
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 but are not limited to:

15 (1) Future facilities to be developed on lands owned by
16 the corporation in Kekaha, on the island of Kauai, a
17 to-be-determined location on the island of Hawaii, and
18 additional facilities on the islands of Maui and
19 Molokai to expand regional support and enhance
20 statewide coverage;



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

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

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

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

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

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



- 1 (3) Provide low-risk commercial production with
2 appropriate certifications for exporting products and
3 selling products locally;
- 4 (4) Provide recommendations on process optimization by
5 offering advice and networking, identifying and
6 testing equipment, planning trials, and analyzing
7 results;
- 8 (5) Increase exports by securing facilities and developing
9 compliance programs for off-shore markets; provided
10 that each county shall have no more than two food and
11 product innovation network facilities that produce
12 products labeled "made in Hawaii", "produced in
13 Hawaii", or "processed in Hawaii" pursuant to
14 section 486-119;
- 15 (6) Develop entrepreneurs to grow the State's economy; and
16 (7) Prepare businesses to scale up and achieve autonomous
17 business success and sustainability.
- 18 (d) No later than twenty days prior to the convening of
19 each regular session, the corporation, on behalf of the food and
20 product innovation network, shall submit a report to the
21 legislature that includes:



- 1 (1) A description of the food and product innovation
2 network's activities and progress in the preceding
3 year, including the activities and progress of primary
4 members and partner members, in response to the
5 directives established pursuant to subsection (c);
6 (2) An assessment of any progress made in growing the
7 State's agriculture industry, food industry, and
8 related industries, and in meeting the State's food
9 security goals; and
10 (3) Any proposed legislation."

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

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



1 "Partner member" means an open-access food and value-added
2 product development facility that is part of the food and
3 product innovation network but is not managed or operated by the
4 corporation.

5 "Primary member" means an open-access food and value-added
6 product development facility that is part of the food and
7 product innovation network and is managed and operated by the
8 corporation.

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

18 "World-class products" means food and value-added products
19 that meet internationally recognized standards for quality,
20 safety, sustainability, and market competitiveness and leverage
21 high-quality ingredients, cutting-edge processing techniques,



1 and consumer-driven innovation to ensure superior taste,
 2 nutritional value, and global marketability. Key attributes
 3 include compliance with leading food safety and quality
 4 certifications (e.g., HACCP, FSMA, ISO 22000), adherence to
 5 environmental and ethical sourcing standards, and alignment with
 6 emerging consumer trends such as clean-label, functional foods,
 7 and sustainable packaging."

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

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

11 (1) Develop, promote, assist, and market agricultural
 12 products for local consumption, and shall promote and
 13 assist in commercial export of agricultural
 14 products[~~;~~]; and

15 (2) Oversee the food and product innovation network
 16 established pursuant to section 163D- ; provided
 17 that the responsibilities and operations of each
 18 partner member shall remain with the partner member."

19 SECTION 5. There is appropriated out of the general
 20 revenues of the State of Hawaii the sum of \$ or so
 21 much thereof as may be necessary for fiscal year 2025-2026 and



1 the same sum or so much thereof as may be necessary for fiscal
2 year 2026-2027 for the development of food and product
3 innovation network facilities.

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

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

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



S.B. NO. 558
S.D. 2
H.D. 2

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
the development of Food and Product Innovation Network
facilities. Requires annual reports to the Legislature.
Effective 7/1/3000. (HD2)

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not legislation or evidence of legislative intent.*

