STAND. COM. REP. NO. 3485

Honolulu, Hawaii

APR 0 3 2024

RE: S.R. No. 137 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 Commerce and Consumer Protection and Judiciary, to which was referred S.R. No. 137 entitled:

"SENATE RESOLUTION REQUESTING THE DEPARTMENT OF THE ATTORNEY GENERAL TO CONDUCT A STUDY TO DETERMINE THE EFFECTIVENESS OF EXISTING STATE LAWS IN ADDRESSING THE FALSE LABELING OF HAWAII-MADE FOOD PRODUCTS,"

beg leave to report as follows:

The purpose and intent of this measure is to request the Department of the Attorney General to conduct a study to determine the effectiveness of existing state laws in addressing the false labeling of Hawaii-made food products.

Your Committees received testimony in support of this measure from the Hawaii Cattlemen's Council, Inc. and Hawaii Farm Bureau.

Your Committees received testimony in opposition to this measure from the Department of the Attorney General.

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

Your Committees find that certain individuals and entities have falsely labeled their food products in a manner that can mislead consumers into believing that they were produced or manufactured in Hawaii, when they were in actuality produced or

manufactured elsewhere. Presently, existing state laws may not provide adequate protection, relief, or recourse for local producers and consumers who seek to stop manufacturers from falsely labeling their food products as being Hawaii-made when they are not. Therefore, this measure will assist local producers and consumers by requesting that a study be conducted to address the false labeling of Hawaii-made food products.

Your Committees note the concern raised in the testimony of the Department of Attorney General that the data gathering, surveys, research, and analysis of economic and statistical data that would be necessary for the study proposed in this measure goes beyond the purview of the Department. Therefore, it is necessary to amend this measure to address this concern.

Accordingly, your Committees have amended this measure by:

- (1) Deleting language that would have requested the Department of the Attorney General to independently conduct a study and inserting language requesting the Department of the Attorney General to convene a working group to study the effectiveness of existing state laws in addressing the false labeling of Hawaii-made food products, with a specific emphasis on the legal mechanisms and costs associated with protecting the brands of Hawaii-made food products;
- (2) Inserting language requesting the working group to comprise the following members:
 - (A) The Attorney General, or the Attorney General's designee, to serve as the Chairperson of the working group;
 - (B) One member from the University of Hawai'i at Manoa William S. Richardson School of Law with academic or professional expertise in intellectual property law, to be selected by the Dean of the William S. Richardson School of Law;
 - (C) The Chairperson of the Board of Agriculture, or the Chairperson's designee;

- (D) The Director of Business, Economic Development, and Tourism, or the Director's designee;
- (E) The Executive Director of the Office of Consumer Protection of the Department of Commerce and Consumer Affairs, or the Executive Director's designee;
- (F) One member from the Intellectual Property and Technology section of the Hawaii State Bar Association, to be selected by the President of the Hawaii State Bar Association who is requested to be invited by the Chairperson; and
- (G) Any other member deemed necessary by the working group;
- (3) Inserting language that requests the working group, with the assistance of the Department of the Attorney General, to submit a report of the working group's findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2025;
- (4) Updating the list of recipients to whom the certified copies are to be transmitted;
- (5) Amending its title to reflect its amended purpose; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce and Consumer Protection and Judiciary that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 137, as amended herein, and recommend its adoption in the form attached hereto as S.R. No. 137, S.D. 1.

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

KARL RHOADS, Chair

Harl March

RETT LOHOKALOLE, Chair

The Senate Thirty-Second Legislature State of Hawaiʻi

Record of Votes Committee on Commerce and Consumer Protection CPN

Bill / Resolution No.:*	Committee	Referral:		Date					
SR137	CPN/JDC		3/22/24						
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			
KEOHOKALOLE, Jarrett (C)		V							
FUKUNAGA, Carol (VC)		V							
MCKELVEY, Angus L.K.						V			
RICHARDS, III, Herbert M. "Tim"		V							
AWA, Brenton						V			
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TOTAL		3				2			
Recommendation: Adopted Not Adopted									
Chair's or Designee's Signature: Ond Julian ap									
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy									

*Only one measure per Record of Votes

The Senate Thirty-Second Legislature State of Hawai'i

Record of Votes Committee on Judiciary JDC

Bill / Resolution No.:*	Committee Referral:		Da	Date:					
SR 137	CPN JDC 03 22 24								
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 (WR)	Nay	Excused				
RHOADS, Karl (C)			=						
GABBARD, Mike (VC)		V/							
ELEFANTE, Brandon J.C.									
SAN BUENAVENTURA, Joy A	١.	V							
AWA, Brenton									
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Recommendation: Adopted Not Adopted									
Chair's or Designee's Signature:									
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