Honolulu, Hawaii

FEB 1 3 2013

RE: S.B. No. 737 S.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2013 State of Hawaii

Madam:

Your Committee on Agriculture, to which was referred S.B. No. 737 entitled:

"A BILL FOR AN ACT RELATING TO TRUTH-IN-ADVERTISING,"

begs leave to report as follows:

The purpose and intent of this measure is to establish a farmers' market operator license to ensure that greater than fifty percent of vendors in farmers' markets sell food, farm produce, or flowers prepared, grown, or produced in Hawaii.

Your Committee received testimony in support of this measure from Hui O Malama Aina and one individual. Your Committee received testimony in opposition to this measure from the Ala Moana Farmers Market, Haleiwa Farmers Market, and three individuals. Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that consumers generally recognize farmers' markets as a venue where vendors sell locally produced or prepared food or agricultural products. In some farmers' markets throughout the State, however, vendors are selling imported agricultural products or products bought from wholesalers, which misleads consumers who believe they are purchasing locally grown products from a farmer. Your Committee further finds that requiring farmers' market operators to be licensed and to ensure that fifty percent of the market's vendors sell locally produced items will be difficult to monitor and enforce and will place a strain on the Department of Agriculture.

2013-1230 SSCR SMA.doc

Your Committee concludes, however, that truth-in-advertising in farmers' markets is an important public concern and has amended this measure by:

- Removing the farmers' market operator's licensing requirement;
- (2) Removing the requirement that fifty percent of vendors at farmers' markets sell locally grown food and products;
- Requiring that all agricultural products sold at farmers' markets are displayed with a sign or label containing an identity statement declaring the products' geographic origin; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 737, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 737, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

> Respectfully submitted on behalf of the members of the Committee on Agriculture,

Clarence & Deshike CLARENCE K. NISHIHARA, Chair

## The Senate Twenty-Seventh Legislature State of Hawai'i

## Record of Votes Committee on Agriculture AGL

Bill / Resolution No.:*	Committee	Referral:		Date:	
SB737	AGL,CPN			2/5	115
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WF	R) Nay	Excused
NISHIHARA, Clarence K. (C)					
KOUCHI, Ronald D. (VC)					
DELA CRUZ, Donovan M.		1			
ENGLISH, J. Kalani		/			
THIELEN, Laura H.		- /			
WAKAI, Glenn	-	1			
SLOM, Sam					
·					
				<u> </u>	
TOTAL		6		-	
Recommendation: Adopted			Not Adopted		
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

\*Only one measure per Record of Votes