

Honolulu, Hawaii

**MAR 01**, 2024

RE: H.B. No. 2278  
H.D. 2

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-Second State Legislature  
Regular Session of 2024  
State of Hawaii

Sir:

Your Committee on Judiciary & Hawaiian Affairs, to which was referred H.B. No. 2278, H.D. 1, 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:

- (1) Clarify labeling requirements for macadamia nuts; and
- (2) Require the country of origin to be included on the principal display panel of a consumer package of raw or processed macadamia nuts.

Your Committee received testimony in support of this measure from the Department of Agriculture; Island Harvest Inc.; Hawai'i Macadamia Nut Association; Edmund C Olson Trust No. 2; Ka'u Farms Management LLC; Hamakua Macadamia Nut Company; Hawai'i Farm Bureau; Hawaiian Macadamia Nut Services, LLC; Synergistic Hawai'i Agriculture Council; Macadamia Growers of Hawai'i; M. Nakamura Nursery, LLC; and numerous individuals. Your Committee received testimony in opposition to this measure from the Hawaiian Host Group; Maunaloa Macadamia; Kapua Orchards, Inc; and numerous individuals. Your Committee received comments on this measure from the Department of the Attorney General.



Your Committee finds that the macadamia nut industry is a significant contributor to the State's agricultural economy. Your Committee further finds that the industry faces significant economic pressure as a result of macadamia nut products' misleading use of Hawaiian names and images when only a portion or none of the macadamia nuts within the products were sourced from within the State. This measure bolsters the State's existing protections on the labeling of the origin of macadamia nuts to protect the Hawaii brand.

Your Committee has amended this measure by:

- (1) Deleting the requirement that the country of origin be included on the principal display panel of a consumer package of raw macadamia nuts; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that the Department of Agriculture's capacity to enforce packaging and labeling requirements is currently undersized as a result of position reductions. Your Committee notes that consideration should be given to the Department of Agriculture's request of one full-time equivalent (1.0 FTE) permanent position at a salary of \$63,000 to bolster the Department's enforcement capacity.

As affirmed by the record of votes of the members of your Committee on Judiciary & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2278, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2278, H.D. 2.



Respectfully submitted on  
behalf of the members of the  
Committee on Judiciary &  
Hawaiian Affairs,

*David Tarnas*

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DAVID A. TARNAS, Chair



**Record of Votes of the Committee on Judiciary & Hawaiian Affairs**

<b>Bill/Resolution No.:</b> <b>HB 2278, HD1</b>	<b>Committee Referral:</b> <b>CPC, JHA</b>	<b>Date:</b> <b>2-23-24</b>
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The committee is reconsidering its previous decision on the measure.

**The recommendation is to:**    Pass, unamended (as is)    Pass, with amendments (HD)    Hold  
 Pass short form bill with HD to recommit for future public hearing (recommit)

JHA Members	Ayes	Ayes (WR)	Nays	Excused
1. TARNAS, David A. (C)	/			
2. TAKAYAMA, Gregg (VC)	/			
3. EVSLIN, Luke A.	/			
4. GANADEN, Sonny	/			
5. HOLT, Daniel				-
6. ICHIYAMA, Linda	/			
7. ILAGAN, Greggor	/			
8. KONG, Sam Satoru		✓		
9. MIYAKE, Tyson K.		✓		
10. SOUZA, Kanani				-
<b>TOTAL (10)</b>	<b>6</b>	<b>2</b>	<b>-</b>	<b>2</b>

**The recommendation is:**    Adopted    Not Adopted  
If joint referral, \_\_\_\_\_ did not support recommendation.  
committee acronym(s)

**Vice Chair's or designee's signature:** Greggor Ilagan

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