

Honolulu, Hawaii

**MAR 15**, 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 Agriculture & Food Systems, to which was referred S.B. No. 2500, S.D. 2, entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish a 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; and
- (2) Appropriate funds for the food and product innovation network, including for food and product innovation facilities across the State and to establish one full-time equivalent position.

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



Your Committee finds that the establishment of a food and product innovation network within the Agribusiness Development Corporation is essential to meet the State's agricultural and economic diversification goals. To establish this network, it is necessary to invest in the development of the appropriate facilities across the State to provide businesses with access to a diverse suite of manufacturing equipment and industry expertise. This measure promotes the State's agricultural industries, strengthening and diversifying the local economy.

Your Committee has amended this measure by:

- (1) Adding the Hawaii Community College Palamanui Food and Product Innovation Center as a partner member of the food and product innovation network;
- (2) Clarifying reporting requirements;
- (3) Appropriating funds for open-access food and value-added product development facilities on the islands of Kauai and Maui;
- (4) Changing the number of positions for the food and product innovation network to an unspecified number; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that one full-time equivalent (1.0 FTE) position would be required for this measure.

As affirmed by the record of votes of the members of your Committee on Agriculture & Food Systems that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2500, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2500, S.D. 2, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.



Respectfully submitted on  
behalf of the members of the  
Committee on Agriculture & Food  
Systems,



---

CEDRIC ASUEGA GATES, Chair



