HOUSE CONCURRENT RESOLUTION

REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO CONDUCT A STUDY ON THE "MADE IN HAWAII" AND "HAWAII MADE" BRANDS AND PREPARE A PLAN TO ENCOURAGE AND ENFORCE THE USE OF THOSE BRANDS.

WHEREAS, the Legislature enacted Act 153, Session Laws of Hawaii 1991 (Act 153), that updated the State's measurement standards to align with national consensus standards for uniformity in weights and measures; and

WHEREAS, Act 153, in part, established a new provision on the place-of-origin labeling of Hawaii-made products, which prohibited the possession or sale of any merchandise labeled "Made in Hawaii" that was not manufactured, assembled, fabricated, or produced within the State and did not have at least fifty-one percent of its wholesale value added by manufacture, assembly, fabrication, or production within the State; and

WHEREAS, the "Made in Hawaii" branding program, along with a corresponding trademark, was created within the Department of Agriculture to protect the integrity and value of authentic Hawaii-branded products; regulate products that were made elsewhere but deceptively contain "Made in Hawaii" labels; and ensure that Hawaii's locally manufactured and agricultural products could continue to be effectively marketed, identified, and promoted across the world; and

WHEREAS, as an integral part of the State's economic development strategy, the Legislature passed Act 2, Special Session Laws of Hawaii 2021 (Act 2), which, in part, created the "Hawaii Made" program for manufactured products to be administered by the Department of Business, Economic Development, and Tourism; and

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WHEREAS, concerns have been raised regarding an overlap of jurisdictions between the "Hawaii Made" program and its corresponding brand, which is administered by the Department of Business, Economic Development, and Tourism, and the "Made in Hawaii" program and its corresponding "Made in Hawaii with Aloha" brand, which is administered by the Department of Agriculture; and

WHEREAS, though Act 2 required that the Department of Business, Economic Development, and Tourism hold ownership of the "Hawaii Made" trademark, the Department does not currently have any statutory authority to enforce the trademark; and

WHEREAS, additional clarification is needed to determine:

- The purpose and scope of the "Hawaii Made" program in (1)relation to the "Made in Hawaii" program; and
- (2) The proper enforcement procedures and responsibilities relating to the "Hawaii Made" program; now, therefore,

BE IT RESOLVED by the House of Representatives of the Thirty-first Legislature of the State of Hawaii, Regular Session of 2022, the Senate concurring, that the Department of Business, Economic Development, and Tourism is requested to conduct a study on the "Made in Hawaii" and "Hawaii Made" brands; and

BE IT FURTHER RESOLVED that the study is requested to:

- (1)Summarize and assess previous work relating to the "Hawaii Made" and "Made in Hawaii" brands to identify significant areas for improvement, increased effectiveness, and flexibility of use;
- (2) Assess and compare the current and potential value of using the "Hawaii Made" and "Made in Hawaii" brands to determine which option provides the most benefits to Hawaii manufacturers; and

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(3) Review best practices that could serve as a model to promote and enforce viable "Hawaii Made" and "Made in Hawaii" brands; and

BE IT FURTHER RESOLVED that the Department of Business, Economic Development, and Tourism is requested to prepare a plan to encourage and enforce the use of the "Hawaii Made" and "Made in Hawaii" brands; and

BE IT FURTHER RESOLVED that in preparing the plan the Department of Business, Economic Development, and Tourism is requested to:

- (1) Develop a "Hawaii Made" brand and mark that:
 - (A) Incorporates cultural values;
 - (B) Is sensitive to the concerns of the broader community of stakeholders; and
 - (C) Is marketable, locally, nationally, and internationally;
- (2) Determine proper and effective enforcement procedures and responsibilities, including inspections, investigative and subpoena powers, citations, fines, and injunctive relief, for the "Hawaii Made" brand; and
- (3) Determine incentives, such as tax credits, grants, and promotional support, that would compel companies in the State to become certified as companies that produce "Hawaii Made", or "Made in Hawaii" branded products, or both; and

BE IT FURTHER RESOLVED that the Department of Business, Economic Development, and Tourism is requested to submit a report of its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2023; and

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- BE IT FURTHER RESOLVED that a certified copy of this
- 2 Concurrent Resolution be transmitted to the Director of
- 3 Business, Economic Development, and Tourism.