

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
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TESTIMONY OF SHARON HURD
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON FINANCE

THURSDAY, FEBRUARY 22, 2024
1:00 P.M.
CONFERENCE ROOM 308

HOUSE BILL NO. 2144, HD1
RELATING TO VALUE-ADDED PRODUCTION

Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

Thank you for the opportunity to present testimony on House Bill 2144, HD1. This bill establishes the Access to Local Value-Added Products Act to allow homemade food operations to sell homemade food products, under certain conditions, upon registering with and receiving a permit from the Department of Health (DOH). The Department provides the following comments.

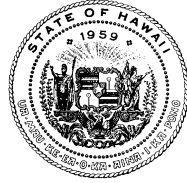
The Department believes this proposed Act could incentivize certain households to engage in entrepreneurial activities to expand value-added food production, particularly in rural areas. These new activities could create more diverse local food products and market options to transform economic opportunities for various communities, allowing them to retain more of the value chain dollar. It further adds resiliency to local food systems.

The Department appreciates this legislative effort to help the development of the small-scale homemade food or "cottage food" industry in Hawaii. Lastly, we defer to the DOH with respect to proposed amendments needed in Chapter 328 to establish the proposed Act.

Thank you for the opportunity to testify on this measure.



JOSH GREEN, M.D.
GOVERNOR OF HAWAII
KE KIA'AINA O KA MOKU'AINA 'O HAWAII



KENNETH S. FINK, MD, MGA, MPH
DIRECTOR OF HEALTH
KA LUNA HO'OKELE

STATE OF HAWAII
DEPARTMENT OF HEALTH
KA 'OIHANA OLAKINO
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doh.testimony@doh.hawaii.gov

In reply, please refer to:
File:

**Testimony in OPPOSITION to HB2144HD1
RELATING TO VALUE-ADDED PRODUCTION**

REPRESENTATIVE KYLE T. YAMASHITA, CHAIR
HOUSE COMMITTEE ON FINANCE

Hearing Date: 2/22/2024

Room Number: 308 & VIDEO CONF

1 **Fiscal Implications:** This measure will impact the priorities identified in the Governor's
2 Executive Budget Request for the Department of Health's (Department) appropriations and
3 personnel priorities.

4 **Department Testimony:** The Department of Health OPPOSES this measure.

5 The department opposes this bill for the reasons detailed in previous testimony on this measure.
6 The department already allows foods that do not require temperature controls for safety (TCS) or
7 non-potentially hazardous foods, to be made in a home and sold directly to consumers. These
8 are classified as "Homemade Food Operations" in HAR Title 11, Chapter 50, Food Safety Code
9 (HAR 11-50). These foods are already required to be labeled properly indicating that they are
10 not made in a DOH inspected facility. The operators of these "homemade food operations" are
11 also required by HAR 11-50 to have a basic Food Handlers Certificate issued by the DOH or
12 various third-party vendors that the DOH recognizes as valid.

13
14 The department opposes any attempt to expand "cottage foods" or "homemade foods" to include
15 foods that require temperature controls to prevent or eliminate the growth of pathogenic bacteria
16 that are known to cause food illnesses. Current chapter 11-50, HAR, adopted the 2013 Version
17 of the FDA model food code that does not allow home kitchens to be used for the commercial
18 preparation of food. Particularly problematic foods include beef, pork, poultry, seafood, cooked
19 starches including cooked plant products which become TCS when cooked, canned, or dried, all
20 of which this measure would allow to be sold by persons from their homes.

21
22 The utilization of private residences for commercial food production is simply inconsistent with
23 DOH's mission to protect public health. Private residences are not designed, nor are they
24 constructed to be commercial spaces and DOH cannot regulate them as such. DOH does not
25 have the staff time or resources to inspect person's homes, nor is it safe for state inspectors to do
26 so. A person has a reasonable expectation of privacy in their home, thus DOH inspections of a
27 person's residence will be little more than superficial. Moreover, as these homemade food
28 operations operate primarily as residences, the conditions of their operation can change

1 drastically in a short period of time making a DOH inspection worthless from a public health
2 perspective. There is simply no value in DOH inspecting homes that are not and cannot be
3 transformed into commercial spaces.

4
5 **Offered Amendments:**

6
7 The DOH opposes any effort to allow TCS food production for commercial distribution, but if
8 the legislature wishes to move this bill forward, DOH recommends the following changes:

- 9
10 1) Replace the proposed permitting requirements of this measure in §328-C with a system of
11 registration whereby homemade food operators submit information about their home or
12 farm kitchen and food production to DOH on forms prescribed by DOH to enable DOH
13 to adequately investigate cases of foodborne illness.
- 14 2) Delete §328-E in its entirety since §328-E(a) suggests that DOH may not be able to
15 investigate a homemade food operation and take appropriate action to embargo
16 adulterated articles pursuant to its existing authority in the case of, for example, a
17 foodborne illness outbreak. Proposed §328-E(b) and (c) are also problematic because
18 they inaccurately suggest that distribution of potentially hazardous foods only when “the
19 homemade food operator delivers the potentially hazardous homemade food product to
20 the consumer” (page 12, lines 12-14) is significant from a public health perspective,
21 which it is not, and that DOH could effectively regulate this entirely private transaction,
22 which it cannot. §328-E(d) is meaningless and thus unnecessary in that it singles out
23 poultry and seafood products. The rest of the proposed new part already removes the
24 existing blanket restriction on potentially hazardous food sales in chapter 11-50, HAR,
25 which necessarily includes poultry and seafood.
- 26 3) Require in proposed §328-B that homemade food operators pass an ANSI accredited
27 Food Safety Manager Certification Examination in addition to the DOH approved Food
28 Handlers Education Certification.

