |  |  |
| Recommendation:  Adopted  Not Adopted                                                                                      |           |                                                  |               |         |  |  |  |
| Chair's or Designee's Signature:  bennette & Monluck                                                                       |           |                                                  |               |         |  |  |  |
| Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy |           |                                                  |               |         |  |  |  |

\*Only one measure per Record of Votes

## The Senate Thirty-First Legislature State of Hawai'i

## Record of Votes Committee on Agriculture and Environment AEN

| Bill / Resolution No.:*                                                                                          | Committee Referral:                                |          |          | Date:                            |         |  |  |  |
|------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|----------|----------|----------------------------------|---------|--|--|--|
| SB 263                                                                                                           | EET/AEN, WAM                                       |          |          | 02/17/2021                       |         |  |  |  |
| 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 |  |  |  |
| GABBARD, Mike (C)                                                                                                |                                                    |          |          |                                  |         |  |  |  |
| NISHIHARA, Clarence K. (VC)                                                                                      |                                                    |          |          |                                  | /       |  |  |  |
| ACASIO, Laura                                                                                                    | CASIO, Laura                                       |          |          |                                  |         |  |  |  |
| RHOADS, Karl                                                                                                     |                                                    |          |          |                                  |         |  |  |  |
| FEVELLA, Kurt                                                                                                    |                                                    | <b>/</b> |          |                                  |         |  |  |  |
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| TOTAL                                                                                                            |                                                    | 4        |          |                                  |         |  |  |  |
| Recommendation:  Adopted  Not Adopted                                                                            |                                                    |          |          |                                  |         |  |  |  |
| Chair's or Designee's Signature.                                                                                 |                                                    |          |          |                                  |         |  |  |  |
| Distribution: Original File with Committee Re                                                                    | Yellow Pink<br>port Clerk's Office Drafting Agency |          |          | Goldenrod<br>Committee File Copy |         |  |  |  |

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