JOSH GREEN, M.D. GOVERNOR OF HAWAI'I KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAI'I



#### STATE OF HAWAI'I DEPARTMENT OF HEALTH KA 'OIHANA OLAKINO

P. O. BOX 3378 HONOLULU, HI 96801-3378 doh.testimony@doh.hawaii.gov In reply, please refer to: File:

## Testimony in SUPPORT of HB2144SD1 PROPOSED RELATING TO VALUE-ADDED PRODUCTION

# SENATOR MIKE GABBARD, CHAIR SENATE COMMITTEE ON AGRICULTURE AND THE ENVIRONMENT Hearing Date: 3/15/2024 Room Number: 224 & VIDEO CONF

- 1 **Fiscal Implications:** This measure will not 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 SUPPORTS this measure.
- 5 The Department has reviewed the proposed SD1 version of this bill, and the DOH supports the
- 6 proposed SD1 version. However, the Department is offering amendments to address issues
- 7 identified in the current version.

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- 9 The Department respectfully offers the following amendments:
  - 1) Amend SECTION 2.
    - a) Line 13, "Homemade food products" to, "...containing chopped cut tomatoes, such as salsa, also must be kept refrigerated at or below forty-one..."

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2) Remove Section 3 in it's entirety for the following reasons:

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a) Existing law (chapter 11-50, HAR) already allows direct sales to be conducted via the internet and common carrier (i.e., the US Mail, aka shipping). Therefore, it is not necessary and potentially confusing to add language that would allow this practice, again because it is already allowed.

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b) Note that any inter-state shipping/mailing of homemade food may be prohibited by FDA and federal law due to the fact that it make be deemed "adulterated" (i.e., from an unapproved source). Thus, state law can only address intra-state direct-to-consumer transactions which, again, state law already allows to be via internet, mail or shipping.

2526

#### **HB2144SD1 PROPOSED**

Page 2 of 2

1 2 3 4 5 6 7 8 9 10 11

c) Keeping section 3. (1)(B) and section 3. (2)(B) may give a false hope to farmers or homemade food producers that a third party such as Costco, Times, Safeway, CVS, etc would purchase their homemade food items. The current definition of "Approved Food Source" in the current chapter 11-50, HAR, and the most current edition (2022) of the FDA Model Food specifically list foods prepared in home kitchens as an "unapproved food source". Even if the HAR or HRS is changed to allow the practice of selling to a third-party vendor, in reality, current commercial practices may prevent such sales due to the liability associated with selling foods universally accepted as "unapproved". As a practical matter, current food permit holders have no internal QC that allows them to purchase homemade foods and most likely would not accept the liability associated with doing so.

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Thank you for the opportunity to testify.

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 Phone: (808) 973-9600 FAX: (808) 973-9613

## TESTIMONY OF SHARON HURD CHAIRPERSON, BOARD OF AGRICULTURE

#### BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

FRIDAY, MARCH 15, 2024 1:00 P.M. CONFERENCE ROOM 224 & VIDEOCONFERENCE

HOUSE BILL NO. 2144, HD1, SD1 PROPOSED RELATING TO VALUE-ADDED PRODUCTION

Chair Gabbard, Vice Chair Richards, and Members of the Committee:

Thank you for the opportunity to present testimony on House Bill 2144, HD1, SD1 Proposed. This bill aims to require the Department of Health (DOH) to revise the definition of "homemade food products" and adopt certain rules concerning the sale and delivery of such items. The Department provides the following comments.

The Department believes that this proposed Act could incentivize certain households to engage in entrepreneurial activities, particularly in rural areas by expanding value-added food production. These new activities could foster the creation of a wider array of local food products and market opportunities, thus enhancing economic prospects for various communities and enabling them to capture more of the value chain dollar. Additionally, such initiatives can contribute to the resiliency of local food systems.

The Department appreciates this legislative effort to support the growth of the small-scale homemade food or "cottage food" industry in Hawaii. Finally, we defer to the DOH regarding any proposed amendments required under Chapter 11-50 of the Hawaii Administrative Rules (HAR) and Chapter 91 of the Hawaii Revised Statutes (HRS) to uphold food safety standards, safeguard public health, and establish provision in the proposed Act.

Thank you for the opportunity to testify on this measure.



