



**DEPARTMENT OF BUSINESS,  
ECONOMIC DEVELOPMENT & TOURISM**  
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI  
A HO'OMĀKA'IKA'I

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GOVERNOR

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Statement of  
**James Kunane Tokioka**  
Director  
Department of Business, Economic Development, and Tourism  
before the  
**HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT**

Friday, February 2, 2024  
10:30 AM  
State Capitol, Conference Room 423

In consideration of  
**HB2028**  
**RELATING TO THE LABELING OF PRODUCTS**

Chair Holt, Vice Chair Lamosao and members of the Committee This bill repeals the Made in Hawaii branding program under the Department of Agriculture and places with the Hawaii Made program under the Department of Business, Economic Development & Tourism (DBEDT). It also specifies that the Attorney General is responsible for enforcement of the program. It also includes operating and overhead expenses incurred and spent within the State in determining the requirement that at least 51% of the wholesale value of non-perishable products is produced within the State.

DBEDT supports the intent of **HB2028** as it would eliminate the confusion and duplication of two agencies promoting the Made in Hawaii brand. The bill also provides for non-perishable goods such as apparel to qualify for being labeled made in Hawaii by adding operating and overhead expenses into the 51% formula. Together with the Attorney General(DAG), DBEDT would work closely to ensure compliance and enforcement of the brand. DBEDT is not a regulatory or enforcement agency, so would need the strong support and assistance of the DAG to handle this area of responsibility.

DBEDT has a close working relationship with the Department of Agriculture (DOA) in promoting products made in Hawaii. Should this bill pass, it is expected any transition to be seamless. Likewise, should this bill not be considered, this close relationship will continue for the benefit of Hawaii manufacturers.

Funding in the amount of \$200,000 which includes funding for one staff person to administer the program, and for promotion and development of the brand is necessary.

DBEDT supports the intent of this bill provided that its passage does not replace or adversely impact the priorities indicated in the Executive Budget and addresses the revenue stream needed to carry out the intent of the measure.

Thank you for the opportunity to testify.



**TESTIMONY OF  
THE DEPARTMENT OF THE ATTORNEY GENERAL  
KA 'OIHANA O KA LOIO KUHINA  
THIRTY-SECOND LEGISLATURE, 2024**

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**ON THE FOLLOWING MEASURE:**

H.B. NO. 2028, RELATING TO THE LABELING OF PRODUCTS.

**BEFORE THE:**

HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT

**DATE:** Friday, February 2, 2024 **TIME:** 10:30 a.m.

**LOCATION:** State Capitol, Room 423 and Videoconference

**TESTIFIER(S):** Anne E. Lopez, Attorney General, or  
Elise A. Amemiya or Bryan C. Yee, Deputy Attorneys General

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Chair Holt and Members of the Committee:

The Department of the Attorney General offers the following comments and concerns.

The primary purposes of this bill are to merge the "made in Hawaii" branding program under the Department of Agriculture into the "Hawaii Made" program under the Department of Business, Economic Development, and Tourism (DBEDT); and to clarify how to determine whether a non-perishable good qualifies for a Hawaii Made label.

We have the following concerns with the bill:

While the bill prohibits the use of the labels or phrases "Hawaii Made" or "made in Hawaii" under certain conditions or representing the origin of an item as being from any place within the State, the bill does not provide any penalty for a violation of this prohibition. The prohibition without any penalty makes enforcement difficult. The bill also requires the Department of the Attorney General to enforce violations; the subject matter department, however, is better able to determine if a violation of the "Hawaii Made" or "made in Hawaii" program has occurred. Accordingly, the subject matter department, DBEDT, is the appropriate department for enforcement of the program.

One method to resolve both of the above concerns is by substituting the following for subsection (e) on page 3, lines 17-18, to provide for an administrative penalty:

(e) The department, after notice and opportunity for hearing, may fine any person who violates this section, or any rule adopted under this

section, not more than \$\_\_\_\_\_ for each separate offense. Each day or instance of violation shall constitute a separate offense. Any action taken to impose or collect the penalty provided for in this subsection shall be considered a civil action.

We respectfully request the Committee to consider our comments. Thank you for the opportunity to provide testimony.