29 In summary, DOH strongly opposes this measure because it is inconsistent with DOH’s mandate
30 to public health. If, however, this measure advances, DOH strongly recommends the following
31 core elements remain:

- 32
33 1) The creation of a registry and obligation to register as a homemade food operator so
34 that DOH may track food to its source and take appropriate action. In the context of
35 food production within a person’s private residence, permitting is meaningless. It
36 serves as an effective regulatory tool only when used to establish and enforce clearly-
37 identified standards for operation and equipment, none of which will be present in the
38 home or farm kitchens this measure envisions.
- 39 2) Retention of DOH’s authority to investigate and address foodborne illness via the
40 embargo and detention of adulterated articles pursuant to existing provisions of
41 chapter 328, HRS.

1 3) Consumer warning labels (buyer beware) of all homemade food products and a
2 requirement that traceback information be included.

3

4 Thank you for the opportunity to testify.

JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



WENDY L. GADY
Executive Director

STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION

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TESTIMONY OF WENDY L. GADY
EXECUTIVE DIRECTOR
AGRIBUSINESS DEVELOPMENT CORPORATION
BEFORE THE HOUSE COMMITTEE ON FINANCE

Thursday, February 22, 2024
1:00 p.m.

VIA VIDEO CONFERENCING
Conference Room 308

HOUSE BILL NO. 2144, HD1
RELATING TO VALUE-ADDED PRODUCTION

Chairperson Yamashita, Vice Chair Kitagawa, and Members of the Committee:

Thank you for the opportunity to testify in support of House Bill No. 2144 HD1, which establishes the Access to Local Value-Added Products Act to allow homemade food operations to sell homemade food products, under certain conditions, and upon registering with and receiving a permit from the Department of Health.

One of the biggest hurdles for entrepreneurs and start-ups is access to equipment and facilities. This measure provides a path forward for start-ups and entrepreneurs to use their home's kitchen for the preparation, packaging, storage, or handling locally made food products. ADC believes this measure will foster the development of emerging value-added businesses across the state.

However, we will defer to Hawaii Department of Health regarding food safety protocols and ensuring that the value-added products are prepared and handled in a safe manner.

Thank you for your consideration of our testimony.



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Executive Officers

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Toby Taniguchi, KTA Superstores, *Advisor*
Joe Carter, Coca-Cola Bottling of Hawaii, *Advisor*
Eddie Asato, Pint Size Hawaii, *Immediate Past Chair*

TO: Committee on Finance

FROM: HAWAII FOOD INDUSTRY ASSOCIATION
Lauren Zirbel, Executive Director

DATE: February 22, 2024
TIME: 1pm
PLACE: Room 308

RE: HB2144 HD1 Relating to Value-Added Production

Position: Support

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

Dear Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee,

HFIA is in support of this measure. For 30 years HFIA has proudly produced the Made in Hawaii Festival. We know first hand the tremendous potential of our local food manufacturers.

We believe that the state should encourage innovation and entrepreneurship in this area. Allowing home manufactured foods to be safely made and sold to customers is a way to help the next generation of Hawaii food manufacturers get their start. This bill is a step in the right direction. We urge the Committee to vote yes on this measure and we thank you for the opportunity to testify.



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e-mail info@hfbf.org; www.hfbf.org

February 22, 2024

HEARING BEFORE THE
HOUSE COMMITTEE ON FINANCE

TESTIMONY ON HB 2144, HD1
RELATING TO VALUE-ADDED PRODUCTION

Conference Room 308 & Videoconference
1:00 PM

Aloha Chair Yamashita, Vice-Chair Kitagawa, and Members of the Committee:

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

The Hawai'i Farm Bureau supports HB 2144, HD1, which establishes the Access to Local Value-Added Products Act to allow homemade food operations to sell homemade food products, under certain conditions, upon registering with and receiving a permit from the Department of Health.

As expenses rise, increases in farm revenues and profits are critical to the continued viability of farms and ranches. One way farmers can do this is by "adding value" to raw agricultural crops. Currently, off-grade and excess production is sometimes wasted due to market conditions. Converting them into value-added products will not only increase farm revenue but also provide new business opportunities, increase employment opportunities, and address Hawai'i's goals of increased self-sufficiency and sustainability.

The Access to Local Value-Added Products Food Act can provide benefits to our local agricultural sector by encouraging farmers to diversify their farming operations to incorporate value-added products as another avenue for revenue as well as increase sales of locally grown products to Homemade Food businesses. Communities will also benefit from greater access to locally produced foods.

We are concerned that potentially hazardous cottage food products are included as part of the Access to Local Value-Added Products Food Act. We support non-potentially hazardous cottage food products as part of the Local Value-Added Products Food Acts and defer to the Department of Health regarding potentially hazardous homemade food products.

Thank you for the opportunity to testify on this important subject.

Aloha Committee Chairs,

Thank you for the opportunity to submit testimony on HB#2144 Relating to Local Value Added Production Act. I am submitting as a representative of Hawaii Master Food Preservers, Inc., an institution focused on educating the larger community, farmers and entrepreneurs in producing food safe and shelf stable value added products.

We understand that there are food safety issues involving TCS or Time, Temperature Control for Safety. We are not asking to change or ignore those conditions. We are advocating that certain items can be considered “non-potentially hazardous” if the process in producing them are within the Food Safety guidelines stipulated by the National Center for Home Food Preparations and/or are approved safe recipes for preserving.

