DAVID Y. IGE Governor

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State of Hawaii **DEPARTMENT OF AGRICULTURE**

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TESTIMONY OF PHYLLIS SHIMABUKURO-GEISER CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON AGRICULTURE AND ECONOMIC DEVELOPMENT & BUSINESS

MARCH 13, 2019 9:35 A.M. CONFERENCE ROOM 309

SENATE BILL NO. 694 SD 1 RELATING TO CONSUMER PROTECTION

Chairpersons Creagan and McKelvey and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill No. 694 SD 1, relating to retail self-service food scales. The Department supports this bill.

A retail scale used in commerce must be approved for use, accurate, and properly licensed by the Department as a commercial measuring device to ensure the accuracy of the product being weighed for consumer purchase.

Thank you for the opportunity to testify on this measure.





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TO:

Committee on Agriculture and Committee on Economic Development & Business Rep. Richard P. Creagan and Rep. Angus L.K. McKelvey, Chairs Rep. Lynn DeCoite and Rep. Lisa Kitagawa, Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION

Lauren Zirbel, Executive Director

DATE: March 13, 2019

TIME: 9:35am

PLACE: Conference Room 309

RE: SB694 SD1 Relating to Consumer Protection

Position: Oppose

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, and distributors of food and beverage related products in the State of Hawaii.

HFIA opposes this measure which mandates that when retail self-service food is sold by weight, the seller shall provide, before sale, a scale for the consumer that is approved for use, accurate, and properly licensed by the department of agriculture as a commercial measuring device and that indicates the price of the item being weighed.

There is no definition of "self-service food" included in the bill. Our members are very concerned that this bill could include self serve hot and cold buffet in retail locations as well as random weight cheeses, meats, cold cuts, prepackaged salads, loose produce, and other items. Many locations sell a majority of self-service food.

For hot and cold ready-to-eat buffet items, the price by weight is indicated in the area where the items are sold, and the exact price of the specific amount purchased will always be apparent at checkout. If the price is too high at checkout a patron can always choose not to purchase the item. Pre-packaged self-service food like salads or sandwiches usually already have a price indicated on them. In areas of stores where self-service loose produce or bulk items are sold, traditional scales are already available and patrons can easily calculate the

exact price of their selection by multiplying the weight by the price per weight. Mandating additional scales or different types of scales is not necessary for any of these self-service foods.

Retail space is limited and valuable; we don't want to be forced to place a scale where it is not necessary. If there are issues OCP should be able to write a rule that the customer should have a reasonable idea of the price on food bars prior to checkout – if that is the intent. Writing a law such as this may cause many unintended consequences while a rule from OCP would not.

We thank you for the opportunity to testify.



TESTIMONY OF TINA YAMAKI PRESIDENT RETAIL MERCHANTS OF HAWAII March 13, 2019

Re: SB 694 SD 1Relating to Consumer Protection

Good morning Chairperson Creagan and Chairperson McKelvey and members of the House Committee on Agriculture and the Committee on Economic Development and Business. I am Tina Yamaki, President of the Retail Merchants of Hawaii and I appreciate this opportunity to testify.

The Retail Merchants of Hawaii (RMH) as founded in 1901 and is a statewide, not for profit trade organization committed to the growth and development of the retail industry in Hawaii. The retail industry is one of the largest employers in the state, employing 25% of the labor force.

We are opposed to SB 694 SD 1 Relating to Consumer Protection that would require that food scales be approved for use, accurate, and properly licensed by the department of agriculture as a commercial measuring device and that indicate the price of the item being weighed, with the exemption of the farmers' markets and beginning in 7/1/2050.

It is our understanding that food scales are already located in brick and mortar stores where self-serve food items are sold by weight. Many of these food scales are only able to weigh the food and are not the digital types that indicate the total price of the item being weighed. Retailers do have signs stating what the price of the product is by weight albeit full or fraction pounds or ounces. This bill would put an unnecessary cost burden on the retailer who would have to replace all of their manual scales and replace them with digital scales that indicate the total price prior to purchase.

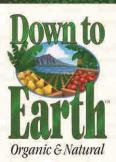
This would have an great economic impact on businesses as scales are not cheap to purchase or maintain the calibrations. Small businesses that sell vegetables, fruits and other ready to eat items would have to purchase the costly scales.

Currently small businesses with limited number of scales are willing to weigh the items prior to purchase or help customers attain as close to the requested amount by weight of their items.

Retailers are already operating on a very thin margin. With the recent jump in supplies of goods, services and health care benefits, some businesses are struggling. Policy makers should be focusing on eliminating obstacles to business growth, job creation and economic stability and not adding additional mandated costs that employers cannot afford.

We urge you NOT to impose another government mandate on business and ask that you **DEFER** this measure.

Mahalo again for this opportunity to testify.



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SB 694 SD 1 RELATING TO CONSUMER PROTECTION House Committees on Agriculture and Economic Development & Business February 13, 2019, 9:30am State Capitol

Aloha Rep. Richard P. Creagan, AGR Chair, Rep. Lynn DeCoite, AGR Vice Chair, Rep. Angus L.K. McKelvey, EDB Chair, Rep. Lisa Kitagawa, EDB Vice Chair, and Committee Members,

Down to Earth Organic and Natural testifies in opposition of SB 694 SD 1.

Down to Earth Organic and Natural has six locations on Oahu and Maui. Since our founding in 1977 Down to Earth has supported the living of a healthy lifestyle and protection of the environment by selling local, fresh, organic and natural products, and promoting the eating of natural and organic products and the following of a plant-based vegetarian diet.

We are concerned about SB 694 SD1 because it would create a food safety and waste problem for retailers. We also question whether there is a need for this legislation.

Our self-service salad bar and hot food items are sold by the weight. Most of our customers mix our various salad bar offerings in one container, including salad dressings and other toppings. If customers weigh their containers and then determine that they want to put the food back, it would create an unhygienic and messy situation. This would cost our stores a lot in additional food waste. Many of our customers also like to bring in their own containers from home to fill with salad bar or hot food items. If those customers filled their own containers, weighed them, and decided to return some of the food, this could also create another type of food safety hazard.

Currently our customers can determine at the check out if they would like to complete the purchase of their weighed items, which may qualify as a scale being provided before sale- as this legislation calls for. Requiring retailers to have scales that can determine the price per pound of the food being weighed, which may have various prices that change frequently, will be an extra burden on local businesses. We do not have customer complaints about our current system.

Thank you for the opportunity to comment on this bill.

Alison Riggs
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<u>SB-694-SD-1</u> Submitted on: 3/9/2019 7:46:50 AM

Testimony for AGR on 3/13/2019 9:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
James Gauer	Individual	Support	No

Comments: