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Testimony of the Department of Commerce and Consumer Affairs

**Before the
House Committee on Consumer Protection and Commerce
Wednesday, February 18, 2026
2:00 p.m.
Via Videoconference**

**On the following measure:
H.B. 2404, RELATING TO COOPERATIVE ASSOCIATIONS**

Chair Matayoshi and Members of the Committee:

My name is Ty Nohara, and I am the Commissioner of Securities and head of the Department of Commerce and Consumer Affairs' Business Registration Division (BREG). BREG offers comments on this bill.

The purpose of this bill is to establish the General Cooperative Associations Act to create a unified, flexible legal framework for all cooperative enterprises, and enable cooperatives to form for any lawful purpose. This bill will add a new chapter entitled "General Cooperative Associations" to the Hawaii Revised Statutes (HRS). This bill also amends HRS chapters 421¹ and 421C² to provide that an association formed under those chapters may elect to be governed by the new chapter. Further, this bill provides that the new chapter shall control where its provisions are inconsistent with HRS

¹ Relating to agricultural cooperative associations.

² Relating to consumer cooperative associations.

chapters 421 and 421C, and that HRS chapter 414D may be modified by this new chapter or the bylaws of a cooperative formed pursuant to the new chapter.

BREG offers the following comments:

1. This bill describes HRS chapter 421C (chapter 421C), entitled “Consumer Cooperative Associations,” as one of four “sector-specific statutes” with limited application. However, chapter 421C is, in fact, a robust general cooperative statute that will accomplish the same goals and offers the flexible legal framework sought by this bill. For example:
 - a) Chapter 421C broadly defines a consumer cooperative association to mean a group enterprise that is organized on a cooperative basis, with specified voting rights, rate of return, and allocation or distribution of net savings to members and patrons. See HRS § 421C-1.
 - b) Chapter 421C provides that the cooperative association may be incorporated to transact any lawful business for its membership, the general public, or both. See HRS § 421C-2.
 - c) Similar to this bill, chapter 421C provides guidance on formation and dissolution of a cooperative association, membership, voting rights, adoption of bylaws, governance, board structure, issuance and transfer of shares, and allocation and distribution of net savings.
 - d) Like this bill, chapter 421C provides a process for an existing domestic corporation or group operating on a cooperative basis to convert to a cooperative association. See HRS § 421C-37.

Moreover, chapter 421C gives a cooperative association the flexibility to structure its organization through its bylaws. Therefore, BREG respectfully submits that any specific matters not presently or directly addressed in chapter 421C may be achieved through amendments to chapter 421C.

2. Chapter 421C provides parity and protection to its members by giving each member one vote. In contrast, this bill allows cooperative associations to have

different membership classes, class-separated voting, and proxy voting, which may undermine the purpose of a cooperative to give an equal vote and equal voice.

3. As noted above, this bill will affect related statutes such as HRS chapters 421, 421C, and 414D, thereby requiring such statutes and their administrative rules to be amended as a result.
4. If enacted, this bill will also require that new administrative rules be adopted, and BREG's existing forms be revised and/or new forms be created. Further, BREG's highly complex "back end" management and documents processing system, which handles all of BREG's document filings and transactions, will need to be adjusted to process the revised and/or new forms. Consequently, BREG respectfully requests an appropriation to contract for the services needed to accomplish the system adjustments.

Based on the above, additional time will be needed to implement this bill, if enacted. Therefore, BREG respectfully requests that this bill's effective date be deferred to a date beyond 7/1/2026, to allow for amendments to the related statutes, and to give BREG sufficient time to adopt administrative rules, revise and/or create new forms, and undertake the necessary adjustments to its management and documents processing system.

Thank you for the opportunity to testify on this bill.

HB-2404

Submitted on: 2/14/2026 6:52:45 AM

Testimony for CPC on 2/18/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
melissa tomlinson	Individual	Support	Written Testimony Only

Comments:

Please support all Measures regarding

Co-op's in Hawai'i. They will benefit everyone in Hawai'i that wishes to support local economic growth. Mahalo



Senate Committee on Commerce and Consumer Protection

Hawai'i Alliance for Progressive Action (HAPA) Supports: HB2404

Wednesday, February 18, 2026 2:00 p.m Conference Room 329

Aloha Chair Matayoshi, Vice Chair Grandinetti and Members of the Committee,

HAPA supports HB2404 which seeks to establish a General Cooperative Associations Act to provide a unified, flexible legal framework for cooperatives to form for any lawful purpose. Allows agricultural cooperative associations and consumer cooperative associations to elect governance under the General Cooperative Associations Act.