JOSH GREEN, M.D. Governor SYLVIA LUKE Lt. Governor



## STATE OF HAWAI'I AGRIBUSINESS DEVELOPMENT CORPORATION

235 S. Beretania Street, Suite 205 Honolulu, HI 96813 Phone: (808) 586-0186 Fax: (808) 586-0189

# TESTIMONY OF WENDY L. GADY EXECUTIVE DIRECTOR AGRIBUSINESS DEVELOPMENT CORPORATION

# BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

Friday, March 15, 2024 1:00 p.m. Conference Room 224 & Videoconference

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

Chair Gabbard, Vice Chair Richards, 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.



P.O. Box 253, Kunia, Hawai'i 96759 Phone: (808) 848-2074; Fax: (808) 848-1921 e-mail info@hfbf.org; www.hfbf.org

March 15, 2024

## HEARING BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

# TESTIMONY ON HB 2144, PROPOSED SD1 RELATING TO VALUE-ADDED PRODUCTION

Conference Room 224 & Videoconference 1:00 PM

Aloha Chair Gabbard, Vice-Chair Richards, 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, Proposed SD1, which requires the Department of Health to amend the definition of "homemade food products" and adopt certain rules regarding the sale and delivery of homemade food products.

As expenses rise, increasing 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 increase farm revenue and provide new business opportunities, increase employment opportunities, and address Hawai'i's goals of increased self-sufficiency and sustainability.

Permitting homemade food operations can benefit our local agricultural sector by encouraging farmers to diversify their farming operations to incorporate value-added products as another avenue for revenue and increase sales of locally grown products to Homemade Food businesses. Communities will also benefit from greater access to locally produced foods.

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



1050 Bishop St. #508 Honolulu, HI 96813 808-864-1776 info@grassrootinstitute.org

Removing barriers to Hawaii's prosperity

March 15, 2024, 1 p.m.

Hawaii State Capitol

Conference Room 224 and Videoconference

To: Senate Committee on Agriculture and Environment Sen. Mike Gabbard, Chair Sen. Herbert M. "Tim" Richards, III, Vice-Chair

From: Grassroot Institute of Hawaii

Ted Kefalas, Director of Strategic Campaigns

RE: COMMENTS ON HB2144 PROPOSED SD1 — RELATING TO VALUE-ADDED PRODUCTION

Aloha Chair Gabbard, Vice-Chair Richards and other Committee members,

The Grassroot Institute of Hawaii would like to offer its comments on the proposed SD1 for <u>HB2144</u>, which would charge the Department of Health with the responsibility of enacting rules for the sale and delivery of homemade food products, commonly known as "cottage foods."

In general, we support any effort that would open the sale of cottage foods for Hawaii entrepreneurs. On its face, the proposed amendment purports to do just that.

We understand the desire to pass all details of this issue to the Department of Health, but we also fear that this could result in a set of rules that would make the sale of cottage foods too costly or difficult to pursue. Thus, we suggest that if the Committee pursues this rules-based approach to the legalization of cottage foods, you provide additional guidance regarding the type and extent of regulation desired for such enterprises.

We appreciate that this bill would be an important step forward in promoting cottage food enterprises in Hawaii. We only want to ensure that the regulation of such enterprises does not become an excessive burden on either the businesses themselves or the agency charged with overseeing them.

At present, Hawaii residents who want to to make and sell certain homemade food products are forced 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."

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.<sup>2</sup> 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.<sup>3</sup> 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.<sup>4</sup>

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.<sup>5</sup>

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

<sup>&</sup>lt;sup>1</sup> Jonathan Helton, <u>"Relax rules on 'cottage food' entrepreneurs,"</u> West Hawaii Today, Nov. 4, 2023.

<sup>&</sup>lt;sup>2</sup> Rourk Reagan, "Column: Hawaii farmers and home cooks deserve a chance to grow," Honolulu Star-Advertiser, Sept. 28, 2023.

<sup>&</sup>lt;sup>3</sup> "Hawai'i Cottage Food Business Working Group Report, 2014," The Kohala Center, Jan. 13, 2015, pp. 12-13.

<sup>&</sup>lt;sup>4</sup> Correspondence with the Department of Health under the Uniform Information Practices Act, Oct. 20, 2023.

<sup>&</sup>lt;sup>5</sup> Erica Smith Ewing and Jennifer McDonald, <u>"New Data Show Homemade Food for Sale is Incredibly Safe,"</u> Institute for Justice, Sept. 6, 2023.