HMFP educates the broader community on the science, art and techniques of basic food safety of preserved food. We go beyond the required Department of Health Food Handlers permit. For the past 10 years plus, with limited funding, HMFP has embarked on taking traditionally preserved local products and educating as to how to ensure they are in compliance with Food Safety regulations – acidity, water content, water activity, temperature, altitude differences to name a few. To reach a broader base, we created “Preserving Videos” on various preservation methods which may be found on our website: mfphawaii.org. In these videos, we consistently raise the importance of being sanitary – both personally as well as in the foods we are handling. We also emphasize that our islands have unique produce not found on the mainland U.S. We ensure that the audience is aware that there are specific diseases endemic to our island we need to be vigilant against such as Rat lungworm and certain measures must be taken to prevent illness. We are also aware that many “old” habits have to change as was done with sanitization with regard to Covid-19.

While many of you have heard of the “farm-to-table” movement, our objective is a “farm-to-shelf” movement. In our agricultural community, small farmers may not have the time to produce value added products. However, there are many interested entrepreneurs, artisans, and craftspeople who are and want to connect with these farmers. Many of these artisans have come through our classes. Often times, there is immense enthusiasm and ideals at the onset of our 8 day training course. At the end, not only has that enthusiasm increased exponentially particularly since we teach the science behind preserving but they feel empowered them with tools to ensure they are producing quality, food safe and shelf stable value added products.

Many of you might think of preserving as putting things in a jar and sterilizing it – canning. Yes, that is a part of it. But think of it in this way – if you are not eating it fresh or prepared in a meal, then you are preserving, e.g. refrigeration or freezing or drying. Although these are everyday occurrences, not everyone knows of the food safe practices which should be followed in each method. How long can you keep an open jar of homemade marina in the refrigerator, how long can you keep frozen fish in the freezer, why do you not re-freeze

something that says “previously frozen” and if you are drying, how dry is dry to be shelf stable. Besides these methods, we teach 5 more preserving methods, all accessible to the homemade food operator.

Since the last revision of the Cottage Food Industry rules, technology has advanced significantly where the home food operator can purchase equipment once cost prohibitive or relegated to the Food Science world only. To measure acidity, we have pH paper and meters. To measure moisture content, we have manual calculations, hygrometers and water activity meters. We have standardized vinegar solutions and ratios for pickling. We have SOPs (Standard Operating Procedures) each producer should construct to ensure their product or products are food safe – from where they purchased the product, visual inspection, sanitization, sterilization and so on.

Many who come to the Hawaii Master Food Preservers, Maui Innovation Center, UH Palamanui, UH Leeward and other organizations/facilities are the would-be entrepreneurs. The majority are already artisans in their respective areas – bread, jam, dried goods, pickles – and they take pride in their products. They want to take the next step and by engaging in these institutions, they have made a commitment. They are committed to be socially responsible producers; to mitigate any foodborne illness from their products and to source as much as possible locally grown raw produce. They are conscientious producers understanding and living the motto “Buy Local, it Matters” and proud of “Made in Hawaii – made in a home kitchen not routinely inspected by the Department of Health”. Homemade Food Operators are no longer the grandmas, tutus on our island. They are young, full of energy and enthusiasm and believe strongly in helping to make Hawaii agriculturally and economically sustainable while offering artisanal products affordable to our communities (not just visitors).

HMFP is much more than just an education tool. We seek to educate, inspire and encourage advocates for the “farm to shelf” movement. We act as a bridge to homemade operations to island wide/nation wide operations. The changes being proposed in the bill will open up new avenues for “made in Hawaii” products and will allow existing entrepreneurs to take the next step of building their business with less of a financial burden. We hope you will support the current changes to the Value Added Act and open up these new paths for our next generation.

Thank you again for enabling us to submit testimony in support of HB#2144.

Jane Tai
Vice-President
Hawaii Master Food Preservers, inc.

Aloha Committee Chairs,

Thank you for the opportunity to submit testimony in support of HB#2144. We endorse and are asking you to support the Access to Local Value Added Products Act, Hawaii House Bill #2144 submitted January 2024. This bill is vital to our local economy and would be a huge boost to local businesses that make and sell value added products like pastries, jams, dried fruit and many more home produced goods made from local products. Known as cottage industry, homemade foods have a long tradition in Hawai'i. Unfortunately, the current regulations make it cost and access prohibitive for many residents of Hawai'i.

Currently, only a few items are allowed to be made in a Home Kitchen such as jams, dried fruit, poi and some baked goods. They can only be sold at such places as Farmers markets and events where the item is directly sold to the consumer from the home cook. In this world of technology and being an Island, these homemade goods are not allowed to be sold on the internet, mailed to other islands or the mainland nor wholesaled to local stores. The only way to go about this is to get HAACP permits and use a commercial kitchen. At a rate of \$25-\$50/hr for a kitchen, this is cost prohibitive and makes many of these items too expensive for local consumers and visitors. Some of us have been told by the county to drive to the other side of the island to use a kitchen. Spending \$150 on gas to make \$100's worth of jelly doesn't make economic sense.

Nor does it make sense for those of us who are in the dehydrating "business" and do not own a certified kitchen. Requiring the dehydrator to be operated in a certified kitchen already closes the door to that entrepreneur. Having to spend \$50 x 12 hours of dehydration WITHOUT adding other costs is not feasible. Additionally, there are not enough commercial kitchens on the islands, especially in rural areas. Rather than encouraging agricultural reliance, we are discouraging being economically self sufficient and building Hawaii's brand of premium Fruit/Vegetable products.

