

JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



SHARON HURD
Chairperson, Board of Agriculture

DEAN M. MATSUKAWA
Deputy to the Chairperson

State of Hawai'i
DEPARTMENT OF AGRICULTURE
KA 'OIHANA MAHI'AI
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TESTIMONY OF SHARON HURD
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON AGRICULTURE AND FOOD SYSTEMS

WEDNESDAY, FEBRUARY 5, 2025
9:30 a.m.
CONFERENCE ROOM 325

HOUSE BILL NO. 530
RELATING TO THE LABELING OF MACADAMIA NUTS

Chair Kahaloa, Vice Chair Kusch and Members of the Committee:

Thank you for the opportunity to testify on this measure that specifies that the macadamia nut labeling requirements apply if the applicable products are produced in whole or in part from Hawaii-grown and Hawaii-processed macadamia nuts. DOA strongly supports strengthening the language in section 486-120.5, Hawaii Revised Statutes.

This measure strengthens the language that went into Act 199 2024 Session Laws and clarifies macadamia nut products that are grown or processed in Hawaii without any product grown or processed outside Hawaii. The words "This product contains macadamia nuts grown or processed outside Hawaii." If any foreign grown or processed macadamia nuts are present in the package.

Since funds were not appropriated for increased labeling inspections with ACT 199 in 2024, DOA respectfully requests that funds be added to this bill to support one FTE Measurement Standards Inspector V SR-19 \$65,000 who will support and restore enforcement capability for all labeling regulations for Hawaii products such as coffee,



macadamia nuts and mamaki tea. The inspector will inspect and enforce the new laws and existing ones.

Thank you for the opportunity to present our testimony.

Testimony Presented Before the House Committee on Agriculture and Food Systems

January 5th, 2025 at 9:30am

RE: HB 530 Relating to the Labeling of Macadamia Nuts – In Support

Aloha Chair Kahaloa, Vice Chair Kusch, and Members of the Committees,

I write to you in strong support of HB 530, which seeks to enhance transparency and integrity within the macadamia nut industry by ensuring accurate labeling for nuts that are both grown and processed in Hawai‘i. This bill is essential for maintaining industry standards while also fostering economic growth, preserving local jobs, and safeguarding the authenticity of Hawai‘i-grown products.

As the Executive Assistant at Hawaiian Host Group (HHG), I have the privilege of witnessing the hard work and commitment that HHG contributes to growing Hawai‘i’s macadamia nut industry. From the fields of Kapua Orchards to the processing lines at Mauna Loa, our mission is clear: to keep jobs in Hawai‘i, strengthen our agricultural sector, and support the long-term viability of this industry - helping Hawai‘i thrive. HB 530 is a crucial step in ensuring that vision becomes reality by:

- **Preserving Local Jobs** – By requiring that macadamia nuts be both grown and processed in Hawai‘i, this bill directly supports local employment, ensuring that jobs remain within our communities and continue to provide for local families.
- **Strengthening the Local Economy** – Transparent labeling increases consumer confidence in Hawaiian macadamia nuts, driving demand and encouraging further investment in our agricultural and manufacturing sectors. This growth helps stimulate innovation and fortifies our local economy.
- **Protecting Industry Integrity** – Clear and accurate labeling prevents misleading marketing practices and reinforces Hawai‘i’s reputation for premium quality macadamia nuts, ensuring that consumers receive genuinely local products.

HB 530 represents a significant step in protecting and advancing Hawai‘i’s macadamia nut industry. By supporting this bill, we invest in local jobs, uphold the authenticity of our products, and drive economic prosperity. I urge the committee to pass HB 530 to help sustain this vital industry for generations to come.

Mahalo for your time and consideration,

Kamalei Grace
Executive Assistant
Hawaiian Host Group



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State President

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Vice-President

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Hāna, Maui

Mason Scharer
Haleakalā, Maui

Kaiea Medeiros
Mauna Kahālāwai,
Maui

Kaipo Kekona
Lahaina, Maui

Kilia Avelino-Purdy
Moloka'i

Negus Manna
Lāna'i

India Clark
North Shore, O'ahu

Christian Zuckerman
Wai'anae, O'ahu

Ted Radovich
Waimānalo, O'ahu

Vincent Kimura
Honolulu, O'ahu

Natalie Urminska
Kaua'i

Aloha Chair Kahaloha, Vice Chair Kusch, and Members of the House Agriculture & Food Systems Committee,

The Hawai'i Farmers Union is a 501(c)(5) agricultural advocacy nonprofit representing a network of over 2,500 family farmers and their supporters across the Hawaiian Islands. **HFUU supports HB530.**

HB530's improvement of labeling requirements for macadamia nut products is essential in safeguarding the integrity and reputation of Hawaii's agricultural industry. By mandating that labeling only be used for products that are in whole or in part from Hawaii-grown and Hawaii-processed macadamia nuts, the bill ensures that consumers are not misled by false claims and allows true Hawaiian macadamia nuts to distinguish themselves in a competitive market. This transparency not only protects local farmers who have invested significant resources into cultivating these premium nuts but also enhances consumer trust in the authenticity of agricultural products labeled as Hawaiian.

Moreover, HB530 supports the economic sustainability of Hawaii's agriculture by promoting local production and processing. The requirement for clear labeling helps bolster the market for products genuinely sourced from Hawaii, thus encouraging the continued growth and development of macadamia nut farming in the state. It ensures that the added value of Hawaii's rich agricultural heritage is captured by local farmers and processors, rather than being undermined by inaccurately labeled imports.

Mahalo for the opportunity to testify.

Hunter Heavilin
Advocacy Director
Hawai'i Farmers Union

HB-530

Submitted on: 2/3/2025 9:28:15 AM

Testimony for AGR on 2/5/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Ace Jara	Individual	Support	Written Testimony Only

Comments:

Testimony Presented Before the House Committee on Agriculture and Food Systems

February 3, 2025, 9:05 am

RE: HB 530 Relating to the Labeling of Macadamia Nuts – In Support

Aloha Chair Kahaloa, Vice Chair Kusch, and Members of the Committees:

I write to you in support of HB 530, which seeks to enhance transparency and integrity within the macadamia nut industry by ensuring accurate labeling for nuts that are both grown and processed in Hawai‘i. This bill is not only about maintaining standards but also about aligning different facets of the industry towards a common goal—sustaining and revitalizing our local economy.

As [Your Position] at Hawaiian Host Group, I am privileged to witness our collective efforts in nurturing every stage of macadamia nut production. From the fields of Kapua Orchards to the processing lines at Mauna Loa, our commitment is unified: to keep jobs in Hawai‘i and ensure the industry’s growth. This bill will accomplish:

Growth of the Industry: HB 530 mandates comprehensive labeling, aligning growers, processors, and brands with shared goals of transparency and sustainability. This alignment fosters unity within the industry by instilling best practices and ensuring that our collective efforts enhance the local economy by keeping business local.

Keeping Jobs Local: By specifying that macadamia nuts must be both grown and processed in Hawai‘i, this bill underscores our commitment to sustaining local employment. It helps keep jobs in the community, supports local families, and enhances the overall economic health of our region.

Economic Stimulation in Hawai‘i: The bill boosts consumer confidence and demand for Hawaiian macadamia nuts. Increased trust encourages further investments in our agricultural and manufacturing sectors, fueling economic growth and innovation. This not only enhances consumer trust but also strengthens the global reputation of our products.

1. In conclusion, HB 530 is crucial for our industry's growth and the economic vitality of Hawai‘i. It guarantees recognition for the hard work at all levels of production and aligns our efforts toward enhancing local employment and economic strength. Thank you for considering this testimony.

Mahalo,

Ace Lara
Orchard Manager
Hawaiian Host Group

HB-530

Submitted on: 2/3/2025 10:55:22 AM

Testimony for AGR on 2/5/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Merle C. Alvarado	Individual	Support	Written Testimony Only

Comments:

Testimony Presented Before the House Committee on Agriculture and Food Systems

February 05, 2025 at 9:30 am

RE: HB 530 Relating to the Labeling of Macadamia Nuts – In Support

Aloha Chair Kahaloa, Vice Chair Kusch, and Members of the Committees:

I write to you in support of HB 530, which seeks to enhance transparency and integrity within the macadamia nut industry by ensuring accurate labeling for nuts that are both grown and processed in Hawai‘i. This bill is not only about maintaining standards but also about aligning different facets of the industry towards a common goal—sustaining and revitalizing our local economy.

As Quality Assurance Supervisor at Hawaiian Host Group, I am privileged to witness our collective efforts in nurturing every stage of macadamia nut production. From the fields of Kapua Orchards to the processing lines at Mauna Loa, our commitment is unified: to keep jobs in Hawai‘i and ensure the industry’s growth. This bill will accomplish:

Growth of the Industry: HB 530 mandates comprehensive labeling, aligning growers, processors, and brands with shared goals of transparency and sustainability. This alignment fosters unity within the industry by instilling best practices and ensuring that our collective efforts enhance the local economy by keeping business local.

Keeping Jobs Local: By specifying that macadamia nuts must be both grown and processed in Hawai‘i, this bill underscores our commitment to sustaining local employment. It helps keep jobs in the community, supports local families, and enhances the overall economic health of our region.

Economic Stimulation in Hawai‘i: The bill boosts consumer confidence and demand for Hawaiian macadamia nuts. Increased trust encourages further investments in our agricultural and manufacturing sectors, fueling economic growth and innovation. This not only enhances consumer trust but also strengthens the global reputation of our products.

In conclusion, HB 530 represents a significant step forward. By ensuring transparency and integrity in labeling, this bill not only supports local jobs but also strengthens consumer confidence and stimulates our economy. Thank you for considering this testimony. At Hawaiian Host Group, we remain dedicated to measures that drive growth and sustain our local economy.

Mahalo,

Merle Alvarado
Quality Assurance Supervisor

Hawaiian Host Group

Testimony Presented Before the House Committee on Agriculture and Food Systems

February 5th, 2025 at 9:30am

RE: HB 530 Relating to the Labeling of Macadamia Nuts – In Support

Aloha Chair Kahaloa, Vice Chair Kusch, and Members of the Committees:

I am writing to express my full support for HB 530, which ensures transparency and integrity in the macadamia nut industry through proper labeling for nuts grown and processed in Hawai‘i. This legislation is vital for bringing together our industry stakeholders toward a shared goal of sustainable economic growth.

As an Associate Corporate Communications Manager at Hawaiian Host Group, I am grateful to witness our efforts to nurture every stage of macadamia nut production, from Kapua Orchards to Mauna Loa. Our mission—to exceed expectations with the Spirit of Hawai‘i in everything we do—is closely aligned with HB 530’s focus on enhancing industry transparency and integrity.

Industry Growth: HB 530 mandates comprehensive labeling, which unifies growers, processors, and marketers under shared objectives, instilling best practices and ensuring business remains local, thus strengthening our economy.

Preservation of Local Jobs: By requiring that macadamia nuts are both grown and processed in Hawai‘i, the bill reinforces our commitment to local employment and significantly enhances our region’s economic health.

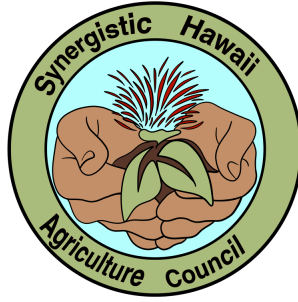
Stimulating Economic Growth: The bill is set to increase consumer confidence and demand for Hawaiian macadamia nuts, driving further investment in our agricultural and manufacturing sectors. This will fuel economic growth and innovation while also boosting our global reputation.

Having grown up on the Big Island, I understand the importance of local employment, especially in our more rural communities. HB 530 goes beyond regulating labels—it secures livelihoods and ensures a prosperous future for our children in Hawai‘i.

In conclusion, HB 530 represents a significant step forward, supporting local jobs and enhancing consumer confidence, which in turn stimulates our economy. Thank you for considering this testimony. At Hawaiian Host Group, we are committed to initiatives that foster growth and sustain our local economy.

Mahalo,

Hali‘a Kealoha
Associate Corporate Communications Manager
Hawaiian Host Group



RE: OPPOSITION to HB530
RELATING TO THE LABELING OF MACADAMIA NUTS
Roasted Coffee; False Labeling; Fines

Aloha Chair, Vice Chair, and Committee Members,

The Synergistic Hawai'i Agriculture Council (SHAC) stands in opposition to this Bill. Our consortium represents 1,500 agribusinesses, from growers to processors and shippers, stretching across the State. We work with the Hawaiian Macadamia Nut Association on State and Federal marketing and science grants to support their industry.

Macadamia nuts are one of the iconic Hawaii crops, and are an important economic and cultural driver in Hawaii. The majority of commercial growers are smallhold, with 612 farms operating on less than five acres of land. And they showcase the agricultural economic reality, where farmers carry the risks, yet receive the lowest rewards in the supply chain. USDA data show that average Hawaii farm income is below the poverty line.

The struggles within the macadamia industry relate back, in part, to a lack of processing capacity within Hawaii. **This bill needlessly punishes companies that must export nut-in-shell for processing because of plant closures within the state.**

The language also adds a confusing label for consumers, who might interpret it to mean the nuts are not grown in Hawaii. This will further reduce sales for local stores and businesses who choose to retail Hawaiian-grown nuts. We need to be promoting Hawaii-grown, not creating barriers.

Mahalo nui loa for supporting this bill!

Suzanne Shriner
Administrator



Testimony Presented Before the House Committee on Agriculture and Food Systems

February 5th, 2025 at 9:30am

RE: HB 530 Relating to Labeling of Macadamia Nuts – In Support

Aloha Chair Kahaloa, Vice Chair Kusch, and Members of the Committees:

Thank you for the opportunity to submit testimony in SUPPORT of HB 530. Last year, the Legislature passed a labeling bill for macadamia nuts, requiring all products to disclose on the package if they contained nuts not grown in Hawaii. Hawaiian Host Group (HHG), the largest buyer of locally grown macadamia nuts and one of the largest macadamia nut landowners and growers in the state, supported this law and intends to be fully compliant before the January 1, 2026, effective date. One of the main reasons for passing last year's labeling bill was to ensure that Hawaii-grown macadamia nuts and products were distinguished from other macadamia nuts with origins outside of Hawaii. We hope this will help grow the Hawaii macadamia nut industry.

However, the growth of the macadamia nut industry will be limited unless we ensure that nuts grown in Hawaii are also processed here. Macadamia nut processing and manufacturing are critical components of Hawaii's agricultural economy, supporting local jobs, increasing economic value, and ensuring the sustainability of the industry. Allowing companies to grow macadamias in Hawaii but process them overseas creates a loophole that undermines the intent to grow the industry in Hawaii and unfairly disadvantages locally processed macadamia nuts, giving offshore processing operations a significant cost advantage. Since the labeling law passed last year, a new brand has entered the market using locally grown macadamia nuts that are processed in China and then imported back to Hawaii duty-free, exploiting a loophole in the labeling requirements. This undermines the intent of the 2024 legislation, which aimed to ensure that products branded with Hawaiian names or imagery truly represent macadamias both grown and processed in Hawaii.

While companies should have the freedom to process nuts internationally for export, products sold should not be labeled as "100% Hawaiian Macadamias" unless they are both grown and processed in Hawaii. To truly protect Hawaii's macadamia nut industry, we must ensure that both growing and processing remain local, preserving jobs and strengthening our state's economy.

We support passing HB 530 and appreciate your consideration.

Aloha,

Ed Schultz
President & CEO
Hawaiian Host Group



Testimony of Jo-Annalynn Muranaka

Hāmākua Macadamia Nut Company

February 5, 2025

RE: HB530 RELATING TO THE LABELING OF MACADAMIA NUTS

Aloha Chair Kahaloa, Vice Chair Kusch, and Members of the House Committee on Agriculture and Food Systems,

My name is Jo-Annalynn Muranaka and I am a farmer of Hawai'i -grown macadamia nuts on the island of Hawai'i. I am writing to you in opposition to House Bill 530: RELATING TO THE LABELING OF MACADAMIA NUTS.

House Bill 530 does nothing to improve the position of farmers or processors in Hawaii, and instead further burdens growers who have limited options for processing Hawaii grown-macadamia nuts. Hawaii's current processing infrastructure cannot support farmers due to the 2022 closure of the Mauna Loa nut cracking facilities in Kea'au. Many farms have already shut down their operations and others may follow suit.