Currently, Hawaii relies on multiple narrow sector-specific cooperative statutes that increase legal complexity, raise startup costs, and limit innovation. Entrepreneurs and community members who wish to form worker-owned, multi-stakeholder, or community based cooperatives often face unnecessary legal challenges or are forced into corporate structures that do not reflect cooperative values or democratic governance.

HB2404 seeks to make it easier and more affordable to form cooperatives, provide clear and consistent governance rules, support locally owned businesses across various sectors, and allow agricultural and consumer cooperatives to opt into a more flexible framework if they choose.

Please support HB2404 to help modernize Hawai'i's cooperative laws to better support local ownership and economic opportunity.

Respectfully,

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

Anne Frederick
Executive Director



Testimony of Andrew Trump

Island Harvest Inc.

RE: HB2404 RELATING TO COOPERATIVE ASSOCIATIONS

Aloha Members of the Committee,

My name is Andrew Trump and I am a second-generation farmer writing on behalf of Island Harvest Inc. to support HB2404 RELATING TO COOPERATIVE ASSOCIATIONS. Island Harvest manages over 500-acres of organic macadamias in Kohala on the Island of Hawai'i. In addition to macadamias, we grow breadfruit, limes, and raise sheep. As a farming company, we employ agricultural and business practices that contribute positively to our environment and community while ensuring that our farming team can work in a safe environment.

Our farm has been a part of the Hawai'i 'Ulu Cooperative (HUC) since 2017 and has seen the positive impact the organization has had on our agricultural community and broader food system. This bill will help current and future cooperatives operate within a simplified legal framework that provides needed flexibility.

I also serve as the Vice President of the Hawai'i Macadamia Nut Association (HMNA) and we are currently working to establish a cooperative that serves all Hawai'i macadamia farmers through processing and marketing. This bill is an important step in helping the macadamia industry succeed in the future.

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

Mahalo,

A handwritten signature in black ink that reads "Andrew Britta Trump". The signature is written in a cursive style.

Andrew Trump

Vice President

Island Harvest Inc.



Enlivened Cooperative
1875 Kalanianaʻole St, Apt 107
Hilo, HI 96720

February 18, 2026

Aloha Chair, Vice Chair, and Members of the Committee,

My name is Kelly Teamey, and I am the Director and Co-Founder of the Enlivened Cooperative, a worker-owned, not-for-profit, eco-social learning organization based in Hilo, Hawai‘i. I am submitting this testimony in strong support of HB2404, which establishes a General Cooperative Associations Act to provide a unified, flexible legal framework for cooperatives to form for any lawful purpose in Hawai‘i.

Over the past three and a half years, I have worked directly in cooperative development support across Hawai‘i, partnering with more than 20 cooperatives at various stages of formation and growth. I worked with The Kohala Center from September 2022 through March 2025 as their Collective Economies and Cooperative Development Manager. This work has spanned diverse sectors - from agriculture and food systems to worker ownership and community-based enterprises - and has taken me to communities across all of our islands.

Through this hands-on experience, I have encountered a fundamental problem again and again: Hawai‘i's cooperative laws are outdated, fragmented across narrow, sector-specific statutes, and fail to reflect the diversity of cooperative enterprise that our communities need. Groups seeking to form worker-owned cooperatives, multi-stakeholder cooperatives, platform cooperatives, or other innovative cooperative models face confusion about which chapter of the Hawai‘i Revised Statutes applies to them, or discover that no existing chapter fits at all. This legal uncertainty increases startup costs, consumes time in unnecessary legal workarounds, and in too many cases discourages communities from choosing the cooperative form entirely.

HB2404 (as the companion bill to SB2922) directly solves this foundational problem. By establishing a General Cooperative Associations Act, it creates a single, modern cooperative statute with consistent rules for formation, governance, member rights, fiduciary duties, distributions, and dissolution. Specifically, HB2404:

- Enables cooperative formation for any lawful purpose, so that worker-owned, multi-stakeholder, service, and platform cooperatives can legally organize as cooperatives in Hawai‘i for the first time under a clear statutory framework.
- Preserves core cooperative principles, including democratic governance through one-member, one-vote control, patronage-based profit sharing, and cooperative capital structures.





