

ACT 199

H.B. NO. 2278

A Bill for an Act Relating to Labeling of Macadamia Nuts.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that Hawaii-grown commodities are an important sector of Hawaii's economy, and the branding of such commodities is critical to protect and safeguard consumers from fraudulent representations of the commodity's geographic origin. The macadamia nut production industry in Hawaii is one such example. According to statistics from the United

States Department of Agriculture National Agricultural Statistics Service, the value of the macadamia nut crop in Hawaii in 2022 totaled \$33,200,000.

The legislature further finds that macadamia nuts are a popular ingredient incorporated into a variety of products, such as breads, cookies, energy bars, and other baked goods, candies, milk, and ice cream. In such products, macadamia nuts are not the main product, rather macadamia nuts are a part of another product. The legislature notes that it is not the intent of this Act to extend any labeling requirements to these products.

Accordingly, the purpose of this Act is to enhance, preserve, and protect the premium brand of Hawaii-grown macadamia nuts by providing clarity under the labeling requirements for macadamia nuts, including adding a statement indicating that a product may contain macadamia nuts grown outside Hawaii.

SECTION 2. Section 486-120.5, Hawaii Revised Statutes, is amended to read as follows:

§486-120.5 Macadamia nuts; labeling requirements. (a) If a label on a consumer package contains language that all of the raw or processed macadamia nuts contained in the package were grown in ~~[Hawaii,]~~ the State, the label shall be worded, “100% Hawaii-Grown Macadamia Nuts”, “Hawaii-Grown Macadamia Nuts”, “100% Hawaiian Macadamia Nuts”, or “Hawaiian Macadamia Nuts”, and shall appear on the principal display panel of the package.

(b) ~~If [a label on] a [consumer package] product contains [language that a portion of the] raw or processed macadamia nuts [contained in the package was] grown [in Hawaii,] outside the State, the product shall have a label [shall be worded “Hawaii-Grown Macadamia Nuts”, preceded by the per cent by weight of the macadamia nuts contained in the package that were grown in Hawaii, and shall appear on the principal display panel of the package. The per cent by weight of the macadamia nuts in the package shall be the percentage calculated by dividing the weight in pounds of the macadamia nuts grown in Hawaii that are in the package by the weight in pounds of all macadamia nuts in the package and multiplying the quotient by one hundred.] that includes the following statement: “This product contains macadamia nuts grown outside Hawai’i.”.~~

(c) All nonconsumer packages containing macadamia nuts grown in the State and introduced into intrastate or interstate commerce shall bear on the package a label containing language that the package contains Hawaii-grown macadamia nuts. This label shall be in addition to all other labeling requirements specified in this chapter.

(d) Any person keeping, offering, displaying, exposing for sale, or soliciting for sale, any raw or processed macadamia nut product~~[- which]~~ that represents or ~~[which]~~ is branded or labeled that all ~~[or a percentage]~~ or portion of the macadamia nuts were grown in ~~[Hawaii,]~~ the State, shall make available to the administrator, upon demand, documented proof that the amount of macadamia nuts represented to be grown in the State, was grown in the State.

(e) It shall be a violation of this part~~[:]~~ to use a label:

(1) ~~[To use a label containing]~~ Containing the words, “100% Hawaii-Grown Macadamia Nuts”, “Hawaii-Grown Macadamia Nuts”, “100% Hawaiian Macadamia Nuts”, or “Hawaiian Macadamia Nuts”, or similar wording, or to otherwise represent that all of the macadamia nuts in the package were grown in ~~[Hawaii,]~~ the State, if any portion of the macadamia nuts contained in the package was not grown in the State;

(2) ~~[To use a label, as] As~~ provided for under subsection (b), ~~[containing] without~~ the words ~~[“Hawaii-Grown Macadamia Nuts” preceded by a percentage, if less than the specified percentage or none of~~

~~the macadamia nuts in the package was grown in the State;] “This product contains macadamia nuts grown outside Hawai‘i.”; or~~

- (3) ~~[To use a label representing]~~ Representing that any of the macadamia nuts contained in the package was grown in the State, if none of the macadamia nuts contained in the package was grown in the State.

(f) Any person who violates this section shall be subject to penalties under section 486-32.

(g) This section shall not apply to products that contain any other ingredient, except seasonings and flavorings, in addition to macadamia nuts.

(h) If this section or any provision of this section conflicts at any time with federal law, then the federal law shall prevail and this section or the relevant provisions of this section shall become ineffective and invalid. The ineffectiveness or invalidity of this section or any of its provisions shall not affect any other provisions or applications of this chapter which shall be given effect without the invalid provision or application, and to this end, the provisions of this section are severable.

(i) For purposes of this section:

“Flavoring” means a substance that contains the flavoring constituents derived from a spice, fruit or fruit juice, vegetable or vegetable juice, edible yeast, herb, bark, bud, root, leaf or any other edible portions of a plant, meat, seafood, poultry, eggs, dairy products, or fermentation products thereof, whose primary function in food is flavoring rather than nutritional.

“Ingredient” means something that enters into a compound or is a component part of any combination or mixture.

“Seasoning” means salt, pepper, herbs, or spices.”

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on January 1, 2026.

(Approved July 3, 2024.)