Hawai'i's macadamia nut farmers have faced some of the most difficult times our industry has seen in the past few years. USDA NASS reported utilized production of Hawai'i macadamia nuts fell from 52.9 million pounds in 2021 to 36.8 million pounds in 2023. Farmgate prices also fell to the lowest price since 2015 to an average of \$0.84/lb. The total take-home value for macadamia nut farmers fell by more than 50% wiping out nearly half of Hawai'i's macadamia nut market value.

One of the greatest threats to the viability of macadamia farming in Hawai'i is the misleading labeling of macadamia nut products, and HB530 does not help address this issue. Act 199, passed by the legislature and signed by Governor Josh Green last year, was a step in the right direction, but does not require the labeling of chocolate-covered macadamia nuts, which represents a substantial portion of macadamia nut sales in our State. Instead of adding labeling requirements concerning processed macadamia nuts, the legislature ought to expand labeling requirements to include the chocolate-covered foreign grown macadamia nut products on our islands' store shelves.

Thank you for taking the time to consider this bill and my testimony.

Mahalo,

Jo- Annalynn Muranaka

Assistant Warehouse Manager

Hāmākua Macadamia Nut Company



Testimony of Raymond Kanehailua Jr.

Hāmākua Macadamia Nut Company

February 5, 2025

RE: HB530 RELATING TO THE LABELING OF MACADAMIA NUTS

Aloha Chair Kahaloe, Vice Chair Kusch, and Members of the House Committee on Agriculture and Food Systems,

My name is Raymond Kanehailua Jr. and I am a farmer of Hawai'i-grown macadamia nuts on the island of Hawai'i. I am writing to you in opposition to House Bill 530: RELATING TO THE LABELING OF MACADAMIA NUTS.

House Bill 530 does nothing to improve the position of farmers or processors in Hawaii, and instead further burdens growers who have limited options for processing Hawaii grown-macadamia nuts. Hawaii's current processing infrastructure cannot support farmers due to the 2022 closure of the Mauna Loa nut cracking facilities in Kea'au. Many farms have already shut down their operations and others may follow suit.

Hawai'i's macadamia nut farmers have faced some of the most difficult times our industry has seen in the past few years. USDA NASS reported utilized production of Hawai'i macadamia nuts fell from 52.9 million pounds in 2021 to 36.8 million pounds in 2023. Farmgate prices also fell to the lowest price since 2015 to an average of \$0.84/lb. The total take-home value for macadamia nut farmers fell by more than 50% wiping out nearly half of Hawai'i's macadamia nut market value.

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Thank you for taking the time to consider this bill and my testimony.

Mahalo,

A handwritten signature in black ink, appearing to be 'Raymond Kanehailua Jr.', written in a cursive style.

Raymond Kanehailua Jr.

Director of Operations

Hāmākua Macadamia Nut Company



Testimony of Jacob Salvador
Hāmākua Macadamia Nut Company
February 5, 2025

RE: HB530 RELATING TO THE LABELING OF MACADAMIA NUTS

Aloha Chair Kahaloa, Vice Chair Kusch, and Members of the House Committee on Agriculture and Food Systems,

My name is Jacob Salvador and I am a farmer of Hawai'i -grown macadamia nuts on the island of Hawai'i. I am writing to you in opposition to House Bill 530: RELATING TO THE LABELING OF MACADAMIA NUTS.

House Bill 530 does nothing to improve the position of farmers or processors in Hawaii, and instead further burdens growers who have limited options for processing Hawaii grown-macadamia nuts. Hawaii's current processing infrastructure cannot support farmers due to the 2022 closure of the Mauna Loa nut cracking facilities in Kea'au. Many farms have already shut down their operations and others may follow suit.

Hawai'i's macadamia nut farmers have faced some of the most difficult times our industry has seen in the past few years. USDA NASS reported utilized production of Hawai'i macadamia nuts fell from 52.9 million pounds in 2021 to 36.8 million pounds in 2023. Farmgate prices also fell to the lowest price since 2015 to an average of \$0.84/lb. The total take-home value for macadamia nut farmers fell by more than 50% wiping out nearly half of Hawai'i's macadamia nut market value.

One of the greatest threats to the viability of macadamia farming in Hawai'i is the misleading labeling of macadamia nut products, and HB530 does not help address this issue. Act 199, passed by the legislature and signed by Governor Josh Green last year, was a step in the right direction, but does not require the labeling of chocolate-covered macadamia nuts, which represents a substantial portion of macadamia nut sales in our State. Instead of adding labeling requirements concerning processed macadamia nuts, the legislature ought to expand labeling requirements to include the chocolate-covered foreign grown macadamia nut products on our islands' store shelves.

Thank you for taking the time to consider this bill and my testimony.

Mahalo,

A handwritten signature in black ink, consisting of the letters 'JS' in a stylized, cursive font.

Jacob Salvador

Assistant Production Manager

Hāmākua Macadamia Nut Company



Testimony of Christie Bruno

Hāmākua Macadamia Nut Company

February 5, 2025

RE: HB530 RELATING TO THE LABELING OF MACADAMIA NUTS

Aloha Chair Kahaloa, Vice Chair Kusch, and Members of the House Committee on Agriculture and Food Systems,

My name is Christie Bruno and I am a farmer of Hawai'i -grown macadamia nuts on the island of Hawai'i. I am writing to you in opposition to House Bill 530: RELATING TO THE LABELING OF MACADAMIA NUTS.

House Bill 530 does nothing to improve the position of farmers or processors in Hawaii, and instead further burdens growers who have limited options for processing Hawaii grown-macadamia nuts. Hawaii's current processing infrastructure cannot support farmers due to the 2022 closure of the Mauna Loa nut cracking facilities in Kea'au. Many farms have already shut down their operations and others may follow suit.

Hawai'i's macadamia nut farmers have faced some of the most difficult times our industry has seen in the past few years. USDA NASS reported utilized production of Hawai'i macadamia nuts fell from 52.9 million pounds in 2021 to 36.8 million pounds in 2023. Farmgate prices also fell to the lowest price since 2015 to an average of \$0.84/lb. The total take-home value for macadamia nut farmers fell by more than 50% wiping out nearly half of Hawai'i's macadamia nut market value.

One of the greatest threats to the viability of macadamia farming in Hawai'i is the misleading labeling of macadamia nut products, and HB530 does not help address this issue. Act 199, passed by the legislature and signed by Governor Josh Green last year, was a step in the right direction, but does not require the labeling of chocolate-covered macadamia nuts, which represents a substantial portion of macadamia nut sales in our State. Instead of adding labeling requirements concerning processed macadamia nuts, the legislature ought to expand labeling requirements to include the chocolate-covered foreign grown macadamia nut products on our islands' store shelves.

Thank you for taking the time to consider this bill and my testimony.

Mahalo,

A handwritten signature in blue ink that reads "Christie Bruno". The signature is written in a cursive, flowing style.

Christie Bruno

Assistant Production Manager

Hāmākua Macadamia Nut Company



Testimony of Gloria Sahagun
Hāmākua Macadamia Nut Company
February 5, 2025

RE: HB530 RELATING TO THE LABELING OF MACADAMIA NUTS

Aloha Chair Kahaloe, Vice Chair Kusch, and Members of the House Committee on Agriculture and Food Systems,

My name is Gloria Sahagan and I am a farmer of Hawai'i -grown macadamia nuts on the island of Hawai'i. I am writing to you in opposition to House Bill 530: RELATING TO THE LABELING OF MACADAMIA NUTS.

House Bill 530 does nothing to improve the position of farmers or processors in Hawaii, and instead further burdens growers who have limited options for processing Hawaii grown-macadamia nuts. Hawaii's current processing infrastructure cannot support farmers due to the 2022 closure of the Mauna Loa nut cracking facilities in Kea'au. Many farms have already shut down their operations and others may follow suit.

Hawai'i's macadamia nut farmers have faced some of the most difficult times our industry has seen in the past few years. USDA NASS reported utilized production of Hawai'i macadamia nuts fell from 52.9 million pounds in 2021 to 36.8 million pounds in 2023. Farmgate prices also fell to the lowest price since 2015 to an average of \$0.84/lb. The total take-home value for macadamia nut farmers fell by more than 50% wiping out nearly half of Hawai'i's macadamia nut market value.

One of the greatest threats to the viability of macadamia farming in Hawai'i is the misleading labeling of macadamia nut products, and HB530 does not help address this issue. Act 199, passed by the legislature and signed by Governor Josh Green last year, was a step in the right direction, but does not require the labeling of chocolate-covered macadamia nuts, which represents a substantial portion of macadamia nut sales in our State. Instead of adding labeling requirements concerning processed macadamia nuts, the legislature ought to expand labeling requirements to include the chocolate-covered foreign grown macadamia nut products on our islands' store shelves.

