

STAND. COM. REP. NO.

191

Honolulu, Hawaii

, 2023

FEB 08

RE: H.B. No. 1348

H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Agriculture & Food Systems, to which was referred H.B. No. 1348 entitled:

"A BILL FOR AN ACT RELATING TO LABELING OF MACADAMIA NUTS,"

begs leave to report as follows:

The purpose of this measure is to protect macadamia nut farmers in the State and the premium brand of goods grown and produced in Hawaii by:

- (1) Requiring the country of origin to be included on the label of a consumer package of raw or processed macadamia nuts; and
- (2) Allowing a private right of action for violations.

Your Committee received testimony in support of this measure from the Department of Agriculture; Hawai'i Farm Bureau; Hawaii Macadamia Nut Association; Synergistic Hawaii Agriculture Council; Macadamia Growers of Hawai'i; Hawaiian Macadamia Nut Orchards; Hawaiian Macadamia Nut Services, LLC; Hawai'i Farmers Union United; Kona Coffee Farmers Association; Pohaku Farm; OK Farms LLC; International Longshore and Warehouse Union Local 142; Ahualoa Family Farms LLC; Onomea LLC; Rancho Aloha; Island Harvest Inc.; Kiolakaa Orchards, LLC; Yamada Enterprises, Inc.; Hamakua Macadamia Nut Company and Ka'u Farms Management; Nuthouse Farm; and

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numerous individuals. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that the macadamia nut industry in Hawaii is under great stress from economic and environmental pressures. Your Committee further finds that one of the greatest threats to the viability of macadamia nut farming in Hawaii is the misleading labeling of macadamia nut products. Currently, there is little to no regulation to prevent the use of Hawaiian names and images to market macadamia nuts that are grown outside of Hawaii.

Your Committee has amended this measure by:

- (1) Requiring that if a label on a consumer package uses any other means, including but not limited to a company name or the use of images of the State, to represent the origin of the macadamia nuts as being from any place within the State, the label must be worded "Hawaii-Grown Macadamia Nuts", preceded by the percent by weight of the macadamia nuts contained in the package that were grown in Hawaii, and must appear on the principal display panel of the package; and
- (2) Changing its effective date to June 30, 3000, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Agriculture & Food Systems that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1348, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1348, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.



Respectfully submitted on
behalf of the members of the
Committee on Agriculture & Food
Systems,



CEDRIC ASUEGA GATES, Chair



Record of Votes of the Committee on Agriculture & Food Systems

| Bill/Resolution No.: HB 1348 | Committee Referral: AGR, CPC, JHA | Date: 2/3/2023 | | |
|--|---|--------------------------|------|---------|
| <input type="checkbox"/> The committee is reconsidering its previous decision on the measure. | | | | |
| The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit) | | | | |
| AGR Members | Ayes | Ayes (WR) | Nays | Excused |
| 1. GATES, Cedric Asuega (C) | ✓ | | | |
| 2. KAHALOA, Kirstin (VC) | ✓ | | | |
| 3. COCHRAN, Elle | ✓ | | | |
| 4. LOWEN, Nicole E. | ✓ | | | |
| 5. PERRUSO, Amy A. | | | | ✓ |
| 6. WOODSON, Justin H. | ✓ | | | |
| 7. WARD, Gene | ✓ | | | |
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| TOTAL (7) | 6 | | | 1 |
| The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small style="margin-left: 100px;">committee acronym(s)</small> | | | | |
| Vice Chair's or designee's signature: <i>Kirstin Asuega</i> | | | | |
| Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO | | | | |