

STAND. COM. REP. NO. 596-24

Honolulu, Hawaii

FEB 16 , 2024

RE: H.B. No. 2278  
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 H.B. No. 2278 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:

- (1) Clarify labeling requirements for macadamia nuts; and
- (2) Require the country of origin to be included on the principal display panel of a consumer package of raw or processed macadamia nuts.

Your Committee received testimony in support of this measure from the Department of Agriculture; Macadamia Growers of Hawai'i; Hawaiian Macadamia Nut Services, LLC; Ka'u Farms Management LLC; Hamakua Macadamia Nut Company; Ka Ma Kou Lani Farm; Hawai'i Farm Bureau; Hawai'i Macadamia Nut Association; Island Harvest, Inc.; Hawaiian Macadamia Nut Company; Edmund C Olson Trust No. 2; Aina Hookupu o Kilauea; Kealakekua Macadamia Nut Farm; Kapapala Ranch; and numerous individuals. Your Committee received testimony in opposition to this measure from Hawaiian Host Group and numerous individuals. Your Committee received comments on this measure from the Department of the Attorney General.

2024-1588 HB2278 HD1 HSCR HMSO



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.

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 Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2278, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2278, H.D. 1, and be referred to your Committee on Judiciary & Hawaiian Affairs.

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

  
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MARK M. NAKASHIMA, Chair