JOSH GREEN, M.D.  
Governor

SYLVIA LUKE  
Lt. Governor



SHARON HURD  
Chairperson, Board of Agriculture

DEXTER KISHIDA  
Deputy to the Chairperson

State of Hawai'i  
DEPARTMENT OF AGRICULTURE  
KA 'OIHANA MAHI'AI  
1428 South King Street  
Honolulu, Hawai'i 96814-2512  
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TESTIMONY OF SHARON HURD  
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT

FRIDAY, FEBRUARY 2, 2024  
10:30 AM  
CONFERENCE ROOM 423

HOUSE BILL NO. 2028  
RELATING TO THE LABELING OF PRODUCTS

Chair Holt, Vice Chair Lamosao and Members of the Committee:

Thank you for the opportunity to testify on House Bill 2028. This bill merges the Made in Hawaii program under the Department of Business, Economic Development, and Tourism (DBEDT). It specifies that the Department of the Attorney General (DAG) shall be responsible for the enforcement of the program. It repeals the Made in Hawaii with Aloha program. It clarifies that calculations to determine whether a non-perishable good labeled "Hawaii Made" or "Made in Hawaii" has met the requirement that at least 51% of the wholesale value of the product is added by production within the State include operating and overhead expenses incurred and spent within the State and appropriates funds. The Department offers comments.

Placing the trademark and oversight for products manufactured in the State under one agency was a recommendation of the study conducted by DBEDT. Another recommendation was that the enforcement of the program remain within one agency. The Department agrees with both recommendations and defers to the DAG on the enforcement of the program.

The Department comments that clarification be added to Page 3, beginning with line 3, ending Page 3, line 20 regarding whether this section refers to the use of the



trademark or to any reference to “Hawaii Made” or “Made in Hawaii” on a product label or in product promotion. This impacts current manufacturers of non-perishable products made in Hawaii, that comply with the formula calculation and have an established, unique logo or trademark if they prefer to keep their current label that includes their logo or trademark.

Hawaii companies that choose to manufacture their products in Hawaii do so knowing their products could likely be manufactured offshore for less expense. These companies are wary of programs that would add costs to their operations. The current program, under Section 486-119, Hawaii Revised Statutes, does not include a cost to the Hawaii company to use the “Made in Hawaii with Aloha” logo. The measure does not address a fee when merged under DBEDT.

The Department is aware of the Federal Trade Commission “Made in the USA” law that requires some products to disclose U.S. content and continues to be cautious with the “Made in Hawaii” claim as described in 16CFR Part 323: Made in the USA Labeling Rule.

Thank you for the opportunity to testify on this measure.

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## A BILL FOR AN ACT

RELATING TO THE LABELING OF PRODUCTS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Section 201-3.5, Hawaii Revised Statutes, is  
2 amended to read as follows:

3           "[+]§201-3.5[+] "Hawaii Made" program for manufactured  
4 products oversight; "Hawaii Made" trademark. (a) The  
5 department of business, economic development, and tourism shall  
6 administer and oversee a "Hawaii Made" program for manufactured  
7 products and shall hold ownership of the "Hawaii Made"  
8 trademark.

9           (b) For purposes of this section, the department of  
10 business, economic development, and tourism shall:

- 11           (1) Promote consumer demand for "Hawaii Made" products;  
12           (2) Coordinate manufacturing of "Hawaii Made" products;  
13           (3) Coordinate and promote distribution channels for  
14           "Hawaii Made" products;  
15           (4) Ensure that appropriate patents and copyrights are  
16           acquired for "Hawaii Made" products; and





- 1 (5) Identify new funding opportunities to promote the  
2 expansion of "Hawaii Made" products.
- 3 (c) No person shall:
- 4 (1) Keep, offer, display or expose for sale, or solicit  
5 for the sale of any item, product, souvenir, or other  
6 merchandise that:
- 7 (A) Is labeled "Hawaii Made"; [~~or~~]
- 8 (B) Is labeled "made in Hawaii"; or
- 9 [~~(B)~~] (C) By any other means, represents the origin of  
10 the item as being from any place within the  
11 State; or
- 12 (2) Use the phrase "Hawaii Made" or "made in Hawaii" as an  
13 advertising or media tool,  
14 for any item that has not been manufactured, assembled,  
15 fabricated, or produced within the State and that has not had at  
16 least fifty-one per cent of its wholesale value added by  
17 manufacture, assembly, fabrication, or production within the  
18 State, including Hawaii-sourced goods, services, and  
19 intellectual property~~[-]~~; provided that any calculation to  
20 determine whether a non-perishable good has had at least fifty-  
21 one per cent of its wholesale value added by production within





1 the State shall include operating and overhead expenses incurred  
2 and spent within the State.

3 (d) Subsection (c) notwithstanding, no person shall keep,  
4 offer, display, expose for sale, or solicit the sale of any  
5 perishable consumer commodity that is labeled "made in Hawaii",  
6 "produced in Hawaii", or "processed in Hawaii" or that by any  
7 other means represents the origin of the perishable consumer  
8 commodity as being from any place within the State, or use the  
9 phrase "made in Hawaii", "produced in Hawaii", or "processed in  
10 Hawaii" as an advertising or media tool for any perishable  
11 consumer commodity, unless the perishable consumer commodity is  
12 wholly or partially manufactured, processed, or produced within  
13 the State from raw materials that originate from inside or  
14 outside the State and at least fifty-one per cent of the  
15 wholesale value of the perishable consumer commodity is added by  
16 manufacture, processing, or production within the State.

