



## DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

DAVID Y. IGE  
GOVERNOR  
MIKE MCCARTNEY  
DIRECTOR  
CHUNG I. CHANG  
DEPUTY DIRECTOR

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Statement of  
**MIKE MCCARTNEY**  
Director  
Department of Business, Economic Development, and Tourism  
before the  
**SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, ENERGY AND TOURISM**

Wednesday, February 2, 2022  
3:00 pm  
State Capitol

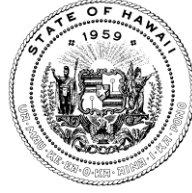
In consideration of  
**SB 2080**  
**RELATING TO THE "MADE IN HAWAII" PROGRAM.**

Chair Wakai, Vice Chair Misalucha and members of the Committee.

The Department of Business, Economic Development and Tourism (DBEDT) offers these comments to SB2080:

- This bill proposes to change the name of the "Hawaii Made" program to "Made in Hawaii" program. DBEDT recommends that this name change not be made until the most advantageous and flexible name for Hawaii manufacturers can be determined. SB3050 proposes to conduct a study on recommendations on the best usage.
- Page 2, Line 19 does not include "including Hawaii sourced goods, services and intellectual property" as stipulated in the last line of the current Section 201-3.5 (c), HRS.
- We support this bill provided that its passage does not replace or adversely impact priorities indicated in our Executive Budget.

Thank you for this opportunity to testify.



DAVID Y. IGE  
GOVERNOR

JOSH GREEN  
LT. GOVERNOR

**STATE OF HAWAII  
OFFICE OF THE DIRECTOR  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**

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CATHERINE P. AWAKUNI COLÓN  
DIRECTOR

JO ANN M. UCHIDA TAKEUCHI  
DEPUTY DIRECTOR

**Testimony of the Department of Commerce and Consumer Affairs**

**Before the**

**Senate Committee on Energy, Economic Development, and Tourism  
and  
Senate Committee on Agriculture and Environment**

**Wednesday, February 2, 2022  
3:00 p.m.  
Via Videoconference**

**On the following measure:  
S.B. 2080, RELATING TO THE “MADE IN HAWAII” PROGRAM**

Chair Wakai, Chair Gabbard, and Members of the Committees:

My name is Stephen Levins, and I am the Executive Director of the Department of Commerce and Consumer Affairs' (Department) Office of Consumer Protection. The Department opposes this bill.

The purposes of this bill are to: (1) Transfer the enforcement of the “Made in Hawaii” trademark from the Department of Agriculture to the Department of Commerce and Consumer Affairs; (2) rename the “Hawaii Made” program to the “Made in Hawaii” program, and (3) make an appropriation.

Hawaii is a recognizable geographical “brand” known world-wide for its unique culture, natural beauty, and aloha spirit. While the Department supports protecting the goodwill of the brand against improper or misleading use by people selling products

labeled “Made in Hawaii”, this measure reestablishes a standard that is difficult to enforce.

The Federal Trade Commission requires that a product advertised as “Made in the USA” be “all or virtually all” made in the U.S. Therefore, even if 51% of the wholesale value of a product is derived from within the State, but the remaining 49% comes from products made in a foreign country, the Hawaii standard would be inconsistent with the “Made in the USA” standard. Whatever standard Hawaii comes up with must be reconciled with the “Made in the USA” standard.

Also, the Department is not the appropriate agency to enforce these standards because it does not have the expertise to determine the origin and provenance of products or assess the wholesale value derived from within the State relevant to the product overall.

Thank you for the opportunity to testify on this bill.

DAVID Y. IGE  
Governor

JOSH GREEN  
Lt. Governor



PHYLLIS SHIMABUKURO-GEISER  
Chairperson, Board of Agriculture

MORRIS M. ATTA  
Deputy to the Chairperson

State of Hawaii  
**DEPARTMENT OF AGRICULTURE**  
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**TESTIMONY OF PHYLLIS SHIMABUKURO-GEISER  
CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE SENATE COMMITTEES ON  
ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM AND  
AGRICULTURE AND ENVIRONMENT**

**WEDNESDAY, FEBRUARY 2, 2022  
3:00 P.M.  
CONFERENCE ROOM 224 & VIA VIDEOCONFERENCE**

**SENATE BILL NO. 2080  
RELATING TO THE "MADE IN HAWAII" PROGRAM**

Chairpersons Wakai, Gabbard and Members of the Committees:

Thank you for the opportunity to testify on Senate Bill 2080, which transfers the enforcement of the "Made in Hawaii" trademark from the Department of Agriculture (DOA) to the Department of Commerce and Consumer Affairs (DCCA), renames the "Hawaii Made" program to the "Made in Hawaii" program and makes an appropriation.

The Department offers clarifying comments and supports the bill with reservations.

The Department notes for purposes of clarification that trademark that the DOA currently owns, administers and enforces is the "Made in Hawaii with Aloha" (MIHA) trademark pursuant to Hawaii Revised Statutes ("HRS") §486-119. It is DOA's understanding that phrase "Made in Hawaii" is not a protected trademark at this time.

Currently, according to HRS §486-119, it is not allowable for producers to "keep, offer, display or expose for sale, or solicit for the sale of any item, product, souvenir, or any other merchandise that is labeled 'made in Hawaii'...or uses the phrase 'made in Hawaii' as an advertising or media tool for any craft item that has not been manufactured, assembled, fabricated, or produced within the State and that has not had at least fifty-one per cent of its wholesale value added by manufacture, assembly, fabrication, or production within the State."



This bill provides for the Department of Business, Economic Development, and Tourism (DBEDT) to administer and oversee a “Made in Hawaii” program for manufactured products and hold ownership of the “Made in Hawaii” trademark. The bill further provides that DBEDT shall promote consumer demand, coordinate manufacturing, coordinate and promote distribution channels, ensure the appropriate patents and copyrights are acquired, and identify new funding opportunities for promoting the expansion of “Made in Hawaii” products.

The Department supports DBEDT’s administration and oversight of the “Made in Hawaii” program and our understanding is that currently any entity, including DBEDT, can promote consumer demand, coordinate manufacturing, coordinate and promote distribution channels, ensure the appropriate patents and copyright are acquired, and identify new funding opportunities to promote the expansion of their “Made in Hawaii” products, as they deem appropriate for their products.

Thank you for the opportunity to testify on this measure.



COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM  
Senator Glenn Wakai, Chair  
Senator Bennette E. Misalucha, Vice Chair

COMMITTEE ON AGRICULTURE AND ENVIRONMENT  
Senator Mike Gabbard, Chair  
Senator Clarence K. Nishihara, Vice Chair

**SB2080**  
RELATING TO THE "MADE IN HAWAII" PROGRAM

Wednesday, February 2, 2022, 3:00 PM  
VIA VIDEOCONFERENCE

Chairs Wakai and Gabbard, Vice Chairs Misalucha and Nishihara, and Members of the Committees,

The Hawaii Cattlemen's Council (HCC) is the Statewide umbrella organization comprised of the five county level Cattlemen's Associations. Our member ranchers represent over 60,000 head of beef cows; more than 75% of all the beef cows in the State. Ranchers are the stewards of over 750 thousand acres of land in Hawaii, or 20% of the State's total land mass. We represent the interests of Hawaii's cattle producers.

The Hawaii Cattlemen's Council **offers comments on SB2080** to transfer the enforcement of the "Made in Hawaii" trademark from the Department of Agriculture to the Department of Commerce and Consumer Affairs. Renames the "Hawaii Made" program to the "Made in Hawaii" program. Makes an appropriation.

The Made in Hawaii program under the Department of Agriculture has bolstered the agricultural entities that grow and sell locally. The program is recognized domestically as well as abroad, and local producers are given a spotlight for their products. The program is meant to provide more value to Hawaii's producers while giving consumers a simple sticker to indicate it is "Made in Hawaii." We ask that regardless of which state department manages the program, that value to the producers is priority and no unnecessary fees or payments are required with a new program framework.

We appreciate the opportunity to testify on this measure.

Nicole Galase  
Hawaii Cattlemen's Council



Managing Director



# Hawaii Floriculture and Nursery Association

## THE SENATE

THE THIRTY-FIRST LEGISLATURE  
REGULAR SESSION OF 2022

### COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

Senator Glenn Wakai, Chair  
Senator Bennette E. Misalucha, Vice Chair

### COMMITTEE ON AGRICULTURE AND ENVIRONMENT

Senator Mike Gabbard, Chair  
Senator Clarence K. Nishihara, Vice Chair

Wednesday, February 2, 2022 3:00 pm  
Conference Room 224 & Videoconference

**RE: SB 2080 RELATING TO THE "MADE IN HAWAII" PROGRAM.**

My name is Eric S. Tanouye and I am the President for the Hawaii Floriculture and Nursery Association (HFNA). HFNA is a statewide umbrella organization with approximately 300 members. Our membership is made up with breeders, hybridizers, propagators, growers, shippers, wholesalers, retailers, educators, and the allied industry, which supports our efforts in agriculture. The 2019 Hawaii Census of Horticulture show horticulture operations in Hawaii sold a total of \$89.2million in floriculture, nursery and specialty crops with 50% of revenue local and 50% export.

### **We strongly oppose SB 2080.**

Currently the Made in Hawaii program is under the Hawaii Department of Agriculture and is a free program that helps market Hawaii's Agriculture product. We feel that it is beneficial to have this program be free and available to help new and established farmers market their products.

We do not see a benefit to the agriculture community in having this program change to another department and require fees to participate, essentially changing the nature of the program. The Hawaii Department of Agriculture is currently doing all the program requirements. We do not want the "MADE IN HAWAII" program to be changed to the department of





## Hawaii Floriculture and Nursery Association

commerce and consumer affairs and department of business, economic development and tourism.

If you have any questions at this time, we would be happy to discuss them and can be reached by phone at 808-959-3535 ext. 2627, cell 960-1433 and email [eric@greenpointnursery.com](mailto:eric@greenpointnursery.com).

Supporting Agriculture and Hawaii,

Eric S. Tanouye  
President

Hawaii Floriculture and Nursery Association



**LATE**

P.O. Box 253, Kunia, Hawai'i 96759  
Phone: (808) 848-2074; Fax: (808) 848-1921  
e-mail info@hfbf.org; www.hfbf.org

FEBRUARY 2, 2022

HEARING BEFORE THE  
SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM  
SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

**TESTIMONY ON SB 2080**  
RELATING TO THE "MADE IN HAWAII" PROGRAM

Conference Room 224 & Videoconference  
1:00 PM

Aloha Chairs Wakai and Gabbard, Vice-Chairs Misalucha and Nishihara, and Members of the Committees:

I am Brian Miyamoto, Executive Director of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic, and educational interests of our diverse agricultural community.

**The Hawaii Farm Bureau provides comments on SB 2080**, which transfers the enforcement of the "Made in Hawaii" trademark from the Department of Agriculture to the Department of Commerce and Consumer Affairs and renames the "Hawaii Made" program to the "Made in Hawaii" program.

Act 002, Special Session 2021 transferred the oversight of the "Hawaii Made" program for manufactured products and the "Hawaii Made" trademark to the DBEDT. Currently, HDOA owns and enforces the "Made in Hawaii with Aloha" trademark for products that meet or exceed the requirements of HRS 486-119. We believe that HDOA is the agency best equipped to enforce the "Made in Hawaii with Aloha" (MIHA) branding program due to their expertise and experience with Hawaii-made and Hawaii-processed products. We are also concerned that there may be some confusion between "Made in Hawaii" and "Made in Hawaii with Aloha" What happens to the "Made in Hawaii with Aloha" branding program? Will the current MIHA branding program members need to discontinue using the MIHA label?

We appreciate the Legislative intent to transfer the enforcement of the "Made in Hawaii" program to DCCA by repealing the current enforcement authority held by HDOA, but we are concerned about the impacts it may have on HDOA's current MIHA program.

**SB-2080**

Submitted on: 1/30/2022 3:53:43 PM

Testimony for EET on 2/2/2022 3:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
John R. Gordines	Individual	Comments	No

Comments:

**Dear Senators:**

**My comments and testimony are regarding SB2080.**

**We are a family tropical flower farm on Kauai for the past 30 years. Tropical Flowers Express have been members of the Hawaii Department of Agriculture "Seal of Quality" and "Made in Hawaii" programs. HDOA has done a great job in administering, promoting, marketing also providing and funding opportunities for our industry locally and globally at NO COST to the producer.**

**Will DBEDT be charging a fee this year or in the future for producers using the new branding name and logo?**

**Will current members need to reapply for membership and use of the services?**

**What percent of the \$150K for this year will be used for production agriculture and import replacement?**

**It's important to know that Hawaii agriculturalists especially farmers and ranchers have the ear of our legislators during these very challenging times. We don't need increased overhead costs and regulatory hurdles.**

**Thank you for the opportunity to share my concerns with all of you.**

**Respectfully,**

**Johnny Gordines**