Overall, removing unnecessary barriers to mom and pop food entrepreneurs through HB2144 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 Aloha Chair Gabbard, Vice Chair Richards, Members of the Senate Committee on Agriculture and Environment (AEN),

Thank you for the opportunity to testify in <u>STRONG SUPPORT</u> with one (1) requested amendment of HB2144 HD1 Proposed SD1 – Relating to Value-Added Production. The proposed amendment to the definition of "Homemade food products" should read as follows:

"Homemade food products" means:

- (1) Not potentially hazardous food produced or packaged in a home kitchen but does not include dried meats or seafood; and
- (2) Foods of plant origin that are pickled, fermented, or acidified, except for cantaloupe and other fruit from the melon family, produced or packaged in a home that have a pH equal to or less than 4.2 and a water activity value less than 0.88; provided that any homemade food product containing chopped tomatoes, such as salsa, must also be kept refrigerated at or below forty-one degrees Fahrenheit.

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". In our agricultural community, small farmers can produce value added products. Additionally, 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.

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 refreeze 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.

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.

Again, thank you for the opportunity to testify in <u>STRONG SUPPORT</u> with one (1) requested amendment regarding HB2144 HD1 Proposed SD1. Please feel free to reach out to me if you have any questions.

Mahalo,

Jane Tai
Vice President, Hawaii Master Food Preservers, Inc.

Mfphawaii@gmail.com

Submitted on: 3/14/2024 9:15:57 AM

Testimony for AEN on 3/15/2024 1:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Elizabeth Tranquilli	Testifying for Makani Mills, LLC	Support	Written Testimony Only

#### Comments:

Aloha Chair Gabbard, Vice Chair Richards, Members of the Senate Committee on Agriculture and Environment (AEN),

Thank you for the opportunity to testify in STRONG SUPPORT with one (1) requested amendment of HB2144 HD1 Proposed SD1 – Relating to Value-Added Production. The proposed amendment to the definition of "Homemade food products" should read as follows:

"Homemade food products" means:

- (1) Not potentially hazardous food produced or packaged in a home kitchen but does not include dried meats or seafood; and
- (2) Foods of plant origin that are pickled, fermented, or acidified, except for cantaloupe and other fruit from the melon family, produced or packaged in a home that have a pH equal to or less than 4.2 and a water activity value less than 0.88; provided that any homemade food product containing chopped tomatoes, such as salsa, must also be kept refrigerated at or below forty-one degrees Fahrenheit.

My mission as a cottage food producer on Hawai'i Island has always been to provide affordable quality food to my community that supports local agriculture by sourcing as many local ingredients as possible. And that is the essence of what cottage food producers all over the country do- support and provide quality food access and food sustainability for local communities. For us in Hawai'i cottage food producers are also an important link to further food sovereignty.

I would argue that nowhere is this mission more vital than in Hawai'i. Two recent events-the Covid-19 pandemic and the Maui Fires --have illustrated the need for both improved local food access for the people by the people and a more varied economy for Hawai'i citizens beyond tourism. This bill provides opportunity for both.

Most cottage food producers are women. Many represent older demographics. Many cottage food producers on our islands live in and serve our rural communities. And at present, the restrictions of what and where homemade products can be sold is unnecessarily stifling to our economic prospects.

I am a 17 year veteran educator in the state. I operate my food business as a means to keep my head just barely above the surface for economic survival here. What this bill would provide me is another means to economic security by allowing me to partner with local businesses as a third party to sell my shelf-stable non-hazardous food product. It would allow me to send a bag of crackers to a customer on another island. And it would do so with zero changes to the safety of the food products I make in my home than if I were handing the product to the person myself. The process is the same. The labeling requirements are the same. Renting a commercial kitchen to be able to do what I am already safely doing at home under cottage guidelines is an economic and time burden that does nothing to further promote public health.

While arguments will be made in opposition to this bill regarding ensuring food safety, let me assure you that every cottage food producer has a vested interest in making sure the food we supply our neighbors with is safe. We want to be partners with health authorities in this process in a way that empowers us through education to take proper food safety measures. The measures this bill takes to allow for our education in doing so creates a clear avenue for partnership and empowerment. Multiple states have enacted similar laws, many going even further than this law does to provide food freedom, and the data from these states over years have proven that cottage food production is safe with no foodborne illnesses connected to the cottage food industry. It is safe to sell home food products through third parties. It is safe to sell through the internet. It is safe to ship. I understant that food safety is more about what might happen than what will happen, but the evidence from other states with similar measures passed for years have proven that what might happen to public health and safety is nothing.

While Hawai'i would not be the first to pass such a law in support of the cottage food industry, doing so would still position us as a leader across the nation about what is possible when governments support small business and local agriculture through such laws. It is an area of leadership that is sorely needed by all citizens of Hawai'i as we navigate ways to support ourselves and each other while utilizing the abundance of unique agriculture that has sustained the people here for centuries.

With no food support there is no Hawai'i. There is no culture. There is no hula. There is no surfing. There are no Hawaiian people. It is only through food security that our efforts, intentions and collective strengths can be put towards these aspects of our identity as a people. I humbly mahalo our leaders in the legislature for recognizing the role cottage food producers play in who we are and might become here in Hawai'i by introducing this bill. It is my greatest hope that full support be given to passing this measure.

Again, thank you for the opportunity to testify in STRONG SUPPORT with one (1) requested amendment regarding HB2144 HD1 Proposed SD1. Please feel free to reach out to me if you have any questions.

Mahalo,

Elizabeth Tranquilli

Makani Mills, LLC

makanimills@gmail.com



#### **Testimony in Support of House Bill 2144**

March 14, 2024

Dear Chair Gabbard and Members of the Senate Committee on Agriculture and Environment:

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 safely expand economic opportunity while increasing access to local food.

We offer our strong support for the bill with the following amendment:

#### "Homemade food products" means:

- (1) Not potentially hazardous food produced or packaged in a home kitchen but does not include dried meats or seafood; and
- (2) Foods of plant origin that are pickled, fermented, or acidified, except for cantaloupe and other fruit from the melon family, produced or packaged in a home that have a pH equal to or less than 4.2 and a water activity value less than 0.88; provided that any homemade food product containing chopped tomatoes, such as salsa, must also be kept refrigerated at or below forty-one degrees Fahrenheit.

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. Our research confirms that cottage food is inherently safe for producers and consumers and that cottage food businesses help bolster local economies and stimulate economic growth in their communities.<sup>1</sup>

This bill brings much needed reform for the state's cottage food producers. Hawaii's current regulatory framework is quite restrictive compared to the cottage food laws in other states. This bill strikes the right balance between expanding economic

<sup>&</sup>lt;sup>1</sup> 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, <a href="https://foodsystems.colostate.edu/wp-content/uploads/2020/07/aepp.13047.pdf">https://foodsystems.colostate.edu/wp-content/uploads/2020/07/aepp.13047.pdf</a>.



#### INSTITUTE FOR JUSTICE

opportunity for cottage food producers and protecting food safety. It broadens the types of shelf-stable food that can be sold and where producers can sell them in ways that many states already safely allow. Notably, even in states that allow potentially hazardous food to be sold, there has not been one confirmed case of foodborne illness tied to cottage food sales.<sup>2</sup>

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

<sup>&</sup>lt;sup>2</sup> Erica Smith Ewing, Jennifer McDonald, New Data Show Homemade Food For Sale Is Incredibly Safe, Sept. 6, 2023, <a href="https://ij.org/report/new-data-show-homemade-food-for-sale-is-incredibly-safe/#:~:text=New%20data%20from%20the%20Institute%20for%20Justice%20show%20that%20buying, made%20in%20a%20home%20kitchen.">https://ij.org/report/new-data-show-homemade-food-for-sale-is-incredibly-safe/#:~:text=New%20data%20from%20the%20Institute%20for%20Justice%20show%20that%20buying, made%20in%20a%20home%20kitchen.</a>

Aloha Chair Gabbard, Vice Chair Richards, Members of the Senate Committee on Agriculture and Environment (AEN),

Thank you for the opportunity to testify in <u>STRONG SUPPORT</u> with one (1) requested amendment of HB2144 HD1 Proposed SD1 – Relating to Value-Added Production. The proposed amendment to the definition of "Homemade food products" should read as follows:

"Homemade food products" means:

- (1) Not potentially hazardous food produced or packaged in a home kitchen but does not include dried meats or seafood; and
- (2) Foods of plant origin that are pickled, fermented, or acidified, except for cantaloupe and other fruit from the melon family, produced or packaged in a home that have a pH equal to or less than 4.2 and a water activity value less than 0.88; provided that any homemade food product containing chopped tomatoes, such as salsa, must also be kept refrigerated at or below forty-one degrees Fahrenheit.

