#### THE SENATE THIRTY-SECOND LEGISLATURE, 2024 JAN 2 4 2024 S.B. NO. 2962 STATE OF HAWAII

### A BILL FOR AN ACT

RELATING TO LABELING OF MACADAMIA NUTS.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that Hawaii-grown 2 commodities of the State are an important economic sector of 3 Hawaii's economy and the branding of such commodities is 4 critical to protect and safeguard consumers. The macadamia nut 5 production industry in Hawaii is one such example. According to 6 statistics from the United States Department of Agriculture 7 National Agricultural Statistics Service, the value of the 8 macadamia-nut crop in Hawaii in 2022 totaled \$33,200,000. 9 Accordingly, the purpose of this Act is to enhance, preserve, and protect the premium brand and cachet of Hawaii-10 11 grown macadamia nuts by clarifying the labeling requirements for 12 macadamia nuts, including requiring the country of origin to be 13 included on the principal display panel of a consumer package of 14 raw or processed macadamia nuts.

15 SECTION 2. Section 486-120.5, Hawaii Revised Statutes, is 16 amended to read as follows:

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1 "§486-120.5 Macadamia nuts; labeling requirements. (a) 2 If a label on a consumer package contains language or branding 3 that all of the raw or processed macadamia nuts contained in the 4 package were grown in [Hawaii,] the State, the label shall be 5 worded, "100% Hawaii-Grown Macadamia Nuts", "Hawaii-Grown 6 Macadamia Nuts", "100% Hawaiian Macadamia Nuts", or "Hawaiian 7 Macadamia Nuts", and shall appear on the principal display panel 8 of the package.

9 If a label on a consumer package contains language or (b) 10 branding that a portion of the raw or processed macadamia nuts 11 contained in the package [was] were grown in [Hawaii,] the 12 State, the label shall be worded "Hawaii-Grown Macadamia Nuts", 13 preceded by the per cent by weight of the macadamia nuts 14 contained in the package that were grown in [Hawaii,] the State, 15 and shall appear on the principal display panel of the package. 16 The per cent by weight of the macadamia nuts in the package 17 shall be the percentage calculated by dividing the weight in 18 pounds of the macadamia nuts grown in [Hawaii] the State that 19 are in the package by the weight in pounds of all macadamia nuts 20 in the package and multiplying the quotient by one hundred. A 21 listing of the countries of origin of the portion of the raw or

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1 processed macadamia nuts not grown in the State that are 2 included in the package shall also be shown on the principal 3 display panel pursuant to section 304 of the Tariff Act of 1930 4 (19 U.S.C. 1304), as amended.

(c) All nonconsumer packages containing macadamia nuts
grown in the State and introduced into intrastate or interstate
commerce shall bear on the package a label containing language
that the package contains Hawaii-grown macadamia nuts. This
label shall be in addition to all other labeling requirements
specified in this chapter.

11 Any person keeping, offering, displaying, exposing for (d) sale, or soliciting for sale, any raw or processed macadamia nut 12 13 product, [which] that represents or [which] is branded or 14 labeled that all or a percentage or portion of the macadamia 15 nuts were grown in [Hawaii,] the State, shall make available to 16 the administrator, upon demand, documented proof that the amount 17 of macadamia nuts represented to be grown in the State, [was] 18 were grown in the State.

# 19 (e) It shall be a violation of this part[+] to use a 20 <u>label:</u>

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1	(1)	[ <del>To use a label containing</del> ] <u>Containing</u> the words,
2		"100% Hawaii-Grown Macadamia Nuts", "Hawaii-Grown
3		Macadamia Nuts", "100% Hawaiian Macadamia Nuts", or
4		"Hawaiian Macadamia Nuts", or similar wording, or to
5		otherwise represent that all of the macadamia nuts in
6		the package were grown in [ <del>Hawaii,</del> ] <u>the State,</u> if any
7		portion of the macadamia nuts contained in the package
8		[ <del>was</del> ] <u>were</u> not grown in the State;
9	(2)	[ <del>To use a label, as</del> ] <u>As</u> provided for under subsection
10		(b), containing the words "Hawaii-Grown Macadamia
11		Nuts" preceded by a percentage, if less than the
12		specified percentage or none of the macadamia nuts in
13		the package [ <del>was</del> ] <u>were</u> grown in the State; [ <del>or</del> ]
14	(3)	[ <del>To use a label representing</del> ] <u>Representing</u> that any of
15		the macadamia nuts contained in the package [ <del>was</del> ] <u>were</u>
16		grown in the State, if none of the macadamia nuts
17		contained in the package [ <del>was</del> ] <u>were</u> grown in the
18		State.
19	(f)	Any person who violates this section shall be subject
20	to penalties under section 486-32."	

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SECTION 3. Statutory material to be repealed is bracketed
 and stricken. New Statutory material is underscored.

3 SECTION 4. This Act shall take effect on July 1, 2024.

INTRODUCED BY: Hut. M. Ran -8



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#### Report Title:

Macadamia Nuts; Labeling Requirements; Country of Origin

#### Description:

Clarifies labeling requirements for macadamia nuts. Requires country of origin to be included on the principal display panel of a consumer package of raw or processed macadamia nuts.

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