STAND. COM. REP. NO. 756

Honolulu, Hawaii MAR 0 3 2023

RE: S.B. No. 756 S.D. 1

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

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 756 entitled:

"A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT,"

begs leave to report as follows:

The purpose and intent of this measure is to establish the Access to Local Food Act to allow cottage food operations to sell cottage food products, under certain conditions, upon receiving a permit from the Department of Health.

Your Committee received testimony in support of this measure from the Chamber of Sustainable Commerce; Hawai'i Food+ Policy Internship 2023; Hawai'i Alliance for Progressive Action; Hawai'i Farmers Union United; Hawai'i Farm Bureau; Hawaiian Goodness, LLC; and three individuals. Your Committee received comments on this measure from the Grassroot Institute of Hawaii.

Your Committee finds that the cottage food industry in the State has the potential to increase food security and the overall availability of locally-made food products in Hawaii. Your Committee also finds that the existing regulatory framework is challenging and burdensome for entrepreneurs of cottage food products. For example, all food producers are required to process their foods in licensed commercial kitchens, regardless of the type of food or size of business, this requirement can be costly and particularly difficult to comply with for small operations.

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This measure will benefit small-scale cottage food producers by allowing them to use non-licensed kitchens to process and sell certain food products, while balancing public health interests, to promote operational flexibility and the creation of jobs and investment opportunities for the local economy.

Your Committee has amended this measure by:

- Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 756, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 756, S.D. 1.

> Respectfully submitted on behalf of the members of the Committee on Commerce and Consumer Protection,

JARRETT KEOHOKALOLE, Chair



The Senate Thirty-Second Legislature State of Hawai'i

Record of Votes Committee on Commerce and Consumer Protection CPN

Bill / Resolution No.:*	Committee Referral:		Da	Date:	
SB756	AEN, CPN			2/23/23	
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended A Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
KEOHOKALOLE, Jarrett (C)		V			
FUKUNAGA, Carol (VC)		\checkmark			
MCKELVEY, Angus L.K.					
RICHARDS, III, Herbert M. "Tim"					
AWA, Brenton					
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TOTAL		5	0	0	0
Recommendation:					
Adopted Not Adopted					
Chair's or Designee's Signature:					
Cond Jubanga					
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*Only <u>one</u> measure per Record of Votes