Hawaiian Goodness, LLC primarily produces value-added products which are dehydrated and the current regulations of the Cottage Food rules stipulate that products 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 mailed to other islands or the mainland nor wholesaled to local stores. Being able to diversify and create other preserved products which takes traditional Hawaiian recipes such as pickled mangoes will help the business grow and create revenue for not only my company but for the economy overall.

Currently, 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 \$50 on gas and \$200 on a kitchen to make \$100's worth of pickles doesn't make economic sense. It's the same for dehydration - 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. Rather than encouraging agricultural reliance, we are discouraging being economically self sufficient and building Hawaii's brand of premium Fruit/Vegetable products.

Again, thank you for the opportunity to testify in <u>STRONG SUPPORT</u> with one (1) requested amendment regarding HB2144 HD1 Proposed SD1. Please feel free to reach out to me if you have any questions.

#### Mahalo,

Jane Tai Hawaiian.goodness.kona@gmail.com

Sadie Vaughan Sadie\_vaughan@yahoo.com

Craig Thompson <a href="mailto:crtrumi@gmail.com">crtrumi@gmail.com</a>

Nick Vaughanvaughannick992@yahoo.comRandy Cookrandygrachi@gmail.comElizabeth Whitneyelizabethwhit92@gmail.com



#### HEARING BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 224 Friday, March 15, 2024, 1:00 PM

To The Honorable Senator Mike Gabbard, Chair The Honorable Senator Herbert M. "Tim" Richards, III, Vice Chair Members of the Committee on Agriculture and Environment

#### 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

Pamela Jumpap

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.

Submitted on: 3/12/2024 3:37:44 PM

Testimony for AEN on 3/15/2024 1:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
ken love	Individual	Support	Written Testimony Only

#### Comments:

Hb2144 has been a long time coming. The first step in bringing Hawaii's growers and producers into modern times. Having the ability to utilized locally grown produce in value added products has incredible potential to contribute to island and on farm sustainability.

Thank you for your support

Submitted on: 3/13/2024 2:11:11 PM

Testimony for AEN on 3/15/2024 1:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Glen Kagamida	Individual	Support	Written Testimony Only

Comments:

WILL HELP FAMILIES DEAL WITH HIGH COST OF LIVING.

MAHALO!

Submitted on: 3/13/2024 11:20:03 PM

Testimony for AEN on 3/15/2024 1:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Nicole Tai	Individual	Support	Written Testimony Only

#### Comments:

Aloha Chair Gabbard, Vice Chair Richards, Members of the Senate Committee on Agriculture and Environment (AEN),

Thank you for the opportunity to testify in STRONG SUPPORT with one (1) requested amendment of HB2144 HD1 Proposed SD1 – Relating to Value-Added Production. The proposed amendment to the definition of "Homemade food products" should read as follows:

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- (1) Not potentially hazardous food produced or packaged in a home kitchen but does not include dried meats or seafood; and
- (2) Foods of plant origin that are pickled, fermented, or acidified, except for cantaloupe and other fruit from the melon family, produced or packaged in a home that have a pH equal to or less than 4.2 and a water activity value less than 0.88; provided that any homemade food product containing chopped tomatoes, such as salsa, must also be kept refrigerated at or below forty-one degrees Fahrenheit.

As a graduate of the Hawaii Master Food Preserver program and someone who believes in sustainability, it is my firm belief that the community of small businesses whom produce food out of their homes are vital to creating and operating a sustainable economic system. This bill with these proposed amendments, allows those businesses to continue to function and grow, bringing money back into the community and the small farms and agricultural lands, which in turn, will allow us to thrive. As these small businesses continue to grow, through 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 including participating in farmers markets. But without this bill and these proposed amendments, those communities will perish and the economy will become solely dependent on tourism again and our economy will suffer again like we did when the state shut down at the beginning of the pandemic. We were once able to support our local families and community by living off what the land provided for us; 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 and its proposed amendments MUST pass in order for us to build our businesses and local economy up and not only grow, but thrive.

Again, thank you for the opportunity to testify in STRONG SUPPORT with one (1) requested amendment regarding HB2144 HD1 Proposed SD1. Please feel free to reach out to me if you have any questions.

