STAND. COM. REP. NO. QUE

Honolulu, Hawaii

MAR 0 5 2021

RE: S.B. No. 263 S.D. 2

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

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 263, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to promote products that are made or grown in the State.

More specifically, this measure:

- (1) Bifurcates the Department of Agriculture's existing Made in Hawaii program into two separate programs;
- (2) Transfers oversight of the Made in Hawaii program for manufactured products to the Department of Business, Economic Development, and Tourism;
- (3) Establishes and keeps the Grown in Hawaii program under the management of the Department of Agriculture;
- (4) Transfers ownership of the "Made in Hawaii with Aloha" trademark from the Department of Agriculture to the Hawaii Technology Development Corporation; and
- (5) Appropriates \$150,000 to the Department of Business, Economic Development, and Tourism.

Your Committee received written comments in support of this measure from the Hawaii Technology Development Corporation, Hawaiian Craft Brewers Guild, and Lanikai Brewing Company.

The Department of Business, Economic Development, and Tourism and Department of Agriculture submitted written comments on the measure.

Your Committee finds that this measure will help to raise the profile of Hawaii-branded products and move the local manufacturing and agriculture industries forward.

Your Committee has amended this measure by:

- (1) Replacing the Hawaii Technology Development Corporation with the Department of Business, Economic Development, and Tourism as the owner of the "Made in Hawaii with Aloha" trademark;
- (2) Including perishable consumer commodities among the items that are protected under the Grown in Hawaii program;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 263, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 263, S.D. 2.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

DONOVAN M. DELA CRUZ, Chair

The Senate Thirty-First Legislature State of Hawai'i

Record of Votes Committee on Ways and Means WAM

| Bill / Resolution No.:* | Committee Referral: | | Da | Date: | |
|--|---------------------|----------|----------|----------|----------|
| SB 163,5D1 | EET/AEN , WAM | | | 3/2/21 | |
| 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 |
| DELA CRUZ, Donovan M. (C) | | X | | | |
| KEITH-AGARAN, Gilbert S.C. (VC) | | X | | | |
| ENGLISH, J. Kalani | | X | | | |
| INOUYE, Lorraine R. | | X | | | |
| KANUHA, Dru Mamo | | X | | | |
| KIDANI, Michelle N. | | X | | | _ |
| MORIWAKI, Sharon Y. | | X | | | |
| SHIMABUKURO, Maile S.L. | | X | _ | | |
| TANIGUCHI, Brian T. | | X | | | |
| WAKAI, Glenn | | X | | | |
| FEVELLA, Kurt | | X | | | |
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| TOTAL | | /1 | | | |
| Recommendation: Y 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