STAND. COM. REP. NO.

948

Honolulu, Hawaii

MAR 0 3 2023

RE: S.B. No. 113 S.D. 2

Honorable Ronald D. Kouchi President of the Senate Thirty-Second State Legislature Regular Session of 2023 State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 113, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE LABELING OF PRODUCTS,"

begs leave to report as follows:

The purpose and intent of this measure is to promote the "Hawaii Made" and "Made in Hawaii" labeling programs.

More specifically, this measure:

- (1) Clarifies the requirements for an item to be labeled "Hawaii Made" or "Made in Hawaii"; and
- (2) Appropriates moneys to the Department of Business, Economic Development, and Tourism to promote and develop the "Made in Hawaii" brand.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii Forest Industry Association; Maui Chamber of Commerce; and one individual.

Your Committee received written comments on this measure from the Department of Agriculture.

SB113 SD2 SSCR LRB 23-1411.docx



Your Committee finds that including operating and overhead expenses incurred and spent within the State in the "Hawaii Made" and "Made in Hawaii" calculations will enable more products to qualify for the "Hawaii Made" and "Made in Hawaii" labels.

Your Committee has amended this measure by:

- (1) Clarifying that, for the "Hawaii Made" and "Made in Hawaii" labeling programs, the calculations to determine the percentage of value added by production within the State include operating and overhead expenses incurred and spent within the State;
- (2) Changing the appropriation from \$150,000 to an unspecified amount;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making a technical nonsubstantive amendment for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 113, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 113, S.D. 2.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

DONOVAN M. DELA CRUZ, Chair

The Senate Thirty-Second Legislature State of Hawai'i

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral:		Date: / /			
SB113, SD1	CPN,WAM		Date: 2/28/23			
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 (W	R)	Nay	Excused
DELA CRUZ, Donovan M. (C)		X				
KEITH-AGARAN, Gilbert S.C. (VC)		X				
AQUINO, Henry J.C.		X				
DECOITE, Lynn		X				-
INOUYE, Lorraine R.		X				
KANUHA, Dru Mamo		X			•_	
KIDANI, Michelle N.		X				
KIM, Donna Mercado		X				
LEE, Chris		X			-	
MORIWAKI, Sharon Y.		×				
SHIMABUKURO, Maile S.L.		X				
WAKAI, Glenn		×				
FEVELLA, Kurt		X				
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TOTAL		13				
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