Thank you for taking the time to consider this bill and my testimony.

Mahalo,

Gloria Sahagun

Line Supervisor

Hāmākua Macadamia Nut Company



Testimony of Jared Okayama

Hāmākua Macadamia Nut Company

February 5, 2025

RE: HB530 RELATING TO THE LABELING OF MACADAMIA NUTS

Aloha Chair Kahaloa, Vice Chair Kusch, and Members of the House Committee on Agriculture and Food Systems,

My name is Jared Okayama and I work in the industry of Hawai'i-grown macadamia nuts on the island of Hawai'i. I am writing to you in opposition to House Bill 530: RELATING TO THE LABELING OF MACADAMIA NUTS.

House Bill 530 does nothing to improve the position of farmers or processors in Hawaii, and instead further burdens growers who have limited options for processing Hawaii grown-macadamia nuts. Hawaii's current processing infrastructure cannot support farmers due to the 2022 closure of the Mauna Loa nut cracking facilities in Kea'au. Many farms have already shut down their operations and others may follow suit.

Hawai'i's macadamia nut farmers have faced some of the most difficult times our industry has seen in the past few years. USDA NASS reported utilized production of Hawai'i macadamia nuts fell from 52.9 million pounds in 2021 to 36.8 million pounds in 2023. Farmgate prices also fell to the lowest price since 2015 to an average of \$0.84/lb. The total take-home value for macadamia nut farmers fell by more than 50% wiping out nearly half of Hawai'i's macadamia nut market value.

One of the greatest threats to the viability of macadamia farming in Hawai'i is the misleading labeling of macadamia nut products, and HB530 does not help address this issue. Act 199, passed by the legislature and signed by Governor Josh Green last year, was a step in the right direction, but does not require the labeling of chocolate-covered macadamia nuts, which represents a substantial portion of macadamia nut sales in our State. Instead of adding labeling requirements concerning processed macadamia nuts, the legislature ought to expand labeling requirements to include the chocolate-covered foreign grown macadamia nut products on our islands' store shelves.

Thank you for taking the time to consider this bill and my testimony.

Mahalo,

Jared Okayama

Marketing Specialist

Hāmākua Macadamia Nut Company



Hamakua Macadamia Nut Company

February 5, 2025

RE: HB530 RELATING TO THE LABELING OF MACADAMIA NUTS

Aloha Chair Kahaloa, Vice Chair Kusch, and the members of the House Committee on Agriculture and Food Systems,

I am writing to you on behalf of Hamakua Macadamia Nut Company in OPPOSITION to the current version of House Bill 530 RELATING TO THE LABELING OF MACADAMIA NUTS.

Hamakua Macadamia Nut Company is a grower and processor of 100% Hawai'i grown macadamia nuts located in Kawaihae, Hawai'i. Hamakua produces salted, glazed and chocolate covered macadamia nuts and sells throughout the state.

HB530, as currently written, amends HRS 486-120.5 to disallow the use of "100% Hawaii-Grown Macadamia Nuts", "Hawaii-Grown Macadamia Nuts", "100% Hawaiian Macadamia Nuts", or "Hawaiian Macadamia" on products containing macadamia nuts grown in Hawaii but not processed in Hawaii.

There is already a law on the books that governs the use of "Made in Hawai'i" claims on packaging. **HRS §486-119 Hawaii-made products** spells out the rules for labeling a product as "processed in Hawai'i". Therefore, this proposed bill is redundant and unnecessary.

Since the closing of the Mauna Loa processing facility in 2022, there is not enough macadamia nut processing capability in the state, which has forced farmers to process nuts elsewhere. To address the current shortcomings in macadamia infrastructure, the Synergistic Hawaii Agriculture Council (SHAC) is working with HDOA to utilize funds authorized by Governor Josh Green to begin feasibility, engineering, and design of a new state of the art macadamia processing facility that will serve the interests of Hawaii's farmers. We support a plan that is inclusive of all growers and helps build a sustainable future for Hawaii's macadamia nut industry.

In 2024, the Hawaii State Legislature addressed labeling of macadamia nuts through Act 199, signed by Governor Green, that adds helpful language to HRS 486-120.5. Act 199 was a step in the right direction but does not require the labeling of chocolate-covered macadamia nuts, which represents a substantial portion of macadamia nut sales in our State.

Based on the last 12 months of import data, approximately 1.5 million kernel pounds have been imported directly by Hawai'i based processors/brands, with Hawaiian Host Group directly importing 1.45 million kernel pounds exclusively from South Africa. This equates to approximately 7.5 million pounds of in wet-in-shell macadamia nuts. It is unknown how much may have been imported by third parties on behalf of, or sold to, Hawai'i based processors/brands. This quantity represents 20% of the Hawai'i-grown macadamia market. It is believed that Hawaiian Host will cover most, if not all, of these imported nuts in chocolate, exempting them from the current labeling laws. These imports are dragging down farm gate prices to farmers and a threat to farmers' viability in Hawai'i. Chocolate covered macadamia nuts should be included in the scope of Act 199 to require proper macadamia nut origin labeling.

Further, Act 199 does not require the labeling statement on the principal display panel of the package, most visible to consumers. Due to these shortcomings in the current law, we suggest the following amendments to HB530:

- 1) Remove the proposed language referencing macadamia nuts “processed” outside of Hawaii.
- 2) Require the statement in Section 1(b), “This product contains macadamia nuts grown outside Hawai‘i”, to be added to the **principal** display panel of the package.
- 3) Add a new section regarding the labeling of chocolate-covered macadamia nuts immediately following section 1(b), that states:

If a product contains chocolate-covered macadamia nuts with macadamia nuts grown outside the State, the product shall be labeled with the statement: "This product contains macadamia nuts grown outside Hawai‘i."

Mahalo for hearing my testimony. Please contact me with questions or concerns.

Mahalo,

A handwritten signature in black ink, appearing to read 'Jeffrey Clark', written in a cursive style.

Jeffrey Clark

President

Hamakua Macadamia Nut Company



Testimony of Matthew Holmes

Ahualoa Family Farms

February 3, 2025

RE: HB530 RELATING TO THE LABELING OF MACADAMIA NUTS

Aloha Chair Kahaloa, Vice Chair Kusch, and Members of the House Committee on Agriculture and Food Systems,

My name is Matthew Holmes, and I am a strong supporter of Hawai'i-grown macadamia nuts and local producers like Ahualoa Family Farms. As a dedicated customer and advocate for locally-grown products, I am writing to express my opposition to House Bill 530: RELATING TO THE LABELING OF MACADAMIA NUTS.

House Bill 530 does nothing to improve the position of farmers or processors in Hawaii, and instead further burdens growers who have limited options for processing Hawaii grown-macadamia nuts. Hawaii's current processing infrastructure cannot support farmers due to the 2022 closure of the Mauna Loa nut cracking facilities in Kea'au. Many farms have already shut down their operations and others may follow suit.

Hawai'i's macadamia nut farmers have faced some of the most difficult times our industry has seen in the past few years. USDA NASS reported utilized production of Hawai'i macadamia nuts fell from 52.9 million pounds in 2021 to 36.8 million pounds in 2023. Farmgate prices also fell to the lowest price since 2015 to an average of \$0.84/lb. The total take-home value for macadamia nut farmers fell by more than 50% wiping out nearly half of Hawai'i's macadamia nut market value.

One of the greatest threats to the viability of macadamia farming in Hawai'i is the misleading labeling of macadamia nut products, and HB530 does not help address this issue. Act 199, passed by the legislature and signed by Governor Josh Green last year, was a step in the right direction, but does not require the labeling of chocolate-covered macadamia nuts, which represents a substantial portion of macadamia nut sales in our State. Instead of adding labeling requirements concerning processed macadamia nuts, the legislature ought to expand labeling requirements to include the chocolate-covered foreign grown macadamia nut products on our islands' store shelves.

Thank you for taking the time to consider this bill and my testimony.

