STAND. COM. REP. NO.

Honolulu, Hawaii

FEB 17 <sup>2023</sup>

RE: H.B. No. 1348 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-Second State Legislature Regular Session of 2023 State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1348, 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 protect macadamia nut farmers in the State and the premium brand of goods grown and produced in Hawaii by:

- Applying the labeling requirement for macadamia nuts partially sourced from Hawaii to situations in which the labeling on a consumer package, by any other means including in the company name or use of image, represents the origin of the macadamia nuts as being from the State;
- (2) Requiring the country of origin to be included on the label of a consumer package of raw or processed macadamia nuts; and
- (3) Allowing a private right of action for violations.

Your Committee received testimony in support of this measure from the Department of Agriculture; Hawaiian Macadamia Nut Orchards; Kauai County Farm Bureau; Onomea LLC; New Hawaii Macnut



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Company; Hawaiian Macadamia Nut Services, LLC; Rancho Aloha Coffee Farm; Kuwale Ridge Farms; Ka Ohana O Na Pua; Beyond Organic Consulting, Inc.; K Maier Farms; Maui Farmers Union United; Hawai'i Farm Bureau; Macadamia Growers of Hawai'i; Kiolakaa Orchards, LLC; Royal Hawaiian Orchards; Yamada Enterprises, Inc.; Kona Coffee Farmers Association; Ka'u Farms Management LLC; Hamakua Macadamia Nut Company; Ahualoa Family Farms LLC; The Locavore Store; Kanalani Ohana Farm; Huahua Farm; Island Harvest Inc.; and numerous individuals.

Your Committee finds that Hawaii is currently the fifth largest producer of macadamia nuts in the world, but the macadamia nut industry faces significant environmental and economic pressures, including competition from out-of-State and foreign macadamia nut growers. Your Committee further finds that certain businesses may be using company names with Hawaiian words or images of Hawaii to mislead consumers into thinking that the macadamia nuts in their products were grown in Hawaii when in fact they were not. This measure bolsters the State's existing protections on the labelling of the origin of macadamia nuts to protect the Hawaii brand.

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 H.B. No. 1348, H.D. 1, and recommends that it be referred to your Committee on Judiciary & Hawaiian Affairs.

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

MARK M. NAKASHIMA, Chair



State of Hawaii House of Representatives The Thirty-second Legislature

## **Record of Votes of the Committee on Consumer Protection & Commerce**

Bill/Resolution No.:Committee Referral:Date:I-B 1348 HD1AGR, CPC, J-MA02-16-23				
The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Image: Pass, unamended (as is) Image: Pass, with amendments (HD) Image: Hold   Image: Description of the 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)	/			
3. AMATO, Terez	/			
4. BELATTI, Della Au				
5. HASHEM, Mark J.	/			
6. HUSSEY-BURDICK, Natalia	/	ay an ay an ann a' saine a saon a' shinan sa		<u>in te Mine (</u>
7. GATES, Cedric Asuega	/			
8. LOWEN, Nicole E.	-			
9. ONISHI, Richard H.K.				
10. TAM, Adrian K.				la de la competizione
11. PIERICK, Elijah				
TOTAL (11)	9			
The recommendation is: Adopted If joint referral, did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				