- Allows multiple classes of members - including workers, producers, consumers, and community stakeholders - within a single cooperative, reflecting the multi-stakeholder models that many Hawai'i communities are seeking to build.
- Provides a clear pathway for existing agricultural and consumer cooperatives to opt into the new framework if they choose, gaining access to more flexible governance options without being forced to change.
- Establishes consistent governance and fiduciary standards, reducing the legal confusion that currently hampers cooperative organizers, attorneys, and technical assistance providers across the state.

In my work supporting cooperatives across our islands, the absence of a modern, unified cooperative statute is not an abstract policy concern, it is a daily, practical barrier.

I have worked with farmer groups who wanted to form multi-stakeholder cooperatives that include both producers and community members but could not find a clear legal structure under existing law. I have supported worker groups exploring cooperative ownership as a path to better jobs and shared decision-making, only to encounter legal ambiguity about how to structure their enterprise.

A modern cooperative statute like the one established by HB2404 would have made each of these situations simpler, faster, and less expensive. It would have given organizers, members, and their advisors a clear legal container designed for the kind of democratic, community-rooted enterprise they were trying to build.

Hawai'i is experiencing a remarkable groundswell of interest in cooperative enterprise. In 2025, we helped convene the state's first-ever statewide cooperative business gathering, bringing together more than 65 kama'āina from 15 established cooperatives and over 20 emerging cooperative ventures. The energy, creativity, and commitment in that room were extraordinary.

Yet time and again, participants raised the same core challenge: Hawai'i's legal framework has not kept pace with the cooperative innovation happening in our communities. Groups working in agriculture, food systems, renewable energy, housing, worker ownership, and community services all expressed the need for a modern statute that supports, rather than constrains, the cooperative models their communities are building.

HB2404 is the direct answer to that need. It provides the legal foundation on which Hawai'i's cooperative ecosystem can grow. Without it, even the most energetic and well-organized cooperative efforts will continue to face unnecessary legal obstacles and higher costs that slow formation, limit innovation, and disproportionately burden the workers, farmers, and community members who stand to benefit most from cooperative ownership.





I also want to note that HB2404 works hand in hand with SB2716, which establishes a Cooperative Development Program to provide grants and technical assistance for cooperative formation and growth. Together, these two bills create both the legal framework and the practical development infrastructure that a thriving cooperative ecosystem requires. But the legal framework must come first: without a modern statute, even the best-funded development programs will be building on an outdated and inadequate foundation.

Cooperatives are not a new idea - they are a proven model for building resilient, equitable, and community-rooted economies. What Hawai'i has lacked is a legal framework that fully reflects the diversity and dynamism of cooperative practice in the 21st century. HB2404 as a companion to SB2922 provides that framework. As someone who has spent years working alongside cooperative organizers and cooperative enterprises across our islands, I can attest that this bill is essential to unlocking the full potential of cooperative ownership in Hawai'i.

I respectfully urge the committee to pass HB2404 and help modernize Hawai'i's cooperative laws to better support local ownership and economic opportunity.

Mahalo for the opportunity to testify.

Kelly Teamey, PhD
Director and Co-Founder, Enlivened Cooperative
kelly@enlivenedcooperative.org
Hilo, Hawai'i



Hawai'i Co-op Hui

HB2404 – Relating to Cooperative Associations

Aloha Chair, Vice Chair, and Members of the Committee,

My name is Keoni DeFranco. I serve as a Managing Director at Purple Mai'a Foundation, where we work at the intersection of technology, economic development, and community self-determination. I am also a co-founder of the newly formed Hawai'i Co-op Hui and a kalo farmer in Waimānalo, exploring the formation of a worker-owned cooperative with fellow farmers in our community.

I respectfully submit testimony in strong support of HB2404, as amended.

At Purple Mai'a, we have seen firsthand the growing interest in cooperative models across Hawai'i. Last May, we helped convene the inaugural Hawai'i Cooperative Hui Gathering, which brought together over 60 participants including existing cooperatives, emerging cooperatives, farmers, cultural practitioners, and community leaders. The energy was clear, there is a rising movement to build worker-owned and community-owned enterprises rooted in local values of aloha 'āina, kuleana, and laulima.