Mahalo,



Testimony of Chad Cleveland

Ahualoa Family Farms

February 3, 2025

RE: HB530 RELATING TO THE LABELING OF MACADAMIA NUTS

Aloha Chair Kahaloa, Vice Chair Kusch, and Members of the House Committee on Agriculture and Food Systems,

My name is Chad Cleveland, and I am a strong supporter of Hawai'i-grown macadamia nuts and local producers like Ahualoa Family Farms. As a dedicated customer and advocate for locally-grown products, I am writing to express my opposition to House Bill 530: RELATING TO THE LABELING OF MACADAMIA NUTS.

House Bill 530 does nothing to improve the position of farmers or processors in Hawaii, and instead further burdens growers who have limited options for processing Hawaii grown-macadamia nuts. Hawaii's current processing infrastructure cannot support farmers due to the 2022 closure of the Mauna Loa nut cracking facilities in Kea'au. Many farms have already shut down their operations and others may follow suit.

Hawai'i's macadamia nut farmers have faced some of the most difficult times our industry has seen in the past few years. USDA NASS reported utilized production of Hawai'i macadamia nuts fell from 52.9 million pounds in 2021 to 36.8 million pounds in 2023. Farmgate prices also fell to the lowest price since 2015 to an average of \$0.84/lb. The total take-home value for macadamia nut farmers fell by more than 50% wiping out nearly half of Hawai'i's macadamia nut market value.

One of the greatest threats to the viability of macadamia farming in Hawai'i is the misleading labeling of macadamia nut products, and HB530 does not help address this issue. Act 199, passed by the legislature and signed by Governor Josh Green last year, was a step in the right direction, but does not require the labeling of chocolate-covered macadamia nuts, which represents a substantial portion of macadamia nut sales in our State. Instead of adding labeling requirements concerning processed macadamia nuts, the legislature ought to expand labeling requirements to include the chocolate-covered foreign grown macadamia nut products on our islands' store shelves.

Thank you for taking the time to consider this bill and my testimony.

Mahalo,

Ahualoa Family Farms

45-3279 Mamane St, Honokaa, HI 96727

808-775-1821



Testimony of Brittainy Holmes

Ahualoa Family Farms

February 3, 2025

RE: HB530 RELATING TO THE LABELING OF MACADAMIA NUTS

Aloha Chair Kahaloe, Vice Chair Kusch, and Members of the House Committee on Agriculture and Food Systems,

My name is Brittainy Holmes, and I am a strong supporter of Hawai'i-grown macadamia nuts and local producers like Ahualoa Family Farms. As a dedicated customer and advocate for locally-grown products, I am writing to express my opposition to House Bill 530: RELATING TO THE LABELING OF MACADAMIA NUTS.

House Bill 530 does nothing to improve the position of farmers or processors in Hawaii, and instead further burdens growers who have limited options for processing Hawaii grown-macadamia nuts. Hawaii's current processing infrastructure cannot support farmers due to the 2022 closure of the Mauna Loa nut cracking facilities in Kea'au. Many farms have already shut down their operations and others may follow suit.

Hawai'i's macadamia nut farmers have faced some of the most difficult times our industry has seen in the past few years. USDA NASS reported utilized production of Hawai'i macadamia nuts fell from 52.9 million pounds in 2021 to 36.8 million pounds in 2023. Farmgate prices also fell to the lowest price since 2015 to an average of \$0.84/lb. The total take-home value for macadamia nut farmers fell by more than 50% wiping out nearly half of Hawai'i's macadamia nut market value.

One of the greatest threats to the viability of macadamia farming in Hawai'i is the misleading labeling of macadamia nut products, and HB530 does not help address this issue. Act 199, passed by the legislature and signed by Governor Josh Green last year, was a step in the right direction, but does not require the labeling of chocolate-covered macadamia nuts, which represents a substantial portion of macadamia nut sales in our State. Instead of adding labeling requirements concerning processed macadamia nuts, the legislature ought to expand labeling requirements to include the chocolate-covered foreign grown macadamia nut products on our islands' store shelves.

Thank you for taking the time to consider this bill and my testimony.

Mahalo,

Ahualoa Family Farms

45-3279 Mamane St, Honokaa, HI 96727

808-775-1821



Testimony of Richard Peters

Ahualoa Family Farms

February 3, 2025

RE: HB530 RELATING TO THE LABELING OF MACADAMIA NUTS

Aloha Chair Kahaloa, Vice Chair Kusch, and Members of the House Committee on Agriculture and Food Systems,

My name is Richard Peters, and I am a strong supporter of Hawai'i-grown macadamia nuts and local producers like Ahualoa Family Farms. As a dedicated customer and advocate for locally-grown products, I am writing to express my opposition to House Bill 530: RELATING TO THE LABELING OF MACADAMIA NUTS.

House Bill 530 does nothing to improve the position of farmers or processors in Hawaii, and instead further burdens growers who have limited options for processing Hawaii grown-macadamia nuts. Hawaii's current processing infrastructure cannot support farmers due to the 2022 closure of the Mauna Loa nut cracking facilities in Kea'au. Many farms have already shut down their operations and others may follow suit.

Hawai'i's macadamia nut farmers have faced some of the most difficult times our industry has seen in the past few years. USDA NASS reported utilized production of Hawai'i macadamia nuts fell from 52.9 million pounds in 2021 to 36.8 million pounds in 2023. Farmgate prices also fell to the lowest price since 2015 to an average of \$0.84/lb. The total take-home value for macadamia nut farmers fell by more than 50% wiping out nearly half of Hawai'i's macadamia nut market value.

One of the greatest threats to the viability of macadamia farming in Hawai'i is the misleading labeling of macadamia nut products, and HB530 does not help address this issue. Act 199, passed by the legislature and signed by Governor Josh Green last year, was a step in the right direction, but does not require the labeling of chocolate-covered macadamia nuts, which represents a substantial portion of macadamia nut sales in our State. Instead of adding labeling requirements concerning processed macadamia nuts, the legislature ought to expand labeling requirements to include the chocolate-covered foreign grown macadamia nut products on our islands' store shelves.

Thank you for taking the time to consider this bill and my testimony.

Mahalo,



Testimony of Renee Ciccarelli

Ahualoa Family Farms

February 3, 2025

RE: HB530 RELATING TO THE LABELING OF MACADAMIA NUTS

Aloha Chair Kahaloa, Vice Chair Kusch, and Members of the House Committee on Agriculture and Food Systems,

My name is Renee Ciccarelli, and I am a strong supporter of Hawai'i-grown macadamia nuts and local producers like Ahualoa Family Farms. As a dedicated customer and advocate for locally-grown products, I am writing to express my opposition to House Bill 530: RELATING TO THE LABELING OF MACADAMIA NUTS.

House Bill 530 does nothing to improve the position of farmers or processors in Hawaii, and instead further burdens growers who have limited options for processing Hawaii grown-macadamia nuts. Hawaii's current processing infrastructure cannot support farmers due to the 2022 closure of the Mauna Loa nut cracking facilities in Kea'au. Many farms have already shut down their operations and others may follow suit.

Hawai'i's macadamia nut farmers have faced some of the most difficult times our industry has seen in the past few years. USDA NASS reported utilized production of Hawai'i macadamia nuts fell from 52.9 million pounds in 2021 to 36.8 million pounds in 2023. Farmgate prices also fell to the lowest price since 2015 to an average of \$0.84/lb. The total take-home value for macadamia nut farmers fell by more than 50% wiping out nearly half of Hawai'i's macadamia nut market value.

One of the greatest threats to the viability of macadamia farming in Hawai'i is the misleading labeling of macadamia nut products, and HB530 does not help address this issue. Act 199, passed by the legislature and signed by Governor Josh Green last year, was a step in the right direction, but does not require the labeling of chocolate-covered macadamia nuts, which represents a substantial portion of macadamia nut sales in our State. Instead of adding labeling requirements concerning processed macadamia nuts, the legislature ought to expand labeling requirements to include the chocolate-covered foreign grown macadamia nut products on our islands' store shelves.

Thank you for taking the time to consider this bill and my testimony.

Mahalo,

2/4/25

Ahualoa Family Farms

45-3279 Mamane St, Honokaa, HI 96727

808-775-1821



Testimony of Tigress Eiccoelli

Ahualoa Family Farms

February 3, 2025

RE: HB530 RELATING TO THE LABELING OF MACADAMIA NUTS

Aloha Chair Kahaloa, Vice Chair Kusch, and Members of the House Committee on Agriculture and Food Systems,

My name is Tigress Eiccoelli, and I am a strong supporter of Hawai'i-grown macadamia nuts and local producers like Ahualoa Family Farms. As a dedicated customer and advocate for locally-grown products, I am writing to express my opposition to House Bill 530: RELATING TO THE LABELING OF MACADAMIA NUTS.