17 (e) The attorney general may bring an action against any  
18 person or entity who violates subsection (c) or (d).

19 (f) For the purposes of this section, "perishable consumer  
20 commodity" has the same meaning as defined in section 486-1."



1 SECTION 2. Section 486-1, Hawaii Revised Statutes, is  
2 amended by deleting the definition of "craft item".

3 [~~"Craft item" means any consumer commodity that is not an~~  
4 ~~agricultural commodity or a perishable consumer commodity that~~  
5 ~~is manufactured, assembled, fabricated, or produced by an~~  
6 ~~individual working alone or a small group of individuals working~~  
7 ~~collaboratively and that is produced by hand or by using simple~~  
8 ~~tools. Craft item does not include a consumer commodity that is~~  
9 ~~mass-produced or an item that is merely assembled from two or~~  
10 ~~more mass-produced consumer commodities."]~~

11 SECTION 3. Section 486-119, Hawaii Revised Statutes, is  
12 repealed.

13 [~~§486-119 Hawaii-made products; Hawaii-processed~~  
14 ~~products. (a) No person shall keep, offer, display or expose~~  
15 ~~for sale, or solicit for the sale of any item, product,~~  
16 ~~souvenir, or any other merchandise that is labeled "made in~~  
17 ~~Hawaii" or that by any other means misrepresents the origin of~~  
18 ~~the item as being from any place within the State, or uses the~~  
19 ~~phrase "made in Hawaii" as an advertising or media tool for any~~  
20 ~~craft item that has not been manufactured, assembled,~~  
21 ~~fabricated, or produced within the State and that has not had at~~



1 ~~least fifty-one per cent of its wholesale value added by~~  
2 ~~manufacture, assembly, fabrication, or production within the~~  
3 ~~State.~~

4 ~~(b) Subsection (a) notwithstanding, no person shall keep,~~  
5 ~~offer, display, expose for sale, or solicit the sale of any~~  
6 ~~perishable consumer commodity that is labeled "made in Hawaii",~~  
7 ~~"produced in Hawaii", or "processed in Hawaii" or that by any~~  
8 ~~other means represents the origin of the perishable consumer~~  
9 ~~commodity as being from any place within the State, or use the~~  
10 ~~phrase "made in Hawaii", "produced in Hawaii", or "processed in~~  
11 ~~Hawaii" as an advertising or media tool for any perishable~~  
12 ~~consumer commodity, unless the perishable consumer commodity is~~  
13 ~~wholly or partially manufactured, processed, or produced within~~  
14 ~~the State from raw materials that originate from inside or~~  
15 ~~outside the State and at least fifty-one per cent of the~~  
16 ~~wholesale value of the perishable consumer commodity is added by~~  
17 ~~manufacture, processing, or production within the State." ]~~

18 SECTION 4. There is appropriated out of the general  
19 revenues of the State of Hawaii the sum of \$                    or so  
20 much thereof as may be necessary for fiscal year 2024-2025 for  
21 the promotion and development of the "Hawaii Made" brand.



1           The sum appropriated shall be expended by the department of  
2 business, economic development, and tourism for the purposes of  
3 this Act.

4           SECTION 5. Statutory material to be repealed is bracketed  
5 and stricken. New statutory material is underscored.

6           SECTION 6. This Act shall take effect on July 1, 2024.

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INTRODUCED BY:           DE HU          

JAN 19 2024





# H.B. NO. 2028

**Report Title:**

DBEDT; Department of the Attorney General; Hawaii Made Program; Made in Hawaii with Aloha Program; Hawaii-Made Products; Hawaii-Processed Products; Appropriation

**Description:**

Merges the Made in Hawaii with Aloha branding program with the Hawaii Made program under the Department of Business, Economic Development, and Tourism. Specifies that the Department of the Attorney General shall be responsible for enforcement of the program. Repeals the Made in Hawaii with Aloha program. Clarifies that calculations to determine whether a non-perishable good labeled "Hawaii Made" or "made in Hawaii" has met the requirement that at least 51% of the wholesale value of the product is added by production within the State include operating and overhead expenses incurred and spent within the State. Appropriates funds.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*





**Hawai'i Forest Industry Association**

7192 Kalaniana'ole Hwy  
Suite A-143A, #249  
Honolulu, HI 96825  
Phone: 808/933/9411  
Email: [hfia@hawaiiforest.org](mailto:hfia@hawaiiforest.org)

Date: 01/30/24

**TO:** ECD Chair Holt, ECD Vice Chair Lamosao and ECD Committee Members Hussey-Burdick, Satoru Kong, La Chica, Nakamura, Quinlan, Pierick

**FROM:** the Hawai'i Forest Industry Association (HFIA)

**SUBJECT:** Testimony in Support for HB2131 Relating to the Two-Lined Spittlebug

Dear Chair Holt and Committee Members,

On behalf of the Directors and members of the Hawai'i Forest Industry Association (HFIA), please support HB2028 Relating to the Labeling of Products.

Roughly 45% of HFIA's 130 members are wood artisans (wood turners, furniture makers, etc.), wholesalers (primarily lumber) or wood product retailers/galleries. Every year, HFIA hosts the annual Hawaii's Wood Show in Honolulu, in which local artisans enter and are required to use locally sourced woods. We, as an organization made up of a Board of Directors, staff and members, take pride in this event and the regulations set and enforced regarding the utilization of locally sourced materials.

Furthermore, HFIA has also established "Hawaii's Wood Brand". The Hawaii's Wood Brand represents fine items made from wood grown in the Hawaiian Islands. HFIA members who want to participate in the program and brand their items must agree to only brand items that meet the following criteria: Made in Hawai'i; Well-made and of good quality; and Made predominantly of woods that are grown in Hawai'i. Hawaii's Wood Brand not only highlights quality craftsmanship and the richness of Hawaii's woods, but it also reduces the carbon footprint of wood products created and sold by participating HFIA members. Additionally, it reduces the reliance on imported finished wood products or imported materials for wood products, keeping the money of Hawaii's craftsmen and consumers circulating in our local economy, rather than directing it to off island entities.

We hope that you will support HB2028 and that other areas of commerce will follow suit in an effort to produce and offer genuine, locally crafted products, using locally sourced materials as often as possible.

Mahalo for your time and consideration,

Guy Cellier, President  
Hawai'i Forest Industry Association

*HFIA's mission is to promote healthy and productive forests and a sustainable forest industry through management, education, planning, information exchange, and advocacy. HFIA has over 130 members including woodworkers, landowners, sawyers, foundations, foresters, growers, educators, environmentalists, architects, millers, ranchers, and others interested in HFIA's mission and goals.*

**HFIA Board of Directors**

Officers: President Guy Cellier, Vice President Irene Sprecher, Secretary Taylor Coons, Treasurer Wade Lee  
Directors: Jeremy Campbell, Aaron Hammer, Nicholas Koch, Michael Sowards, Aileen Yeh





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February 1, 2024

HEARING BEFORE THE  
HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT

**TESTIMONY ON HB 2028**  
RELATING TO THE LABELING OF PRODUCTS

Conference Room 423 & Videoconference  
10:30 AM

Aloha Chair Holt, Vice-Chair Lamosao, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawaii's voice of agriculture to protect, advocate, and advance the social, economic, and educational interests of our diverse agricultural community.

**The Hawaii Farm Bureau provides comments on HB 2028**, which merges the Made in Hawaii with Aloha branding program with the Hawaii Made program under the Department of Business, Economic Development, and Tourism. Specifies that the Department of the Attorney General shall be responsible for enforcement of the program, repeals the Made in Hawaii with Aloha program, clarifies that calculations to determine whether a non-perishable good labeled "Hawaii Made" or "made in Hawaii" has met the requirement that at least 51% of the wholesale value of the product is added by production within the State include operating and overhead expenses incurred and spent within the State.

Act 002, Special Session 2021 transferred the oversight of the "Hawaii Made" program for manufactured products and the "Hawaii Made" trademark to the DBEDT. Currently, HDOA owns and enforces the "Made in Hawaii with Aloha" trademark for products that meet or exceed the requirements of HRS 486-119. We believe that HDOA is the agency best equipped to enforce the "Made in Hawaii with Aloha" (MIHA) branding program due to its expertise and experience with Hawaii-made and Hawaii-processed products. We are also concerned that there may be some confusion between "Made in Hawaii" and "Made in Hawaii with Aloha". What happens to the "Made in Hawaii with Aloha" branding program should it be repealed as required in this bill? Will the current MIHA branding program members need to discontinue using the MIHA label? What happens to the "Grown in Hawaii" Program which is part of the Made in Hawaii with Aloha Program?

We appreciate the Legislative intent to merge the Made in Hawaii with Aloha branding program with the Hawaii Made program to avoid confusion and for consistency. We have concerns with the transfer of the enforcement of the “Made in Hawaii” program to the Attorney General by repealing the current enforcement authority held by HDOA, because of the impacts it may have on HDOA’s current MIHA program participants.

**HB-2028**

Submitted on: 2/2/2024 8:48:21 AM

Testimony for ECD on 2/2/2024 10:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Angela Melody Young	CARES	Support	Remotely Via Zoom

Comments:

CARES testifies in strong support.