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

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

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

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

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

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 Statutory material to be repealed is bracketed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

18 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)

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