House Bill 530 does nothing to improve the position of farmers or processors in Hawaii, and instead further burdens growers who have limited options for processing Hawaii grown-macadamia nuts. Hawaii's current processing infrastructure cannot support farmers due to the 2022 closure of the Mauna Loa nut cracking facilities in Kea'au. Many farms have already shut down their operations and others may follow suit.

Hawai'i's macadamia nut farmers have faced some of the most difficult times our industry has seen in the past few years. USDA NASS reported utilized production of Hawai'i macadamia nuts fell from 52.9 million pounds in 2021 to 36.8 million pounds in 2023. Farmgate prices also fell to the lowest price since 2015 to an average of \$0.84/lb. The total take-home value for macadamia nut farmers fell by more than 50% wiping out nearly half of Hawai'i's macadamia nut market value.

One of the greatest threats to the viability of macadamia farming in Hawai'i is the misleading labeling of macadamia nut products, and HB530 does not help address this issue. Act 199, passed by the legislature and signed by Governor Josh Green last year, was a step in the right direction, but does not require the labeling of chocolate-covered macadamia nuts, which represents a substantial portion of macadamia nut sales in our State. Instead of adding labeling requirements concerning processed macadamia nuts, the legislature ought to expand labeling requirements to include the chocolate-covered foreign grown macadamia nut products on our islands' store shelves.

Thank you for taking the time to consider this bill and my testimony.

Mahalo,

2/4/25



Testimony of WALTER RANO

2/4/25

Ahualoa Family Farms

February 3, 2025

RE: HB530 RELATING TO THE LABELING OF MACADAMIA NUTS

Aloha Chair Kahaloa, Vice Chair Kusch, and Members of the House Committee on Agriculture and Food Systems,

My name is Walter Rano, and I am a strong supporter of Hawai'i-grown macadamia nuts and local producers like Ahualoa Family Farms. As a dedicated customer and advocate for locally-grown products, I am writing to express my opposition to House Bill 530: RELATING TO THE LABELING OF MACADAMIA NUTS.

House Bill 530 does nothing to improve the position of farmers or processors in Hawaii, and instead further burdens growers who have limited options for processing Hawaii grown-macadamia nuts. Hawaii's current processing infrastructure cannot support farmers due to the 2022 closure of the Mauna Loa nut cracking facilities in Kea'au. Many farms have already shut down their operations and others may follow suit.

Hawai'i's macadamia nut farmers have faced some of the most difficult times our industry has seen in the past few years. USDA NASS reported utilized production of Hawai'i macadamia nuts fell from 52.9 million pounds in 2021 to 36.8 million pounds in 2023. Farmgate prices also fell to the lowest price since 2015 to an average of \$0.84/lb. The total take-home value for macadamia nut farmers fell by more than 50% wiping out nearly half of Hawai'i's macadamia nut market value.

One of the greatest threats to the viability of macadamia farming in Hawai'i is the misleading labeling of macadamia nut products, and HB530 does not help address this issue. Act 199, passed by the legislature and signed by Governor Josh Green last year, was a step in the right direction, but does not require the labeling of chocolate-covered macadamia nuts, which represents a substantial portion of macadamia nut sales in our State. Instead of adding labeling requirements concerning processed macadamia nuts, the legislature ought to expand labeling requirements to include the chocolate-covered foreign grown macadamia nut products on our islands' store shelves.

Thank you for taking the time to consider this bill and my testimony.

Mahalo,



**Testimony Presented Before the House Committee on Agriculture and Food Systems
February 05, 2025, at 9:30am
RE: HB 530 Relating to the Labeling of Macadamia Nuts– In Support**

Aloha Chair Kahaloa, Vice Chair Kusch, and Members of the Committees:

Thank you for the opportunity to submit testimony in SUPPORT of HB 530, which seeks to enhance transparency and integrity within the macadamia nut industry by ensuring accurate labeling for nuts that are both grown and processed in Hawai'i. This bill is not only about maintaining standards but also about aligning different facets of the industry towards a common goal—sustaining and revitalizing our local economy.

At Hawaiian Host Group, we have worked tirelessly to continue investing in every stage of macadamia nut production in Hawai'i. From the fields of Kapua Orchards to the processing lines at Mauna Loa, our commitment is unified: to keep jobs in Hawai'i and continue the industry's legacy in processing macadamias locally.

This bill will accomplish:

Growth of the Industry: HB 530 mandates comprehensive labeling, aligning growers, processors, and brands with shared goals of transparency and sustainability. This alignment fosters unity within the industry by instilling best practices and ensuring that our collective efforts enhance the local economy by keeping business local.

Keeping Jobs Local: By specifying that macadamia nuts must be both grown and processed in Hawai'i, this bill underscores our commitment to sustaining local employment. It helps keep jobs in the community, supports local families, and enhances the overall economic health of our region.

Economic Stimulation in Hawai'i: The bill boosts consumer confidence and demand for Hawaiian macadamia nuts. Increased trust encourages further investments in our agricultural and manufacturing sectors, fueling economic growth and innovation. This not only enhances consumer trust but also strengthens the global reputation of our products.

In conclusion, HB 530 represents a significant step forward. By ensuring transparency and integrity in labeling, this bill not only supports local jobs but also strengthens consumer confidence and stimulates our economy. Thank you for considering this testimony. At Hawaiian Host Group, we remain dedicated to measures that drive growth and sustain our local economy.



Thank you for your consideration.

Mahalo,

Michelle Leon-Guerrero
Chief Administrative Officer
Hawaiian Host Group



Testimony of Nathan Trump, President
Hawaii Macadamia Nut Association
February 5, 2025
RE: HB530 RELATING TO THE LABELING OF MACADAMIA NUTS

Aloha Chair Kahaloa, Vice Chair Kusch, and the members of the House Committee on Agriculture and Food Systems,

I am writing to you on behalf of the Hawaii Macadamia Nut Association in OPPOSITION to the current version of House Bill 530 RELATING TO THE LABELING OF MACADAMIA NUTS.

The Hawaii Macadamia Nut Association was established in 1960 and currently consists of 44 members who are growers, processors, or marketers of macadamia nuts in Hawaii. Our association exists to educate the public on topics pertaining to all facets of the Hawaii macadamia nut industry.

HB530, as currently written, amends HRS 486-120.5 to disallow the use of "100% Hawaii-Grown Macadamia Nuts", "Hawaii-Grown Macadamia Nuts", "100% Hawaiian Macadamia Nuts", or "Hawaiian Macadamia" on products containing macadamia nuts grown in Hawaii but not processed in Hawaii.

We appreciate the intent of the bill to encourage the manufacturing of macadamia nuts in Hawaii, however, this bill does nothing to improve current labelling laws. Instead, HB530 places unnecessary burdens on Hawaii's macadamia producers who are facing significant market pressures from foreign grown macadamia nuts flooding the Hawaii market.

To address the current shortcomings in macadamia infrastructure, the Synergistic Hawaii Agriculture Council (SHAC) is working with HDOA to utilize funds authorized by Governor Josh Green to begin feasibility, engineering, and design of a new state of the art macadamia processing facility that will serve the interests of Hawaii's farmers. We support a plan that is inclusive of all growers and helps build a sustainable future for Hawaii's macadamia nut industry.

In 2024, the Hawaii State Legislature addressed labeling of macadamia nuts through Act 199, signed by Governor Green, that adds helpful language to HRS 486-120.5. Act 199 was a step in the right direction but does not require the labeling of chocolate-covered macadamia nuts, which represents a substantial portion of macadamia nut sales in our State. Further, Act 199 does not require the labeling statement on the principal display panel of the package, most visible to consumers. Due to these shortcomings in the current law, we suggest the following amendments to HB530:

- 1) Remove the proposed language referencing macadamia nuts "processed" outside of Hawaii.
- 2) Require the statement in Section 1(b), "This product contains macadamia nuts grown outside Hawai'i", to be added to the principal display panel of the package.

3) Add a new section regarding the labeling of chocolate-covered macadamia nuts immediately following section 1(b), that states:

If a product contains chocolate-covered macadamia nuts with macadamia nuts grown outside the State, the product shall be labeled with the statement: "This product contains macadamia nuts grown outside Hawai'i."