This bill is still food safety orientated where the home cook still has to have a Food Safety Card, GE Tax number, a permit and other measures such as a certificate from the Hawaii Master Food Preservers and/or lab testing. This bill opens so many doors for residents that want to have a small business. It keeps money here and will bring in more revenue with general excise tax. It allows for many more items to be made in the home kitchen and sold to the public.

Thank you for supporting small farm producers and Hawaii's cottage industries.

Jane Tai	Hawaiian.goodness.kona@gmail.com
Sadie Vaughan	Sadie_vaughan@yahoo.com
Craig Thompson	crtrumi@gmail.com
Nick Vaughan	vaughannick992@yahoo.com
Randy Cook	randygrachi@gmail.com
Elizabeth Whitney	elizabethwhit92@gmail.com



Food+ Policy Internship 2024

food@purplemaia.org

February 22, 2024

Subject: *HB2144 H.D 1: Access to Local Value-Added Products Act (homemade food operations)*

To: Aloha chair Yamashita, vice chair Kitagawa, and members of the finance committee,

The Food Plus policy group supports HB2144 H.D 1, which supports homemade food operations and local value-added products. This bill could support local small businesses, farms, and other local entrepreneurs. Certified kitchens can be costly and sometimes unattainable for people, especially those in rural areas. The Aloha Plus Challenge sustainability scoreboard from 2021 had only 10 listed certified commercial kitchens statewide (Alohapluschallenge, 2021). HB2144 H.D 1, could offer a solution for the inaccessibility of certified kitchens. The bill could also help local people make ends meet or create opportunities for small businesses to start up. Local farms could boost their revenue and mitigate product loss by investing in value-added products, even if they do not have a certified kitchen.

Moreover, purchasing homemade foods directly from local people feels good. It provides an opportunity for people to connect, and know that their money is going to a local family and staying within our economy. The latter all describe ways this bill could help to strengthen a circular economy in Hawai'i and uplift local families from the financial burdens of living in the most expensive state in the country. We kindly ask that you help to pass HB2144 H.D 1 to help support Hawai'i's economy, local families, small businesses, and farms.

Thank you for your time and consideration.

Citation: *Annual Sustainability Scorecard. (2021)*. alohachallenge.hawaii.gov.
<https://alohachallenge.hawaii.gov/pages/0829cf1f8cfb49b2b2c144fff182c2d5>

Mahalo,
Kaitlyn + Hawaii Food + Policy Team ww

The Food+ Policy internship develops student advocates who learn work skills while increasing civic engagement to become emerging leaders. We focus on good food systems policy because we see the importance and potential of the food system in combating climate change and increasing the health, equity, and resiliency of Hawai'i communities.

In 2024, the cohort of interns are undergrads and graduate students from throughout the UH System. They are a mix of traditional and nontraditional students, including parents and veterans, who have backgrounds in education, farming, public health, nutrition, and Hawaiian culture.

HB-2144-HD-1

Submitted on: 2/20/2024 11:09:31 PM

Testimony for FIN on 2/22/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
ken love	hawaii tropical fruit growers	Support	Written Testimony Only

Comments:

2-20-24

Comments on Peter Oshiro’s HDOH House testimony (HB2144)

Most restaurants are not open 24/7/365 as you stated, and they are only inspected in non-peak times or when there is a complaint. This should be no different for home kitchens.

Home Kitchens should be by appointment unless there is a complaint. Or as the senate amendment, during set hours. This, will be built into a permit. If it is preferred to have established times, then that should be in the specific producers permit. If someone refuses access, then revoke the permit. No brainer

Medicine is NOT routinely stored in kitchens but in a bathroom medicine chest or bedroom nightstand according to the National Institute of Health.

Training tells you not to cook when sick no matter if for restaurants, certified kitchens or at home. There is little difference in restaurants or home kitchens in the way they operate.

Restaurants do not ask patrons if they are sick.

100 people did not die in Hawaii, did anyone from a food bourn illness?

There is no difference in training for restaurant or home food preservation. Restaurant chefs for the most part have not learned food preservation. They often make up the majority in master

food preserver classes because of the desire to learn safe food preservation and utilize locally grown produce in their restaurants.

People can get sick from all foods when improperly prepared (bad pH or aW) and not sick from all foods when they are all properly prepared (correct pH, High pressure canned, correct aW)

Bottom line is we as value-added producers around the state, need to be able to make these in a home kitchen and be able to sell them freely.

Salsa	Chutney	Mango pickle
Sour Kraut	Fruit Syrup	Kim Chee
Relish	BBQ Sauce	Chili Sauce
Catsup	Hot Sauce	Tomato Sauce / paste / Juice

Proper training is essential for preparations in restaurants or certified kitchens or in home kitchens. It's the training and not the kitchen that makes the difference.

Ken Love

Feb. 22, 2024, 1 p.m.
Hawaii State Capitol
Conference Room 308 and Videoconference

To: House Committee on Finance
Rep. Kyle T. Yamashita, Chair
Rep. Lisa Kitagawa, Vice-Chair

From: Grassroot Institute of Hawaii
Ted Kefalas, Director of Strategic Campaigns

RE: COMMENTS IN SUPPORT OF HB2144 HD1 — RELATING TO VALUE-ADDED PRODUCTION

Aloha Chair Yamashita, Vice-Chair Kitagawa and Committee Members,

The Grassroot Institute of Hawaii would like to offer its support for [HB2144 HD1](#), which would enact the "Access to Local Value-Added Products Act."

This bill would allow local entrepreneurs to make and sell certain homemade food products without having to comply with burdensome and unnecessary regulations, such as the requirement that some of the foods be prepared in a commercial kitchen.

Last year, in the West Hawaii Today newspaper, one of our researchers highlighted the absurdity of this rule.

"Imagine you have an auntie in Ka'u who wants to start selling her famous lilikoi jam," wrote Grassroot policy researcher Jonathan Helton. "She's an excellent cook, and the neighbors often compliment her jams and jellies when she gives them as gifts.

"One of her neighbors tells a cousin on Maui how amazing the jams are, and this cousin gets in touch with your auntie to buy a few jars through the mail.

“But stop right there,” Helton said. “State law prohibits homemade foods from being sold through the mail unless they were made in a commercial kitchen.”¹

As pointed out in a Honolulu Star-Advertiser commentary by Rourk Reagan, who operates Pukana La Farms in Waiohinu, Hawaii, commercial kitchens can cost upward of \$20 an hour to rent.² This can comprise a major barrier to local residents who want to turn their family recipes into a bit of extra cash but aren’t interested in running a full-fledged food business.

Almost a decade ago, a report from the Kohala Center recommended allowing sales through the mail and sales through certain third parties.³ The state now has the opportunity to turn that recommendation into law.

Regarding concerns that homemade or cottage foods can endanger public health, there is little evidence to suggest this is the case.

The Hawaii Department of Health has stated that no foodborne illnesses have been linked to cottage food operations since the department first took steps to legalize such foods in 2015.⁴

Likewise, a survey of state health departments across seven states with scaled-back cottage food laws found that no foodborne illnesses had been confirmed to be linked to cottage foods; only two mild cases were even suspected to be caused by cottage foods.⁵

Considering that foodborne illnesses are frequently linked to restaurant-prepared foods, cottage foods have a stellar track record on food safety.

Overall, removing unnecessary barriers to mom and pop food entrepreneurs through HB2144 HD1 would pay big dividends in the state. The bill would also further Hawaii’s goal of producing more food in the state and boosting its food sovereignty.

Thank you for the opportunity to testify.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

¹ Jonathan Helton, "[Relax rules on ‘cottage food’ entrepreneurs.](#)" West Hawaii Today, Nov. 4, 2023.

² Rourk Reagan, "[Column: Hawaii farmers and home cooks deserve a chance to grow.](#)" Honolulu Star-Advertiser, Sept. 28, 2023.

³ "[Hawai’i Cottage Food Business Working Group Report, 2014.](#)" The Kohala Center, Jan. 13, 2015, pp. 12-13.

⁴ [Correspondence with the Department of Health under the Uniform Information Practices Act](#), Oct. 20, 2023; and

⁵ Erica Smith Ewing and Jennifer McDonald, "[New Data Show Homemade Food for Sale is Incredibly Safe.](#)" Institute for Justice, Sept. 6, 2023.

HB-2144-HD-1

Submitted on: 2/21/2024 8:44:30 AM

Testimony for FIN on 2/22/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jules McLane	DBA MOWEE Fruit Candy	Support	Written Testimony Only

Comments:

We are in support of HB2144 because small food businesses on Maui are a vital provider of 'Value Added' Hawaii Food Products. Value Added food products - particularly those using Hawaii grown foods/ingredients are an **expected and necessary part of each visitors experience.** We are part of a weekly Farmers Market (for three years) in which **visitors seek out Maui grown food products** as a way **to support local business.** We support having local food products provided by local food businesses.

If Hawaii visitors go to a store and are offered mainland based "Hawaii" products - we are missing out on a vital source of income which can support a local NOT mainland based business.

HB2144 would:

- create a path to legal direct sales for home or farm kitchen based food business via website or mail.

- create a new path forward for a food business to get approved annually for a fee of \$25 via MFP or DOH or comparable to use approved recipes & issue 365 day certificates for legal sales direct to consumers, via web & mail and at retail.

- promote use of approved MFP or State approved 'standardized recipes' ensuring safe food handling standards are met and safe food is served.

The proposed \$25 fee per is an annual fee to be renewed each year, opens up a retail opportunity for a home based kitchen or farm.

Respectfully,

Jules McLane

MOWEE Fruit Candy



INSTITUTE FOR JUSTICE

Testimony in Support of House Bill 2144

February 21, 2024

Dear Chair Yamashita and Members of the House Committee on Finance:

Thank you for the opportunity to submit testimony in support of House Bill 2144. I am an attorney at the Institute for Justice. We are a nonprofit organization that has helped cottage food producers reform restrictive laws that prevent them from earning a living. We support this bill because it will expand economic opportunity while increasing access to local food.

Cottage food businesses are a way for people with big dreams but little capital to start small in their own homes without having to spend thousands of dollars on professional equipment and commercial kitchen space. Nearly every state across the country recognizes these businesses as job creators and revenue generators, but Hawaii's regulatory approach is pushing this business model out of reach for many in the state.

At the Institute for Justice, we have studied the effects of cottage food businesses on local economies and communities and researched food safety. We have consulted experts, reviewed CDC data, and followed up with health departments in states that have expanded their cottage food laws in ways that are similar to the approach this bill takes. Our research confirms that cottage food is inherently safe for producers and consumers and that cottage food businesses help stimulate economic growth in their communities.¹

This bill brings much needed reform for the state's cottage food producers. Unlike the majority of states that have cottage food laws, Hawaii's current regulatory framework has been set by rule, and these rules are quite restrictive compared to the laws in other states. This bill strikes the right balance between expanding economic opportunity for cottage food producers and protecting food safety. It ensures cottage food producers receive food safety training specific to the types of food they sell and broadens the varieties of food that can be sold and where producers can sell them. Lastly, it ensures that consumers have the information they need to make informed decisions about whether to purchase and consume cottage food.

Seven states—California, Iowa, Montana, North Dakota, Oklahoma, Utah, and Wyoming—have enacted similar laws to support the local production of homemade food, including allowing the sale of perishable food. Notably, in these states, there has not been one confirmed case of foodborne illness tied to cottage food sales.² Wyoming has the

¹ Jeffrey K. O'Hara, Marcelo Castillo, Dawn Thilmany McFadden, Do Cottage Food Laws Reduce Barriers to Entry for Food Manufacturers?, *Applied Economic Perspectives and Policy* (2020), volume 00, number 00, pp. 1-17, <https://foodsystems.colostate.edu/wp-content/uploads/2020/07/aapp.13047.pdf>.

² Erica Smith Ewing, Jennifer McDonald, New Data Show Homemade Food For Sale Is Incredibly Safe, Sept. 6, 2023, <https://ij.org/report/new-data-show-homemade-food-for-sale-is-incredibly->



INSTITUTE FOR JUSTICE

oldest law. It has broadly allowed a wide variety of cottage food sales for nearly nine years with no cases of foodborne illness. Wyoming's law has received national recognition for safely increasing access to local food and opportunity.³

In conclusion, this bill pragmatically expands opportunities for cottage food producers and consumers without compromising food safety. We encourage the committee to support these important reforms.

Sincerely,

Meagan Forbes
Senior Legislative Counsel
Institute for Justice
Email: mforbes@ij.org

[safe/#:~:text=New%20data%20from%20the%20Institute%20for%20Justice%20show%20that%20buying,made%20in%20a%20home%20kitchen.](#)

³CBS This Morning, State law makes locally-sourced food more accessible than ever for Wyoming residents, Aug. 15, 2020, <https://youtu.be/iQnI8iuy2XE>.



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

**HEARING BEFORE THE HOUSE COMMITTEE ON FINANCE
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 308
Thursday, February 22, 2024 AT 1:00 P.M.**

To The Honorable Representative Kyle T. Yamashita, Chair
The Honorable Representative Lisa Kitagawa, Vice Chair
Members of the Committee on Finance

SUPPORT HB2144 HD1 RELATING TO VALUE-ADDED PRODUCTION

The Maui Chamber of Commerce **SUPPORTS HB2144 HD1.**

The Chamber notes that, for generations, homemade food operations were where innovations and new products were made. For example, one of our Maui chefs, Bev Gannon, started in her home kitchen, which then expanded to multiple restaurants on island. By allowing homemade food operations, it offers an alternative to renting a certified commercial kitchen where they will need to drive to the location depending on the kitchen availability (sometimes at inconvenient hours), bring in and pack out all items (as there is often no storage), and possibly clean up after the previous tenant. homemade food operations alleviate significant time and expense from our small food manufacturers and may help to spur this industry.

We appreciate the inclusion of rules and management by the Department of Health as that will provide an appropriate level of safety and oversight.

For these reasons we **SUPPORT HB2144 HD1.**

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.

HB-2144-HD-1

Submitted on: 2/20/2024 1:30:35 PM

Testimony for FIN on 2/22/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nicole Tai	Individual	Support	Written Testimony Only

Comments:

As someone who believes in sustainability, it is my firm belief that our community of small businesses whom produce food out of their homes are vital to creating and operating a sustainable economic system on this island. This bill allows those businesses to continue to function and grow, bringing money back into the community, the small farms, and agricultural lands that have allowed us to thrive thus far. As these small businesses continue to grow, with the support of this bill, they will be able to contribute more into our local economy by continuing to show and share what our island has to offer as well as providing tourism attractions like farmers markets along with local fruit stands. But without this bill, those communities will perish and the economy will become solely dependent on tourism again and suffer like we did when the state shut down at the beginning of the pandemic. We were once able to support our community and live from the land that provided for us and these value-added products help us continue that tradition and give our community a stepping stone to start and grow their businesses to the point where they can financially support the rising cost of rent for a commercial kitchen and other things deemed necessary by the standards currently in place. I firmly believe that this bill **MUST** pass in order for us to build our businesses and local economy up and not only grow but thrive.

Dear Committee Chairs,

I specialize in homemade jams made from our local fruits that I and other farmers here on the Big Island grow. I am glad that I currently can cook jam at home. However, for me to grow my business and make a decent living (I am struggling to get by right now) I need to sell online, be able to ship and wholesale to local stores like the coffee shop down the street. I am prohibited on doing that with the current guidelines for cottage industry. I'm not even permitted to ship my products to other Islands. Likewise, I am only allowed to do Jams and I would like to expand into BBQ sauces, Salsa and relishes. I recently received my permit to use a commercial kitchen from the Health Dept. I am allowed to make 8 out of my 35 flavors. For those initial 8 flavors the cost was initially \$1500.- for lab testing and an additional \$617./ a month for time testing, that was only for 8 flavors. The commercial kitchen is costing me \$25. an hour with very limited availability. The current hours of availability are late in the evening from 7pm-2am, and 4 am-11:30am in the morning, it takes good 6-8 hours to make a batch of jam and sauces depending on the flavor. I may have to go to another kitchen in Kona or Hilo for more hours which is an hour and half away at \$50.- an hour. If I could continue to cook at home, I could use some of that money to hire someone. I would have more hours not driving or the half hour just bringing pots, pans and supplies to the kitchen. I would be saving on gas and making my carbon footprint smaller. For those with children, they could be at home more and not have to figure out childcare to drive to a kitchen. I do not want to raise my prices. The additional costs are pricing me out of the market and will make wholesale impossible. I believe in keeping our money here and growing local businesses that are sustainable.

