

STAND. COM. REP. NO. **2722**

Honolulu, Hawaii

FEB 16 2024

RE: S.B. No. 3303

S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committees on Agriculture and Environment and Commerce and Consumer Protection, to which was referred S.B. No. 3303 entitled:

"A BILL FOR AN ACT RELATING TO LABELING OF MACADAMIA NUTS,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Clarify labeling requirements for macadamia nuts;
- (2) Require the country of origin to be included on the label of a consumer package of raw or processed macadamia nuts; and
- (3) Authorize a private right of action for violations.

Your Committees received testimony in support of this measure from the Department of Agriculture; County of Hawai'i Department of Research and Development; Hawai'i Macadamia Nut Association; Hawaii Food+ Policy; Synergistic Hawaii Agriculture Council, Ka'u Farms Management, LLC; Hamakua Macadamia Nut Company, Incorporated; Island Harvest Inc.; OK Farms, LLC; Hawaiian Macadamia Nut Orchards, L.P.; Rancho Aloha; Greenwell Farms, Inc.; Ahualoa Family Farms, LLC; Hawaiian Macadamia Nut Services, LLC; and fifty individuals.



Your Committees received testimony in opposition to this measure from Hawaiian Host Group and one hundred fifty-eight individuals.

Your Committees received comments on this measure from the Department of the Attorney General.

Your Committees find that macadamia nuts are a popular agricultural export of the State. However, certain portions of the raw or processed macadamia nuts may have been produced in other states or countries before packaging in the State. This measure clarifies the labeling of macadamia nuts to promote a key product from the State's agricultural industry.

Your Committees recognize the concerns raised by the Department of the Attorney General that the country-of-origin labeling requirement in this measure may be subject to a challenge under the United States Constitution's Supremacy Clause, as the origin labeling of macadamia nuts offered for sale is already governed and thereby preempted by federal regulations.

Accordingly, your Committees have amended this measure by:

- (1) Deleting language that would have required the listing of the countries of origin of the portion of the raw macadamia nuts not grown in the State that is included in the package to be shown on the label; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

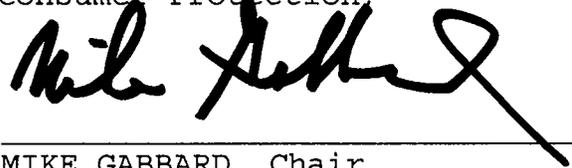
As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3303, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3303, S.D. 1, and be referred to your Committee on Judiciary.



Respectfully submitted on
behalf of the members of the
Committees on Agriculture and
Environment and Commerce and
Consumer Protection,



JARRETT KEOHOKALOLE, Chair



MIKE GABBARD, Chair



