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February 11, 2025

HEARING BEFORE THE SENATE COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

TESTIMONY ON SB 135 RELATING TO THE LABELING OF MACADAMIA NUTS

Conference Room 229 & Videoconference 1:02 PM

Aloha Chairs DeCoite and Keohokalole, Vice-Chairs Wakai and Fukunaga, 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 respectfully opposes SB 135, 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 SB 135, 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 SB 135 and urge the committee to hold this measure.

Thank you for the opportunity to testify on this matter.

Testimony Presented Before the Senate Committee on Economic Development and Tourism and the Committee of Commerce and Consumer Protection

February 11^h, 2025 at 1:00pm

RE: SB 135 Relating to the Labeling of Macadamia Nuts - In Support

I am writing to express my full support for SB 135, 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 a 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 SB 135's focus on enhancing industry transparency and integrity.

Industry Growth: SB 135 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. SB 135 goes beyond regulating labels—it secures livelihoods and ensures a prosperous future for our children in Hawai'i.

In conclusion, SB 135 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



TO: Senator Lynn DeCoite, Chair

Senator Glenn Wakai, Vice-Chair

Senate Economic Development and Tourism Committee

Senator Jarrett Keohokalole, Chair Senator Carol Fukunaga, Vice Chair

Senate Commerce and Consumer Protection Committee

FROM: Ed Schultz

President & CEO, Hawaiian Host Group

RE: SB 135 Relating to Labeling of Macadamia Nuts - In Support

Aloha Chairs, Vice Chairs and members of the Committees:

In July 2024, the Legislature passed, and the Governor signed a labeling bill for macadamias that required all products to state on the package if the bag contained nuts not grown in Hawaii.

Hawaiian Host Group (HHG), the largest buyer of local Hawaii grown macadamia nuts as well as one the largest macadamia landowners and growers in the state, supported the new law. We intend to be fully compliant before the January 1, 2026 effective date.

The bill passed in July 2024 was meant to promote local jobs, provide stability in one of the most valuable Ag crops Hawaii has, and ensure that all nuts with Hawaiian branding or labels that use images from the state are produced in Hawaii.

The intent of SB135 is to clarify this by requiring that if macadamia nuts are labeled "100% Hawaiian" that they are not only grown but also processed in Hawaii. Today 40% of our crop leaves the state and is processed in China. We don't even know if these are Hawaiian macadamias when they return.

While we recognize that there is not enough processing capacity in Hawaii at the time, it is imperative that all parties are motivated to engage in a dialogue to fix this. It is also important that for the next 3-4 years while we design, fund and build an island wide processing solution, all parties labeling macadamias as 100% Hawaiian should be held to the same standard.

To close this loophole, we support passing SB135.

Thank you for the opportunity to submit my testimony.

Aloha,

Ed Schultz President & CEO Hawaiian Host Group













Testimony of Nathan Trump, President Hawaii Macadamia Nut Association February 11, 2025 RE: SB135 RELATING TO THE LABELING OF MACADAMIA NUTS

Aloha Chair Keohokalole, Chair DeCoite, Vice Chair Fukunaga, Vice Chair Wakai, and members of the Senate Committees on Commerce and Consumer Protection, and Economic Development and Tourism,

I am writing to you on behalf of the Hawaii Macadamia Nut Association in opposition to the current version of Senate Bill 135 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.

SB135, 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 not improve the current labelling laws. Hawaii's processing infrastructure is presently inadequate; therefore, we support investment in local macadamia manufacturing instead of the adoption of the proposed labeling requirements in SB135.

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 SB135:

- 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 Nathan Trump at trump.nathan@gmail.com for questions or concerns.

Mahalo,

Nathan Trump

President

Hawaii Macadamia Nut Association



Hamakua Macadamia Nut Company February 11, 2025 RE: SB135 RELATING TO THE LABELING OF MACADAMIA NUTS

Aloha Chair Keohokalole, Vice Chair Fukunaga, and the members of the Senate Committee on Commerce and Consumer Protection, and Chair DeCoite, Vice-Chair Wakai and members of the Senate Committee on Economic Development and Tourism,

I am writing to you on behalf of Hamakua Macadamia Nut Company in OPPOSITION to the current version of Senate Bill 135 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.