Mahalo,

Nicole Tai

nicole.d.tai@gmail.com

Submitted on: 3/14/2024 7:50:46 AM

Testimony for AEN on 3/15/2024 1:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Matt Binder	Individual	Support	Written Testimony Only

#### Comments:

I support HB2144 as it is critical to the growth of local food production in Hawai'i and to build 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 bill does not neglect food safety. Hawai'i Master Food Preservers supports this legislation and I trust their experience. Please support this bill and let our economy grow as we support our farmers and other food producers.

Aloha Chair Gabbard, Vice Chair Richards, and members of the Committee on Agriculture and Environment,

I am writing in strong support of HB2144 HD1 SD1 Relating to Value Added Production with the following amendment:

"Homemade food products" means:

- Not potentially hazardous food produced or packaged in a home kitchen but does not include canned or bottled foods, dried meats or seafood, low acid canned foods and garlic in oil; and
- 2. Foods of plant origin that are pickled, fermented, or acidified, except for cantaloupe and other fruit from the melon family, produced or packaged in a home that have a pH equal to or less than 4.6 and a water activity value less than 0.88; provided that any homemade food product containing chopped tomatoes, such as salsa, must also be kept refrigerated at or below forty-one degrees Fahrenheit.

The recommended amendment as worded is necessary to clarify the differences in safe handling for preserved versus other non-potentially hazardous foods.

I am the sole proprietor of a cottage foods bakery on the Big Island (Sally Jane's Sweets and Savories) that specializes in items for a niche clientele (gluten free and vegan). As such, I am basically forced to be a cottage foods operation, as there are no rental commercial kitchen facilities that meet the requirements of being fully gluten free, egg free and dairy free. Even if one were available that met those needs, the rental fees are prohibitive in general, particularly for a small food-based business with already slim margins. Under current regulations, businesses are very limited in their ability to grow and to produce the items customers are seeking.

My experience is that customers seek out food products that are made here using local ingredients. And why wouldn't they? We have so many unique and wonderful fruits and vegetables here. I personally strive to utilize locally sourced produce and goods, because it makes economic sense all around, and it's what people want. This bill enables more people to highlight the abundance the islands provide and create some additional income for families, which is very much needed in these times. It allows people to create a wider variety of products, which can only boost the economy here in general

For all the ways it will help individuals, businesses and the State of Hawaii, I strongly urge you to pass HB2144 HD1 SD1 Relating to Value Added Production with the above-mentioned amendment.

Sincerely, Sally Stewart

Submitted on: 3/14/2024 8:12:10 AM

Testimony for AEN on 3/15/2024 1:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Kris Bordessa	Individual	Support	Written Testimony Only

#### Comments:

Acidic foods like pickles and ferments pose little risk to consumers. Allowing small producers to make and sell these products without need for a HAACP plan opens up opportunities for more farm to table products made in Hawaii. Please support HBG2144/HD1.

Aloha Chair Gabbard, Vice Chair Richards, Members of the Senate Committee on Agriculture and Environment (AEN),

Thank you for the opportunity to testify in <u>STRONG SUPPORT</u> with one (1) requested amendment of HB2144 HD1 Proposed SD1 – Relating to Value-Added Production. The proposed amendment to the definition of "Homemade food products" should read as follows:

"Homemade food products" means:

- (1) Not potentially hazardous food produced or packaged in a home kitchen but does not include dried meats or seafood; and
- (2) Foods of plant origin that are pickled, fermented, or acidified, except for cantaloupe and other fruit from the melon family, produced or packaged in a home that have a pH equal to or less than 4.2 and a water activity value less than 0.88; provided that any homemade food product containing chopped tomatoes, such as salsa, must also be kept refrigerated at or below forty-one degrees Fahrenheit.

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 from 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. That is adding about \$4-. per 8 oz jar for my cost of production. 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. I only make products that do not require Time Temperature Control, that are in the correct pH and Water Activity range and are shelf stable. 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. Mahalo for helping small business owners and farmers.

Sincerely,
Rourk Reagan
Pukana Lā Farms
rourkreagan@gmail.com
808-494-6959
Wai'ōhinu, HI

Submitted on: 3/14/2024 11:32:01 AM

Testimony for AEN on 3/15/2024 1:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Robert F. Welsch	Individual	Support	Written Testimony Only

#### Comments:

Aloha, please help support our community by approving small home canning and food processing on a small scale level. This is the lifeblood of our local community. Supporting resilience and promoting local and exotic flavors and reducing food waste.

thank you,

Robert Welsch