

Honolulu, Hawaii
FEB 08, 2024

RE: H.B. No. 2028
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 Economic Development, to which was referred
H.B. No. 2028 entitled:

"A BILL FOR AN ACT RELATING TO THE LABELING OF PRODUCTS,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Merge the Made in Hawai'i with Aloha branding program with the Hawai'i Made program and place both under the Department of Business, Economic Development, and Tourism;
- (2) Specify that the Department of the Attorney General shall be responsible for enforcement of the program;
- (3) Add the operating and overhead expenses incurred and spent within the State to the production costs when calculating whether a non-perishable product labeled "Hawai'i Made" or "Made in Hawai'i" has met the requirement that at least fifty-one percent of the wholesale value of the product is added by production within the State; and
- (4) Appropriate funds to promote and develop the "Hawaii Made" brand.



Your Committee received testimony in support of this measure from the Hawai'i Forest Industry Association and CARES. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism; Department of the Attorney General; Department of Agriculture; and Hawai'i Farm Bureau.

Your Committee finds that merging the Made in Hawai'i with Aloha branding program with the Hawaii Made program will eliminate confusion and duplication of two agencies promoting the Made in Hawaii brand. Your Committee further finds that including the operating and overhead expenses incurred and spent within the State in any calculation in determining whether an item meets the statutory threshold to be labeled "Hawaii Made" or "Made in Hawaii" will allow substantially more businesses to have their items qualify to be labeled as "Hawaii Made" or "Made in Hawaii".

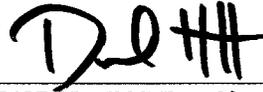
Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2028, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2028, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.



Respectfully submitted on
behalf of the members of the
Committee on Economic
Development,



DANIEL HOLT, Chair