SB135, 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 or stop farming their orchards entirely. 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'l 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'l based processors/brands. This quantity represents 20% of the Hawai'l- 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'l. 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 SB135:

- 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,

Jeffrey Clark

President

Hamakua Macadamia Nut Company

Submitted on: 2/10/2025 1:46:30 PM

Testimony for EDT on 2/11/2025 1:02:00 PM



| Submitted By | Organization | Testifier Position | Testify |
|---------------|---------------------------------------|---------------------------|---------------------------|
| Rod Scheaffer | Testifying for Hawaiian Host Group | Support | Written Testimony Only |

Comments:

Testimony Presented Before the Senate Committee on Economic Development and Tourism

February 11h, 2025 at 1:00pm

RE: SB 135 Relating to the Labeling of Macadamia Nuts – In Support

Aloha Chair DeCoite, Vice Chair Wakai, and Members of the Committees:

I write to you in support of SB 135, 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 the Senior Farm Manager, Agricultureal 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: SB 135 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, SB 135 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,

Rod Scheaffer

Senior Manager, Farm operations Hawaiian Host Group



Testimony Presented Before the Senate Committee on Economic Development and Tourism February 11, 2025 at 1:00pm RE: SB 135 Relating to the Labeling of Macadamia Nuts – In Support

Aloha Chair DeCoite, Vice Chair Wakai, and Members of the Committees:

I write to you in support of SB 135, 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 Chief Administrative Officer at Hawaiian Host Group, I can attest on our dedication to 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: SB 135 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, SB 135 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













February 7, 2025

Testimony on SB135 – Relating to the Labeling of Macadamia Nuts

Aloha Chair DeCoite, Vice Chair Wakai, Chair Keohokalole, Vice Chair Fukunaga, and Members of the Senate Committees on Economic Development and Tourism and Commerce and Consumer Protection,

Hawai'i Food+ Policy strongly supports SB135, which strengthens macadamia nut labeling requirements to ensure that products marketed as Hawai'i-grown and Hawai'i-processed accurately reflect their origin. This bill is essential in protecting local farmers, preserving the integrity of Hawai'i's macadamia nut industry, and ensuring transparency for consumers. Hawai'i's macadamia nut industry, renowned for its premium quality and deep cultural ties, faces challenges from misleading labeling practices. These practices allow products containing imported macadamia nuts to be marketed under Hawaiian branding, creating confusion among consumers and placing local farmers and processors at a disadvantage. The Hawai'i Department of Agriculture (HDOA) has testified on HB530, a similar bill addressing macadamia nut labeling, stating that stronger labeling laws are necessary to prevent deceptive marketing that misleads consumers and threatens Hawai'i-grown products (HDOA, 2025).

Accurate labeling not only enhances consumer confidence but also supports economic growth. A report by the Hawai'i Macadamia Nut Association (HMNA) indicates that clear origin labeling can drive demand for locally produced macadamia nuts, ultimately leading to higher farmgate prices and greater economic stability for small farmers (HMNA, 2025). With growing competition from foreign-grown macadamia nuts—some of which are processed abroad and rebranded as Hawaiian—there is an urgent need to establish stronger labeling standards that protect the authenticity of Hawai'i-grown products.

SB135 is not just about transparency, it also aligns with the state's broader agricultural sustainability goals. Testimony on previous labeling bills, including HB530 on Macadamia Nuts, has highlighted the importance of protecting Hawai'i-grown products from misleading branding

The Food+ Policy internship develops student advocates who learn work skills while increasing civic engagement to become emerging leaders. We focus on good food systems policy because we see the importance and potential of the food system in combating climate change and increasing the health, equity, and resiliency of Hawai'i communities.

In 2025, the cohort of interns are undergrads and graduate students from throughout the UH System. They are a mix of traditional and nontraditional students, including parents and veterans, who have backgrounds in education, farming, public health, nutrition, and Hawaiian culture.



that weakens local agriculture's market value (Hawai'i Farm Bureau, 2025). By ensuring that products labeled as Hawai'i-grown macadamia nuts are truly sourced and processed in the state, SB135 helps consumers make informed choices and reinforces Hawai'i's reputation for high-quality agricultural products.

While this bill is an important step forward, effective enforcement will be key to its success. We recommend that additional resources be allocated to the HDOA for compliance monitoring and labeling enforcement, as requested in previous testimony on macadamia nut labeling laws (HDOA, 2025). This will ensure that labeling laws are not only passed but also actively enforced, preventing misuse and maintaining consumer trust.

For these reasons, we strongly encourage the legislature to pass SB135 to uphold the integrity of Hawai'i's macadamia nut industry, protect local farmers, and provide consumers with accurate and transparent product information. We appreciate the time and consideration you are giving to this important matter.

