SYLVIA LUKE Lt. Governor



SHARON HURD Chairperson, Board of Agriculture

DEXTER KISHIDA Deputy to the Chairperson

State of Hawai'i **DEPARTMENT OF AGRICULTURE** KA 'OIHANA MAHI'AI 1428 South King Street Honolulu, Hawai'i 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613

TESTIMONY OF SHARON HURD CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION AND COMMITTEE ON JUDICIARY

FRIDAY, MARCH 22, 2024 9:32 AM CONFERENCE ROOM 229 & VIDEOCONFERENCE

SENATE CONCURRENT RESOLUTION NO. 163 AND SENATE RESOLUTION 137 RELATING TO FALSE LABELING OF HAWAII-MADE FOOD PRODUCTS

Chairs Keohokalole and Rhoads, Vice Chairs Fukunaga and Gabbard, and Members of the Committees:

Thank you for the opportunity to testify on Senate Concurrent Resolution No. 163 and Senate Resolution 137, which requests 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. The Department of Agriculture offers comments:

Currently, there are two laws in the Hawaii revised statutes for Made in Hawaii products implemented under two separate departments. **HRS 486-119 Hawaii-made products; Hawaii processed products** under Department of Agriculture Measurement Standards (DOA) and **HRS 201-3.5 "Hawaii-made" program for manufactured products oversight; "Hawaii Made" trademark** under Department of Business, Economic and Tourism (DBEDT). Two years ago, a study conducted by DBEDT noted that the program that is responsible for the promotion and marketing of products



manufactured in Hawaii and the enforcement of the law should be housed in one department. That is currently not the case and it would benefit both departments to have clarification of each law, especially with food and agriculture, which would define the effectiveness of which state law the proposed study is addressing.

Both existing laws establish a threshold of 51% of the wholesale value of the product by manufacture, assembly, fabrication, or production of the product within the State. Each program will have their trademark. This may cause confusion with the public as to the appropriate Department authority over the statutes. Trademark use and voluntary or paid fees for such use should also be examined by the Department of the Attorney General or the agency that conducts the study as a possible way to strengthen the statutes and make sure there are no conflicts with federal law.

Thank you for the opportunity to testify on this resolution.



ON THE FOLLOWING MEASURE:

S.C.R. NO. 163 AND S.R. NO. 137, 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.

BEFORE THE:

SENATE COMMITTEES ON COMMERCE AND CONSUMER PROTECTION AND ON JUDICIARY

DATE:	Friday, March 22, 2024	TIME: 9:32 a.m.	
LOCATION:	State Capitol, Room 229 and Videoconference		
TESTIFIER(S	, , , , ,	General, or C. Yee, Deputy Attorneys General	

Chairs Keohokalole and Rhoads and Members of the Committees:

The Department of the Attorney General (Department) opposes these resolutions as written and requests that all references to the Department be deleted.

The resolutions request the Department to conduct a study to determine the effectiveness of existing state laws in addressing the false labeling of Hawaii-made food products. The requested study would be due to the Legislature no later than twenty days prior to the convening of the Regular Session of 2025.

To adequately address the Legislature's request, the proposed study would require extensive data gathering, surveys, research, and analysis of economic and statistical data. For example, to address the issue of whether existing state law adequately protects local food producers would require, in part, data gathering and analysis of the economic impact that the current penalty structure and cost of litigation has on businesses that falsely label goods. The Department also anticipates the potential need to conduct a survey of local food producers to understand the costs and benefits received under the current regulatory scheme and the total economic impact false labeling has on their businesses. Testimony of the Department of the Attorney General Thirty-Second Legislature, 2024 Page 2 of 2

The anticipated utilization of economic and statistical data gathering, and analysis goes beyond the purview of the Department. The Department also lacks the necessary resources to complete such a comprehensive study on this multifaceted issue.

The Department suggests that the Legislative Reference Bureau (LRB) may be uniquely qualified to complete this type of study as the stated role of the LRB is, in part, to provide impartial policy and legal research to the Legislature.

Therefore, we respectfully request that all references to the Department be removed from the resolutions and replaced with references to the LRB.

Thank you for the opportunity to testify on these resolutions.



COMMITTEE ON COMMERCE AND CONSUMER

PROTECTION Senator Jarrett Keohokalole, Chair Senator Carol Fukunaga, Vice Chair

COMMITTEE ON JUDICIARY Senator Karl Rhoads, Chair Senator Mike Gabbard, Vice Chair

SCR163/SR137

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.

Friday, March 22, 2024, 9:32 AM Conference Room 229 & Videoconference

Chair Keohokalole and Gabbard, Vice Chair Fukunaga and Gabbard, and Members of the Committees,

The Hawaii Cattlemen's Council <u>supports SCR163</u> which requests 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 product.

The Hawaii Cattlemen's Council supports the purchasing of locally sourced food, and Hawaii's ranchers are ready to contribute to that by providing local beef, a nutritious protein. However, when products are labeled with misleading information about the origin of its contents, our local producers suffer because they still face the higher costs to produce and market in Hawaii. We are fortunate that the consumer is conscious about where their food is coming from, but a study would help to determine the best method for the producer to capture that value and ensure that it is not encroached on by false labels or claims.

Thank you for the opportunity to testify on this matter. The Hawaii Cattlemen's Council (HCC) is the Statewide umbrella organization comprised of the four county-level Cattlemen's Associations. Our member ranchers represent over 60,000 head of beef cows; more than 75% of all the beef cows in the State. Ranchers are the stewards of over 750 thousand acres of land in Hawaii, or 20% of the State's total land mass. We represent the interests of Hawaii's cattle producers.

Nicole Galase Hawaii Cattlemen's Council Managing Director



P.O. Box 934 • Hilo, HI 96721 • (808) 333-6755 • www.hicattle.org • office@hicattle.org



P.O. Box 253, Kunia, Hawai'i 96759 Phone: (808) 848-2074; Fax: (808) 848-1921 e-mail info@hfbf.org; www.hfbf.org

March 22, 2024

HEARING BEFORE THE SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION SENATE COMMITTEE ON JUDICIARY

TESTIMONY ON HB SCR 163 and SR 137

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

> Conference Room 229 & Videoconference 9:32 AM

Aloha Chairs Keohokalole and Rhoads, Vice-Chairs Fukunaga and Gabbard, and Members of the Committees:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate and advance the social, economic, and educational interests of our diverse agricultural community.

The Hawai'i Farm Bureau supports SCR 163 and SR 137, which requests 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.

HFB believes it critical to defend the degradation of the Hawai'i brand and the brands of geographic origins within Hawai'i for agricultural products. We understand the concern that because farmers' market vendors, grocery stores, and other retail markets are not currently required to disclose a product's geographic origin, some consumers might be misled into assuming that the products they are buying are all locally grown or produced.

The Hawai[°]i brand promotes products made in the state but also helps promote locally grown and produced agricultural products which is important to Hawai[°]i's manufacturing industry and helps support and showcase Hawai[°]i's agricultural industry.

Thank you for the opportunity to comment on this measure.

<u>SCR-163</u> Submitted on: 3/20/2024 6:44:56 AM Testimony for CPN on 3/22/2024 9:32:00 AM

Submitted By	Organization	Testifier Position	Testify
Glen Kagamida	Individual	Support	Written Testimony Only

Comments:

STRONG SUPPORT!

PROTECT HAWAII PRODUCTS AND BUSINESSES!

MAHALO!