Mahalo for hearing our testimony. Please contact HMNA President Nathan Trump at trump.nathan@gmail.com for questions or concerns.

Mahalo,

A handwritten signature in black ink, appearing to read "Nathan Trump".

Nathan Trump

President

Hawaii Macadamia Nut Association

HB-530

Submitted on: 2/4/2025 9:22:13 AM

Testimony for AGR on 2/5/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Rod Scheaffer	Hawaiian Host Group	Support	Written Testimony Only

Comments:

Testimony Presented Before the House Committee on Agriculture and Food Systems

February 5th, 2025 at 9:30am

RE: HB 530 Relating to the Labeling of Macadamia Nuts – In Support

Aloha Chair Kahaloa, Vice Chair Kusch, and Members of the Committees:

I write to you in support of HB 530, which seeks to enhance transparency and integrity within the macadamia nut industry by ensuring accurate labeling for nuts that are both grown and processed in Hawai‘i. This bill is not only about maintaining standards but also about aligning different facets of the industry towards a common goal—sustaining and revitalizing our local economy.

As Manager of Agricultural Operations at Hawaiian Host Group, I am privileged to witness our collective efforts in nurturing every stage of macadamia nut production. From the fields of Kapua Orchards to the processing lines at Mauna Loa, our commitment is unified: to keep jobs in Hawai‘i and ensure the industry’s growth. This bill will accomplish:

Growth of the Industry: HB 530 mandates comprehensive labeling, aligning growers, processors, and brands with shared goals of transparency and sustainability. This alignment fosters unity within the industry by instilling best practices and ensuring that our collective efforts enhance the local economy by keeping business local.

Keeping Jobs Local: By specifying that macadamia nuts must be both grown and processed in Hawai‘i, this bill underscores our commitment to sustaining local employment. It helps keep jobs in the community, supports local families, and enhances the overall economic health of our region.

Economic Stimulation in Hawai‘i: The bill boosts consumer confidence and demand for Hawaiian macadamia nuts. Increased trust encourages further investments in our agricultural and manufacturing sectors, fueling economic growth and innovation. This not only enhances consumer trust but also strengthens the global reputation of our products.

1. In conclusion, HB 530 represents a significant step forward. By ensuring transparency and integrity in labeling, this bill not only supports local jobs but also strengthens consumer confidence and stimulates our economy. Thank you for considering this testimony. At Hawaiian Host Group, we remain dedicated to measures that drive growth and sustain our local economy.

Mahalo,

Rod Scheaffer
Senior Manager, Agricultural Operations
Hawaiian Host Group



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

February 5, 2025

HEARING BEFORE THE
HOUSE COMMITTEE ON AGRICULTURE & FOOD SYSTEMS

TESTIMONY ON HB 530
RELATING TO THE LABELING OF MACADAMIA NUTS

Conference Room 325 & Videoconference
9:30 AM

Aloha Chair Kahaloa, Vice-Chair Kusch, and Members of the Committee:

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 respectfully opposes HB 530, which amends HRS 486-120.5 to apply macadamia nut labeling requirements to products that are produced in whole or in part from Hawai'i-grown and Hawai'i-processed macadamia nuts. While we support efforts to protect the integrity of Hawai'i-grown agricultural products and ensure clear labeling for consumers, we have concerns that this bill places unnecessary burdens on Hawai'i's macadamia nut producers without meaningfully improving current labeling laws.

Hawai'i's macadamia nut industry is already facing significant challenges, including market pressures from increasing imports of foreign-grown macadamia nuts. Restricting the use of "Hawai'i-grown" labels based on processing location rather than the actual origin of the macadamia nuts creates additional barriers for local producers and may inadvertently reduce market opportunities for Hawai'i farmers who depend on partnerships with processors outside the state.

We also have concerns that the bill does not define the term "processed," which can have different interpretations. Federal law requires that if a product is substantially processed in a foreign country, such as China, it must be labeled as a product of that country. However, if the process only involves basic steps such as cracking and sorting, then it does not change the product's country of origin. Without a clear definition of what constitutes "processing" in this bill, there is uncertainty as to how it will be applied, which could create unintended consequences for Hawai'i's macadamia nut industry. If the term

is left in the bill, it must be clearly defined to ensure consistency and fairness in its application.

We appreciate the intent behind HB 530, which encourages local processing and value-added production in Hawai'i. However, rather than imposing restrictive labeling language, the focus should be on strengthening local processing capacity and ensuring that consumers have clear and accurate information about the origin of macadamia nuts in their products.

We support efforts such as those being led by the Synergistic Hawai'i Agriculture Council and the Hawai'i Department of Agriculture to develop a new macadamia nut processing facility that will enhance local processing capacity and provide more opportunities for Hawai'i's macadamia nut farmers. Investing in infrastructure and industry development will strengthen the competitiveness of local producers without restricting their ability to market their products accurately.

For these reasons, we oppose HB 530 and urge the committee to hold this measure.

Thank you for the opportunity to testify on this matter.

HB-530

Submitted on: 1/31/2025 2:20:14 PM

Testimony for AGR on 2/5/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Theresa M Thompson	Individual	Support	Written Testimony Only

Comments:

I support HB 530 RELATING TO THE LABELING OF MACADAMIA NUTS.

Mahalo,

Theresa Thompson

HB-530

Submitted on: 2/3/2025 2:01:21 PM

Testimony for AGR on 2/5/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Jacqueline Wikum	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill. I am a small grower with nowhere to sell my nuts because of consolidation within the largest processing plants. I would be happy to have my nuts processed anywhere, if only someone would purchase them at a price above the cost of picking them.

Foreign nuts still flood our market, in chocolates and processed goods, and drive down Hawaii's value. Products continue to use Hawaiian trade names with foreign-grown nuts. This is a much more harmful labeling concern than where the Hawaii-grown nuts were processed.

HB-530

Submitted on: 2/3/2025 2:35:09 PM

Testimony for AGR on 2/5/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Guy Ward	Individual	Support	Written Testimony Only

Comments:

I have about 10 acres of macadamia nuts in North Hilo. My market has disappeared. Rumor has it that nuts come to Hawaii from South Africa and Australia. I've read that 70% of the mac nuts sold in Hawaii are not grown in Hawaii. A requirement to clearly identify the origin of the product would cost the state little or nothing and hopefully help keep what little is left of agriculture in Hawaii.

Mahalo,

Guy Ward

Papaaloa

HB-530

Submitted on: 2/3/2025 3:39:45 PM

Testimony for AGR on 2/5/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Carolyn Witcover	Individual	Oppose	Written Testimony Only

Comments:

My name is Carolyn Witcover and I am a farmer of Hawai‘i-grown macadamia nuts in Captain Cook. I oppose House Bill 530: RELATING TO THE LABELING OF MACADAMIA NUTS. HB 530 does nothing to improve the position of farmers or processors in Hawaii, and instead further burdens growers who have limited options for processing Hawaii grown-macadamia nuts. Hawaii’s current processing infrastructure cannot support farmers due to the 2022 closure of the Mauna Loa nut cracking facilities in Kea’au. Many farms have already shut down their operations and others may follow suit. Hawai‘i’s macadamia nut farmers have faced some of the most difficult times our industry has seen in the past few years. USDA NASS reported utilized production of Hawai‘i macadamia nuts fell from 52.9 million pounds in 2021 to 36.8 million pounds in 2023. Farmgate prices also fell to the lowest price since 2015 to an average of \$0.84/lb. The total take-home value for macadamia nut farmers fell by more than 50% wiping out nearly half of Hawai‘i ’s macadamia nut market value. One of the greatest threats to the viability of macadamia farming in Hawai‘i is the misleading labeling of macadamia nut products, and HB530 does not help address this issue. Act 199, passed by the legislature and signed by Governor Josh Green last year, was a step in the right direction, but does not require the labeling of chocolate-covered macadamia nuts, which represents a substantial portion of macadamia nut sales in our State. Instead of adding labeling requirements concerning processed macadamia nuts, the legislature ought to expand labeling requirements to include the chocolate-covered foreign grown macadamia nut products on our islands’ store shelves.

Thank you for taking the time to consider this bill and my testimony.