Food safety is a top priority for people in the cottage food industry. If someone got sick from my product, I would feel terrible, and it would also ruin my business. I have taken the Hawaii Master Food Preservers (HMFP) course that teaches the science and art of preserving locally grown foods and I have a certificate from them. I have my Hawaii State Food Handlers license and I pay my GE tax. I am glad that this bill addresses concerns for food safety and helps to create a path for people who make food products from home that are safe. Please support this bill Thank you and for helping small business owners and farmers.

Sincerely,

Rourk Reagan

[Wai'ōhinu, HI](#)

HB-2144-HD-1

Submitted on: 2/21/2024 8:07:33 AM

Testimony for FIN on 2/22/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Glen Kagamida	Individual	Support	Written Testimony Only

Comments:

STRONGLY SUPPORT!

WILL HELP FAMILIES MEET THE HIGH COST OF LIVING.

HB-2144-HD-1

Submitted on: 2/21/2024 9:36:50 AM

Testimony for FIN on 2/22/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
ken love	Individual	Support	Written Testimony Only

Comments:

Comments based on HDOH testimony

This whole exercise is to change the law to allow for home food preservation.

- 1. With proper training kitchen users be they restaurants, commercial kitchens, church kitchens or home kitchens, cooks and chefs and food preservers are trained not to cook or produce items when they are sick.***

Permits issued can require a home inspection and specific available times, and of course an anytime complaint-based inspection. This should be important to the community if proved authentic. Again proper training

Not true DOH would need a search warrant if it is written in the permit that under an authenticated outbreak HDOA had permission to inspect. Or HDOA pulls permit and confiscates all material being sold after an investigation. People in Hawaii do not get sick because of any department of health action. They do not get sick because value-added product producers and chefs and cooks want to provide safe food and care about their customers. The odds of someone getting sick from a homemade value-added product is no greater than having a meal at any commercial restaurant. In fact I venture to say having a home-made item would be safer than a some of Hawaii's restaurants.

DOH

18 6) The Food Safety Branch (FSB) inspection staff and Supervisors are well over 50%

19 female and it would not be safe sending them into people's private homes. Nor would it

20 be wise to send my male food safety specialists into private homes.

KEN LOVE

Very old world thinking. Women make up a large part of the police and fire departments and put themselves in danger like any man does. It's absurd to think that in this day and age that is still an issue.

DOH

The FSB does not

21 have the requisite staffing to conduct inspections in pairs to prevent any inferences of

22 misconduct or to prevent harassment as inspections have become increasingly

23 confrontational with the current anti-government rhetoric, we now live with.

KEN LOVE

This is sounding like the KGB's FSB

Training! Why does DOH assume the worst in people. No one wants to be typhoid Mary. They want to simple produce and sell safe value added products. Why would HDOA be concerned with anti-government rhetoric. Its not their job! No wonder it takes a year to get inspected.

DOH

24 7) Private homes typically will contain many household chemicals and cleaners not

25 approved for use in DOH permitted FE's, which also include prescription and OTC

26 medications that are never allowed in FE's and possibly illegal drugs which may

27 accidently adulterate whatever food product they are producing.

KEN LOVE

Medications are not stored in the kitchen by a large part of the population although according to the National Institute of Health 76% of the National Population incorrectly stores at least 1 prescription but none in the kitchen. 62% of the national population do not store medication in the kitchen.

This is also a no brainer. Proper training as a food preserver or chef includes how to safely store cleaning supplies and prescriptions. The HDOH should not assume that just because it's

a home kitchen its not safe. They should spend more time in Hawaii's commercial kitchens to make them safe.

Illegal drugs? That's for the police not HDOA to be concerned with. You mean there are no drugs in restaurant kitchens? You need to visit restaurant kitchens more often!

28 8) Pets, birds, rodent pets, rodent not pets, illegal venomous animals in homes.

(Illegal venomous animals in homes? Only if they came from Guam in UA wheels)

I guess HDOA folks have never sat in a restaurant with a rat running across the floor. You got to get out more! No one wants this but it happens. Proper training and established rules help keep it contained and this is no different in restaurant or home kitchens. How many of Hawaii's restaurants really follow the rules and have monthly treatments for pests and bacteria?

Bottom line is we as value-added producers around the state, need to be make these in a home kitchen and be able to sell them freely.

Salsa	Chutney	Mango pickle
Sour Kraut	Fruit Syrup	Kim Chee
Relish	BBQ Sauce	Chili Sauce
Catsup	Hot Sauce	Tomato Sauce / paste / Juice

Proper training is essential for preparations in restaurants or certified kitchens or in home kitchens. It's the training and not the kitchen that makes the difference.

February 21, 2024

Aloha Chair Yamashita, Vice Chair, Kitagawa and members of the Finance Committee,

I am writing in support of HB 2144 Relating to Value Added Production. I am the sole proprietor of a cottage foods bakery on the Big Island that caters to the gluten free and vegan community. There is not a lot available for people who have special dietary needs, particularly multiple food allergies, such as egg and dairy, along with gluten intolerance. While the majority of my customers need no such accommodation, the ones who do are very grateful to have something they can enjoy without worrying about cross-contamination and being sickened. I would love to be able to offer a wider range of food options beyond pastries for this community. For example being able to wholesale could open a doors by possibly providing locally made, high quality bread products, pastries, pizza shells, etc., that have been made in a 100% gluten free, dairy free and egg free kitchen to local establishments to serve to their highly gluten-sensitive (such as celiac) customers. There are currently no commercial kitchens available that offer this accommodation.