Mahalo, The Hawai'i Food+ Policy Team

The Food+ Policy internship develops student advocates who learn work skills while increasing civic engagement to become emerging leaders. We focus on good food systems policy because we see the importance and potential of the food system in combating climate change and increasing the health, equity, and resiliency of Hawai'i communities.

In 2025, the cohort of interns are undergrads and graduate students from throughout the UH System. They are a mix of traditional and nontraditional students, including parents and veterans, who have backgrounds in education, farming, public health, nutrition, and Hawaiian culture.

Testimony Presented Before the Senate Committee on Economic Development and Tourism and the Committee of Commerce and Consumer Protection

February 11^h, 2025 at 1:00pm

RE: SB 135 Relating to the Labeling of Macadamia Nuts – In Support

Aloha Chair DeCoite, Chair Keohokalole, and Members of the Committees,

I write to you in strong support of SB 135, 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. SB 135 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.

SB 135 represents a significant step in protecting and advancing Hawai'i's macadamia nut industry. By supporting this bill, as a state will invest in local jobs, uphold the authenticity of our Hawaii made products, and drive economic prosperity. I urge the committee to pass SB 135 to help sustain this vital industry for generations to come.

Mahalo for your time and consideration,

Kamalei Grace Executive Assistant Hawaiian Host Group

Submitted on: 2/10/2025 6:58:54 AM

Testimony for EDT on 2/11/2025 1:02:00 PM

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

Comments:

February 11th, 2025 at 1:00pm

RE: SB 135 Relating to the Labeling of Macadamia Nuts – In Support

Aloha Chair DeCoite, Vice Chair Wakai, and Members of the Committees:

I write to you in support of SB 135, 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: SB 135mandates 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, SB 135represents 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

Submitted on: 2/8/2025 9:01:16 AM

Testimony for EDT on 2/11/2025 1:02:00 PM

| 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 SB135. While I appreciate the intent of the bill, it will create confusion for consumers attempting to distinguish the origin of macadamia products. Additionally, many of us in the industry are working collaboratively to address the lack of macadamia processing infrastructure, but this will take time. 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 to expand macadamia processing capacity for all of us farmers.

Mahalo,

Andrew Trump

<u>SB-135</u> Submitted on: 2/10/2025 9:26:38 AM Testimony for EDT on 2/11/2025 1:02:00 PM

| Submitted By | Organization | Testifier Position | Testify |
|---------------------|--------------|---------------------------|---------------------------|
| Bonnie Self | Individual | Oppose | Written Testimony Only |

Comments:

I strongly oppose this bill.

Submitted on: 2/10/2025 10:09:03 AM

Testimony for EDT on 2/11/2025 1:02:00 PM

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

Comments:

Testimony Presented Before the House Committee on Development and Tourism

February 10, 2025, 9:05 am

RE: SB 135 Relating to the Labeling of Macadamia Nuts – In Support

Aloha Chair DeCoite, Vice Chair Wakai, and Members of the Committees:

I write to you in support of SB 135, 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 Orchard 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: SB 135 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 SB 135 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

Submitted on: 2/10/2025 12:36:29 PM

Testimony for EDT on 2/11/2025 1:02:00 PM

| Submitted By | Organization | Testifier Position | Testify |
|---------------------|--------------|---------------------------|---------------------------|
| Glenn Yamasaki | Individual | Support | Written Testimony Only |

Comments:

I am in full support of SB135 and its amendment to add "processing" as an important component in providing the Consumer full disclosure that any macadamia nut packging containing the words Hawaiian Macadamia Nuts is grown **and processed** in Hawaii. Macadmia Nuts grown in Hawaii is one of the necessary two steps to have a package lableled as Hawaiian Grown; the second step is ensuring those same Hawaiian Grown Macadamia Nuts are also processed in Hawaii.

Submitted on: 2/10/2025 6:33:56 PM

Testimony for EDT on 2/11/2025 1:02:00 PM



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

Comments:

My name is Barbara Anderson and I am a farmer of Hawai'i -grown macadamia nuts in South Kona. I am writing to you in OPPOSITION to Senate Bill 135: RELATING TO THE LABELING OF MACADAMIA NUTS.

Hawaii's current processing infrastructure cannot support farmers due to several factors including 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.

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. compared to the high price of \$1.20/lb. during this time. 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. It is reported that processors can purchase foreign macadamia nuts for as low as \$.20/lb. and these nuts can be used in packages with a Hawaii label.

More restrictions on labeling such as in this bill are not the answer, we need to address the foreign nut loophhole and improve processing infrastructure in this state to support the industry.

Mahalo.

Barbara Anderson