STAND. COM. REP. NO. 26 -24

Honolulu, Hawaii

MAR 2 1 , 2024

RE: S.B. No. 2500

S.D. 2 H.D. 1

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

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 2500, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO VALUE-ADDED PRODUCTS,"

begs leave to report as follows:

The purpose of this measure is to establish and appropriate funds for the Food and Product Innovation Network within the Agribusiness Development Corporation to enable businesses to scale up new products from research and development to manufacturing and commercialization.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Agriculture; Agribusiness Development Corporation; University of Hawai'i System; Hawai'i Farm Bureau; Ulupono Initiative; Hawaii Food Industry Association; Hawai'i Farmers Union United; Chamber of Commerce Hawaii; and Maui Chamber of Commerce.

Your Committee finds that research and product development is risky and requires significant up-front capital, which discourages many of Hawaii's emerging agribusinesses and entrepreneurs from exploring new markets. The establishment of a food and product innovation network will decrease the investment risk for growing

2024-2502 SB2500 HD1 HSCR HMSO

businesses and accelerate their efforts to develop new products that promote food resiliency and Hawaii's export marketing. Your Committee further finds that the food and product innovation network proposed by this measure has the ability to significantly assist the State's agricultural businesses by providing space and equipment for farmers and other entrepreneurs to create value-added products made with locally grown and raised agricultural products.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2500, S.D. 2, H.D. 1, and recommends that it be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Consumer Protection & Commerce,

State of Hawaii House of Representatives The Thirty-second Legislature

HSCR 1261-24

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: SB2500 SD2 HD1	Committee Referral: AG2, CPC, FIN			
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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)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. NAKASHIMA, Mark M. (C)				
2. SAYAMA, Jackson D. (VC)		**************************************		
2 AMATO Tonog				14. Albert
3. AMATO, Terez		MESSAMOS PARISTONIA (SARA)	iki Cesakiran angari	
4. BELATTI, Della Au				
5. HASHEM, Mark J.				
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6. HUSSEY-BURDICK, Natalia				
7. GATES, Cedric Asuega				
8 LOWEN Missle E				
8. LOWEN, Nicole E.			Parameter de Religio.	
9. ONISHI, Richard H.K.				
10. TAM, Adrian K.	V			ALCONOMIC MADE COME IN 2012 AND IN
《中国的基本的时间》				
11. PIERICK, Elijah				
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TOTAL (11)	10	O	0	l
The recommendation is: Adopted				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				