HOUSE CONCURRENT RESOLUTION

ESTABLISHING A HAWAII CACAO ECONOMIC OPPORTUNITY TASK FORCE TO DEVELOP A PLAN FOR THE DEVELOPMENT OF A PROCESSING PLANT FOR CACAO.

WHEREAS, the state of Hawaii is the only state in the United States that has the regional climate and ability to cultivate the cacao tree; and

WHEREAS, cacao is grown primarily for chocolate production, and there are many economic products that can be produced from cacao, such as the cacao butter which is used for medicinal purposes in the healing of bruises and is also utilized in the pharmaceutical and cosmetic industries; and

WHEREAS, according to a study by the Department of Agriculture on the production and delivery of Hawaii cacao to the marketplace, the perceived health benefits of cacao are an important selling point to consumers today; and

WHEREAS, according to the Department of Agriculture's study, there is an argument to be made for the establishment of a second, larger capacity cacao processing facility on Oahu; and

WHEREAS, despite Hawaii being the only place in the United States with commercial cacao production, there are only a handful of cacao farmers with a combined 50 acres of trees, the largest grower being Dole Food Company which has about 13,000 trees on 20 acres in Waialua, Oahu and is also the largest cacao farm in the nation; and

WHEREAS, the Waialua Estate Chocolate was awarded the 2010 Gold medal at the prestigious San Francisco Chocolate Salon Ceremony and in addition has received high recognition for its 70% dark chocolate by the London Academy of Chocolate; and

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WHEREAS, despite the recession, the American chocolate industry is one that actually grew in sales; and

WHEREAS, Oahu is the capital of Hawaii and is where the majority of our State's population and workforce reside and where most of our shipping and exporting of goods originate as it is the industrial hub of our State; and

WHEREAS, the chocolate industry is a steadily growing, \$50 billion-a-year worldwide business centered on the sale and consumption of chocolate, and is an industry that is prevalent on five out of seven continents; and

WHEREAS, the 2010 report, Chocolate Market in the United States: Trends and Opportunities in Premium, Gourmet and Mass Chocolate Products, predicts that sales of chocolate will rise by an average of three per cent each year until 2014 when sales will exceed \$19 billion, up 10.4 per cent from sales of \$17.3 billion achieved in 2009; and

WHEREAS, major cocoa bean processors in the United States include Hersey's (\$5.30 billion revenue in Fiscal Year 2009), Nestle (\$109.72 billion revenue in Fiscal Year 2010), and Mars (\$30 billion revenue in Fiscal Year 2008), all who purchase cocoa beans via various sources, all outside of the United States; and

WHEREAS, branding provides product differentiation that could separate Hawaii cacao or chocolate as unique or distinct from the rest of the world particularly as fine artisanal chocolate; and

WHEREAS, the growth, production and processing of cacao and chocolate in the state is a large economic and agricultural opportunity for Hawaii; now, therefore

 BE IT RESOLVED by the House of Representatives of the Twenty-sixth Legislature of the State of Hawaii, Regular Session of 2011, the Senate concurring, that the state Department of Business, Economic Development and Tourism convene a Hawaii Cacao Economic Opportunity Task Force to develop a plan for the development of a processing plant for cacao and that plan shall includes details on:

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1	(1) Planning for a processing plant;
3	(2) Selecting a location for a processing plant; and
4 5	(3) Financing a processing plant for cacao; and
6 7 8	BE IT FURTHER RESOLVED that the Task Force consists of nine members and shall include:
9 10 11	(1) The Director of the Department of Business Economic Development or Tourism or the Director's designee;
12 13 14	(2) The Chairperson of the Department of Agriculture or the Chairperson's designee;
15 16 17	(3) The Chairperson of the Department of Land and Natural Resources or the Chairperson's designee;
18 19 20	(4) A representative from Hawaii's cacao industry;
21 22	(5) A representative from Hawaii's chocolate industry;
23 24	(6) A representative from Hawaii's chocolate entrepreneurs;
252627	(7) A representative from the College of Tropical Agriculture and Human Resources (UH-CTAHR);
28 29	(8) A representative from the finance industry;
30 31	(9) A representative from the marketing industry; and
32 33 34 35	BE IT FURTHER RESOLVED that the Task Force is requested to submit a report to the Legislature on its findings no later than twenty days prior to the convening of the Regular Session of 2012; and
36 37 38	BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Governor of the
39 40 41 42	State of Hawai'i, the Speaker of the House of Representatives, the President of the Senate, the Director of the Department of Business Economic Development and Tourism, the Chairperson of the Department of Agriculture, and the Chairperson of the

Department of Land and Natural Resources.

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OFFERED BY:

Many B. Lee Karen awara

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