Additionally, I strive to utilize locally grown products in my goods as much as possible. We are blessed to have so many fresh fruits and vegetables available to us here, and wonderful farmers who produce them. I am proud to be able to be a part of highlighting the foods we grow here and supporting local producers and businesses. It is a circular benefit - when one of us prospers, we all do.

I urge you to support HB 2144 to allow producers of homemade goods to prosper, to create a broad range of value added products that make use of local produce and supplies, and to utilize a wider variety of sales options available to us, so that we may increase sales and not only benefit ourselves and the local economy, but contribute to the overall state's economic health through taxes.

Sincerely,

Sally Stewart

HB-2144-HD-1

Submitted on: 2/21/2024 12:33:11 PM

Testimony for FIN on 2/22/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mamiko Carroll	Individual	Support	Written Testimony Only

Comments:

Chair Yamashita, Vice-Chair Kitagawa, and members of the committee,

Please pass HB 2144 HD1 to permit small-scale homemade food operations and help support our local producers.

Thank you for this opportunity to testify in SUPPORT of HB 2144 HD1.

Mamiko Carroll
House District 48

HB-2144-HD-1

Submitted on: 2/21/2024 9:57:04 PM

Testimony for FIN on 2/22/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nicholas Zehr	Individual	Support	Written Testimony Only

Comments:

I am writing to express my strong support for this bill.

This bill represents a crucial step toward achieving food sovereignty in Hawaii. By enabling local producers to sell homemade food products directly to consumers, we are not only diversifying our food sources but also empowering our communities to take control of their food systems. This initiative will reduce our dependence on imported foods, which is vital for our state's resilience in the face of supply chain disruptions. Food freedom is at the core of this bill, as it provides our residents the choice to support local, ensuring that they know where their food comes from and how it is made.

The emphasis on maintaining high food safety standards is commendable. By requiring the same level of food safety training and certification for homemade food operations as is expected of larger food establishments, this bill ensures that public health is not compromised. This approach builds trust among consumers and lays a strong foundation for the growth of the homemade food industry in Hawaii.

Small, family-run businesses are the backbone of our local economy. By cutting through the red tape that currently hinders the growth of homemade food operations, this bill opens up new avenues for economic development and innovation. It provides a much-needed lifeline for entrepreneurs, especially those in rural areas or those recovering from disasters like the recent Maui wildfires. The potential for job creation and keeping money within our local economy cannot be overstated.

In conclusion, this is forward-thinking legislation that aligns with Hawaii's values of community, sustainability, and resilience. It presents a unique opportunity to strengthen our food system, support our local entrepreneurs, and ensure the health and well-being of our citizens.

I urge you to pass this bill and set a precedent for a more sustainable, self-reliant Hawaii. Together, we can build a future where our food system reflects the values of our community and contributes to the prosperity of our beloved state.

2/21/2024

Aloha House Committee,

It has come to my attention that a very important decision is being made by the state regarding the support of local food production by the local people that reside in this state. Hawaii has a rich history of food production. Decentralizing food supply and allowing small farmers to grow food and residents to make value added products safely is vital for our need to provide sustainable local food. Farming on these island is challenging and farmers and the local community need to be able to produce value added shelf stable products from locally grown food for our community food resources.

I support HB 2144 HDI as it is critical to the growth of local food production in Hawaii and building a sustainable economy in a predominantly agricultural state. By opening up channels to local businesses which make value added products we create entrepreneurs and unleash creativity. The current bill will continue to emphasize Food Safety procedures and ensure that products are shelf stable.

I attended the course through Hawaii Master Food Preservers and appreciated their science emphasis behind food production. I have been using food preservation techniques in my home for my family and friends for decades and found the classes to be

excellent and very specific to the Hawaii food procedures. Please support this bill and let our economy grow.

I am a trained physician and have taught University courses in Nutrition, Food Science and Environmental Health. Local food production and value added food preservation by small businesses has the opportunity to support good nutrition, and address global environmental issues by reducing the globalization of food production and shipping of those products.

Thank you for taking the time to address the nutritional needs of the residents of this state.

A hui hou.

Joanne Jenner ND

HB-2144-HD-1

Submitted on: 2/22/2024 11:58:53 AM

Testimony for FIN on 2/22/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Brynn	Individual	Support	Written Testimony Only

Comments:

Mr. Chair, Thank you for the opportunity to testify today in support of this important bill. It isn't a secret that Hawaii has been said to be the worst state in the U.S. to do business. The high costs of commercial real estate and rent has moved countless businesses off island or to shut their doors completely. Yet home businesses across the U.S. have soared since the pandemic. I am the founder and small business value-added food entrepreneur of products made from locally grown kalo and 'ulu. I started my small business in my home kitchen based on a cookie made from poi my great-grandmother gave me as a child. That cookie was my first introduction to my Kanaka Maoli culture through this food that was made from taro. Most cottage foods are made by women and cultural in their foundation. This was also my story. I am in support of the Access to Local Value-Added Products Act since value-added foods are in the middle of this broken food system and the imbalance I am highlighting predominantly impacts rural and indigenous communities. Food sovereignty and environmental justice intersect. People in Hawai'i have been asking for more sustainability, to be more self-reliant, and to expand our economy away from tourism. Local food production is integral to the state's economic development and food security, and as the state recovers from the Maui fires and the pandemic, enacting a Value-Added and cottage food law will help create jobs, support small businesses, increase health and boost local economies, especially in rural areas and small towns. Food security is one of the key social determinants of health. Access and availability for food production is food justice and critical infrastructure to a healthy food system. Please help increase access to local food in my community and support cottage food producers across Hawai'i by voting yes on the Access to Local Value-Added Products Act this legislative session. I am happy to answer any questions the committee may have,

Aloha,

Brynn Foster