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# A BILL FOR AN ACT

RELATING TO VALUE-ADDED PRODUCTS.

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

1       SECTION 1. The legislature finds that establishing a food  
2 and product innovation network is critical to meeting the  
3 State's agricultural and economic diversification goals. The  
4 network will allow businesses in the State to capitalize  
5 globally on the "made in Hawaii", "produced in Hawaii", or  
6 "processed in Hawaii" brand; create world-class products; and  
7 scale up production by providing the businesses with access to a  
8 diverse suite of manufacturing equipment and industry expertise.

9       Accordingly, the purpose of this Act is to establish and  
10 appropriate funds for a statewide network of open-access food  
11 and value-added product development facilities to enable  
12 businesses to scale up new products from research and  
13 development to manufacturing and commercialization.

14       SECTION 2. Chapter 163D, Hawaii Revised Statutes, is  
15 amended by adding a new section to be appropriately designated  
16 and to read as follows:



1        "§163D-        Food and product innovation network;  
2 established.    (a)    There is established within the corporation  
3 the food and product innovation network. The food and product  
4 innovation network shall:

5        (1)    Allow businesses in the State to capitalize globally  
6                on the "made in Hawaii", "produced in Hawaii", or  
7                "processed in Hawaii" brand pursuant to  
8                section 486-119;

9        (2)    Create world-class products; and

10       (3)    Scale up production by providing businesses with  
11                access to a diverse suite of manufacturing equipment  
12                and industry expertise.

13       (b)    Partner members of the food and product innovation  
14 network shall include:

15       (1)    The department of education food and product  
16                innovation center in Kekaha, on the island of Kauai;

17       (2)    The foreign-trade zone facility in Hilo, on the island  
18                of Hawaii;

19       (3)    The university of Hawaii Maui college food innovation  
20                center, on the island of Maui; and



1        (4) The university of Hawaii Leeward community college  
2        value-added product development center in Wahiawa, on  
3        the island of Oahu.

4        (c) The food and product innovation network shall:

5        (1) Offer a range of resources within the wider network to  
6        support innovation and business development, including  
7        courses and events relating to food and value-added  
8        product development, entrepreneurship, marketing,  
9        branding, business management, workforce development,  
10       intellectual property protection, and other topics;

11       (2) Provide new product development support from  
12       early-stage trials to commercialization by  
13       establishing a network of facilities with equipment of  
14       various scales, providing expert advice, and offering  
15       resources tailored to the regional economies;

16       (3) Provide low-risk commercial production with  
17       appropriate certifications for exporting products and  
18       selling products locally;

19       (4) Provide recommendations on process optimization by  
20       offering advice and networking, identifying and



1       testing equipment, planning trials, and analyzing  
2       results;

3       (5) Increase exports by securing facilities and developing  
4       compliance programs for off-shore markets; provided  
5       that each county shall have no more than two food and  
6       product innovation network facilities that produce  
7       products labeled "made in Hawaii", "produced in  
8       Hawaii", or "processed in Hawaii" pursuant to  
9       section 486-119;

10       (6) Develop entrepreneurs to grow the State's economy; and

11       (7) Prepare businesses to scale up and achieve autonomous  
12       business success and sustainability.

13       (d) No later than twenty days prior to the convening of  
14       each regular session, the corporation, on behalf of the food and  
15       product innovation network, shall submit a report to the  
16       legislature that includes:

17       (1) A description of the food and product innovation  
18       network's activities and progress in the preceding  
19       year, including the activities and progress of primary  
20       members and partner members, in response to the  
21       directives established pursuant to subsection (c);



1        (2) An assessment of any progress made in growing the  
2        State's agriculture industry, food industry, and  
3        related industries, and in meeting the State's food  
4        security goals; and

5        (3) Any proposed legislation."

6        SECTION 3. Section 163D-2, Hawaii Revised Statutes, is  
7        amended by adding five new definitions to be appropriately  
8        inserted and to read as follows:

9        "Open access" means the availability of infrastructure,  
10       expertise, financing, and market opportunities that enable food  
11       producers, processors, and entrepreneurs, regardless of scale,  
12       to develop and commercialize innovative food and value-added  
13       products. "Open access" includes equitable access to shared  
14       facilities, pilot plants, food-grade laboratories, regulatory  
15       support, and industry networks to reduce barriers to entry and  
16       foster product development, scalability, and market expansion.

17       "Partner member" means an open-access food and value-added  
18       product development facility that is part of the food and  
19       product innovation network but is not managed or operated by the  
20       corporation.



1       "Primary member" means an open-access food and value-added  
2 product development facility that is part of the food and  
3 product innovation network and is managed and operated by the  
4 corporation.

5       "Wider network" means collaborative ecosystems that connect  
6 food industry stakeholders, research institutions, technology  
7 providers, and policymakers to share knowledge, foster  
8 innovation, and accelerate commercialization; provide businesses  
9 with direct access to research and development, advanced  
10 manufacturing capabilities, technical expertise, and global  
11 market insights; and drive industry growth and competitiveness  
12 by promoting transparency, cross-sector partnerships, and  
13 seamless information exchange.

14       "World-class products" means food and value-added products  
15 that meet internationally recognized standards for quality,  
16 safety, sustainability, and market competitiveness and leverage  
17 high-quality ingredients, cutting-edge processing techniques,  
18 and consumer-driven innovation to ensure superior taste,  
19 nutritional value, and global marketability. Key attributes  
20 include compliance with leading food safety and quality  
21 certifications (e.g., HACCP, FSMA, ISO 22000), adherence to



1 environmental and ethical sourcing standards, and alignment with  
2 emerging consumer trends such as clean-label, functional foods,  
3 and sustainable packaging."

4 SECTION 4. Section 163D-4, Hawaii Revised Statutes, is  
5 amended by amending subsection (b) to read as follows:

6 "(b) The corporation shall [~~develop,~~]:

7 (1) Develop, promote, assist, and market agricultural  
8 products for local consumption, and shall promote and  
9 assist in commercial export of agricultural  
10 products[-]; and

11 (2) Oversee the food and product innovation network  
12 established pursuant to section 163D- ; provided  
13 that the responsibilities and operations of each  
14 partner member shall remain with the partner member."

15 SECTION 5. There is appropriated out of the general  
16 revenues of the State of Hawaii the sum of \$ or so  
17 much thereof as may be necessary for fiscal year 2025-2026 and  
18 the same sum or so much thereof as may be necessary for fiscal  
19 year 2026-2027 for the food and product innovation network  
20 established pursuant to this Act, including:



(1) \$ for a food and product innovation facility in the county of Maui; provided that the facility shall utilize axis deer for producing food and value-added products, including leather and pharmaceuticals;

(2) \$ for a food and product innovation facility on the island of Oahu;

(3) \$ for an open-access food and value-added product development facility in Hilo on the island of Hawaii; and

(4) \$ for an open-access food and value-added product development facility in Kailua-Kona on the island of Hawaii.

The sums appropriated shall be expended by the agribusiness development corporation for the purposes of this Act.

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 7. This Act shall take effect on July 1, 3000.





**Report Title:**

ADC; Economic Development; Food and Product Innovation Network;  
Food Security; Reports; Appropriation

**Description:**

Establishes a Food and Product Innovation Network within the Agribusiness Development Corporation. Appropriates funds for food and product development or innovation facilities in the County of Maui and on the islands of Oahu and Hawaii. Requires annual reports to the Legislature. Effective 7/1/3000. (HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