HB-530

Submitted on: 2/3/2025 6:13:40 PM

Testimony for AGR on 2/5/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Michelle Buck	Individual	Oppose	Written Testimony Only

Comments:

Testimony of Michelle Buck

February 5, 2025

RE: HB530 RELATING TO THE LABELING OF MACADAMIA NUTS

Aloha Chair Kahaloa, Vice Chair Kusch, and Members of the House Committee on Agriculture and Food Systems,

My name is Michelle Buck ,and I own a small macadamia nut orchard in Naalehu, Hawaii. I am writing to you in opposition to House Bill 530: RELATING TO THE LABELING OF MACADAMIA NUTS.

House Bill 530 does nothing to improve the position of farmers or processors in Hawaii, and instead further burdens growers who have limited options for processing Hawaii grown-macadamia nuts. Hawaii’s current processing infrastructure cannot support farmers due to the 2022 closure of the Mauna Loa nut cracking facilities in Kea’au. Many farms have already shut down their operations and others may follow suit.

Hawai’i’s macadamia nut farmers have faced some of the most difficult times our industry has seen in the past few years. USDA NASS reported utilized production of Hawai’i macadamia nuts fell from 52.9 million pounds in 2021 to 36.8 million pounds in 2023. Farmgate prices also fell to the lowest price since 2015 to an average of \$0.84/lb. The total take-home value for macadamia nut farmers fell by more than 50% wiping out nearly half of Hawai’i ’s macadamia nut market value.

One of the greatest threats to the viability of macadamia farming in Hawai’i is the misleading labeling of macadamia nut products, and HB530 does not help address this issue. Act 199, passed by the legislature and signed by Governor Josh Green last year, was a step in the right direction, but does not require the labeling of chocolate-covered macadamia nuts, which represents a substantial portion of macadamia nut sales in our State.

This bill is short-sighted and would serve only to further the negative impact on the local farmers. Regardless of processing, the source of the product is not affected, and this bill shifts

the focus off the real issues that are having immediate impacts on industry. The legislature should Instead be expanding labeling requirements to include the chocolate-covered foreign grown macadamia nut products on our islands' store shelves, which actually protects farmers.

Thank you for taking the time to consider this bill and my testimony.

Mahalo,

M. Buck

Na Maku Lani Farms

HB-530

Submitted on: 2/4/2025 6:22:57 AM

Testimony for AGR on 2/5/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
B Anderson	Individual	Oppose	Written Testimony Only

Comments:

I oppose HB 530. I am a small mac nut grower in south Kona, Hawai'i and a member of the Hawai'i Macadamia Nut Association (HMNA) which is our commodity association for Hawai'i. HB 530 has NOT been introduced or reviewed by HMNA members.

I support labeling all Mac Nuts as Hawaiian as long as they are grown in Hawai'i. Why would the state of Hawai'i dilute its brand by allowing foreign grown nuts to have a Hawai'i label?

Hawai'i grown nuts are processed sometimes out of state because this state does not have sufficient infrastructure for processing. Hopefully you can work on supporting us by adding infrastructure to process our nuts in Hawai'i.

One of the greatest threats to the viability of macadamia nut farming in Hawai'i is the misleading labeling of macadamia nut products. HB530 does not help address this issue. HB530 continues to allow processors to label foreign nuts as "Hawaiian" as long as they have some part of the macadamia nut growing/processing done in "Hawai'i". This means foreign grown nuts can be included in a package labeled Hawaiian. That seems misleading to our tourist industry. Tourists don't even realize the nuts are grown elsewhere, if they don't read the small print.

I note that none of the introducers of HB530, Miyake, Chun, Peopoe, Takenouchi, include those that introduced last years bill, I hope to meet you soon to determine what the end state of this legislation is to be. Are you working with the Ag committee? I believe we should ALL work together for the viable future Hawai'i's small mac nut industry.

Thank you for taking the time to review my testimony.

HB-530

Submitted on: 2/4/2025 8:05:30 AM

Testimony for AGR on 2/5/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Andrew Trump	Individual	Oppose	Written Testimony Only

Comments:

I am a second generation macadamia nut farmer writing in opposition of HB530. While I appreciate the intent of the bill, it will create confusion for consumers attempting to distinguish the origin of macadamia products. Many of us in the industry are working collaboratively to address the lack of macadamia processing infrastructure, but this will take time to see progress on. We appreciate the support of our legislators in helping address underlying issues for macadamias farmers and request that this bill be held while we continue our efforts.

Mahalo,

Andrew Trump

HB-530

Submitted on: 2/4/2025 8:07:19 AM

Testimony for AGR on 2/5/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Luke Octavio	Individual	Support	Written Testimony Only

Comments:

Testimony Presented Before the House Committee on Agriculture and Food Systems

February 5th , 2025 at 9:30am

RE: HB 530 Relating to the Labeling of Macadamia Nuts – In Support

Aloha Chair Kahaloa, Vice Chair Kusch, and Members of the Committees:

I write to you in support of HB 530, which seeks to enhance transparency and integrity within the macadamia nut industry by ensuring accurate labeling for nuts that are both grown and processed in Hawai‘i. This bill is not only about maintaining standards but also about aligning different facets of the industry towards a common goal—sustaining and revitalizing our local economy.

As Operations Manager at Hawaiian Host Group, I am privileged to witness our collective efforts in nurturing every stage of macadamia nut production. From the fields of Kapua Orchards to the processing lines at Mauna Loa, our commitment is unified: to keep jobs in Hawai‘i and ensure the industry’s growth. This bill will accomplish:

Growth of the Industry: HB 530 mandates comprehensive labeling, aligning growers, processors, and brands with shared goals of transparency and sustainability. This alignment fosters unity within the industry by instilling best practices and ensuring that our collective efforts enhance the local economy by keeping business local.

Keeping Jobs Local: By specifying that macadamia nuts must be both grown and processed in Hawai‘i, this bill underscores our commitment to sustaining local employment. It helps keep jobs in the community, supports local families, and enhances the overall economic health of our region.

Economic Stimulation in Hawai‘i: The bill boosts consumer confidence and demand for Hawaiian macadamia nuts. Increased trust encourages further investments in our agricultural and manufacturing sectors, fueling economic growth and innovation. This not only enhances consumer trust but also strengthens the global reputation of our products.

In conclusion, HB 530 is crucial for our industry's growth and the economic vitality of Hawai‘i. It guarantees recognition for the hard work at all levels of production and aligns our efforts toward enhancing local employment and economic strength. Thank you for considering this testimony.

Mahalo,

Luke Octavio
Operations Manager Mauna Loa
Hawaiian Host Group

HB-530

Submitted on: 2/4/2025 9:29:52 AM

Testimony for AGR on 2/5/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Joan Obra	Individual	Oppose	Written Testimony Only

Comments:

Testimony of Joan Obra
February 5, 2025

RE: HB530 RELATING TO THE LABELING OF MACADAMIA NUTS

Aloha Chair Kahaloa, Vice Chair Kusch, and Members of the House Committee on Agriculture and Food Systems,

My name is Joan Obra. I am a grant writer who has worked with the Hawaii Macadamia Nut Association (HMNA). I am writing to you about House Bill 530: RELATING TO THE LABELING OF MACADAMIA NUTS. Limiting package labeling of “100% Hawaii-Grown Macadamia Nuts” to nuts both grown *and* processed in the state further depresses an already struggling industry.

Since the 2022 closure of the Mauna Loa nut cracking facility in Kea'au, there has been insufficient local processing capacity for the state’s production of macadamia nuts. The cost of a macadamia processing facility is prohibitively expensive, preventing small-scale producers from launching their own. The lack of local capacity means a significant amount of nuts are either left unharvested or shipped outside of the state to be processed.

In recent years, the COVID-19 pandemic and a worldwide glut of macadamia nuts caused falling prices, which contributed to losses in the industry. USDA NASS reported utilized production of Hawai‘i macadamia nuts fell from 52.9 million pounds in 2021 to 36.8 million pounds in 2023. Farmgate prices also fell to the lowest price since 2015 to an average of \$0.84/lb. The total take-home value for macadamia nut farmers fell by more than 50%, wiping out nearly half of Hawai‘i’s macadamia nut market value.

To recover from these market conditions, it’s critical that Hawai'i’s macadamia farms be allowed to sell value added-products. The “100% Hawaii-Grown Macadamia Nuts” label is their top marketing message. Restricting this message to locally-grown nuts processed in the state — when processing capacity is limited — is too restrictive.

For these reasons, I oppose Bill 530 as it is currently written. Thank you for taking the time to consider this bill and my testimony.

Mahalo,
Joan Obra