That momentum has only continued to grow. We now have over 80 active members in the Hawai'i Co-op Hui who are meeting regularly, organizing, and providing peer training and support to strengthen this emerging cooperative ecosystem across the islands. What we now need is a modern and flexible legal framework that supports this ecosystem.

Cooperatives are businesses owned and democratically governed by their members: the workers, consumers, producers, and/or community members who use and sustain them. Instead of outside shareholders controlling decisions, cooperatives operate on a one-member, one-vote basis. They are grounded in shared values of self-help, democracy, equity, and solidarity. Internationally recognized cooperative principles include voluntary and open membership, democratic member control, member economic participation, autonomy and independence, education and training, cooperation among cooperatives, and concern for community. These principles make cooperatives uniquely suited to build local wealth, strengthen resilience, and keep decision-making rooted in the communities they serve.

Following conversations and guidance from DCCA, HB204 and its amendments make targeted updates to Chapter 421C by expanding its scope beyond "consumer cooperative associations" to "cooperative associations" organized for any lawful purpose. The bill expressly recognizes worker cooperatives, producer cooperatives, and multi-stakeholder cooperatives within the chapter and provides clear statutory definitions for each. It clarifies how these cooperative types may structure membership, patronage, internal capital accounts, and voting rights within the existing Chapter 421C framework, while confirming that current cooperative safeguards, including limits on returns on capital and patronage-based distribution of net savings, continue to apply.

Under current law, Chapter 421C is structured around consumer cooperatives, such as member-owned grocery stores. Worker-owned and multi-stakeholder cooperatives are not clearly recognized within the statute, creating uncertainty around patronage allocation, governance structure, and capital formation. HB2404 resolves that ambiguity by expressly permitting these cooperative forms to elect organization under 421C and by specifying how their governance and patronage operate within the existing framework. The bill builds on the current statute, refining and modernizing it without introducing a separate regulatory structure.

This approach mirrors reforms adopted in other states. In 2015, California enacted AB 816, which amended its "Consumer Cooperative Corporation Law", retitled the "Cooperative Corporation Law", to formally recognize worker cooperatives and clarify patronage and capital structures within the existing statute. Rather than creating an entirely new regulatory system, California modernized and broadened its

cooperative law to reflect contemporary cooperative models. HB2404 follows a similar path by updating Chapter 421C to expand beyond consumer cooperatives while preserving existing cooperative safeguards.

The bill also maintains continuity. Existing cooperatives are not required to amend their governing documents. Housing cooperatives governed under other chapters remain unaffected. Cooperatives formed under prior statutes may voluntarily elect into the updated framework by member approval. HB2404 updates the language of Chapter 421C so that it accurately reflects the types of cooperative enterprises being formed today, while preserving the core structural features that distinguish cooperatives from investor-owned corporations.

Additionally, HB2404 is consistent with the Hawai'i State Planning Act (HRS Chapter 226), which emphasizes a diversified and resilient economy, expanded opportunities for locally owned businesses, and the vitality of rural and agricultural communities. Clarifying and modernizing Chapter 421C supports these long-standing state policy goals.

I respectfully urge the committee to pass HB2404 and help modernize Hawai'i's cooperative law to support locally owned enterprises across our islands.

Mahalo for the opportunity to testify.

Keoni DeFranco

Co-Founder, Hawai'i Co-op Hui

Keoni DeFranco



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Kilia Avelino-Purdy
Molokai

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India Clark
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Christian Zuckerman
Wai'anae, O'ahu

Rachel LaDrig
Waimanalo, O'ahu

Vincent Kimura
Honolulu, O'ahu

Natalie Urminska
Kauai

Aloha Chair Matayoshi, Vice Chair Grandinetti, and Members of the House Consumer Protection & Commerce Committee,

The Hawaii 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. **HFU supports HB2404.**

HB2404 is a significant advancement for the cooperative sector in Hawaii. Following many other states, the measure provides a unified and flexible legal framework that allows the formation of cooperatives for any lawful purpose. This bill is especially beneficial for our agricultural communities, which have long relied on cooperative models to enhance collaboration and share resources.

Expanding eligibility for cooperative formation encourages more sectors to harness the benefits of cooperation, promoting economic growth and community development throughout the state. By modernizing and streamlining the legal framework, the bill nurtures an inclusive cooperative ecosystem that supports all forms of lawful cooperative ventures, ensuring that the cooperative movement continues to flourish in Hawaii.

The amendment below, following agency feedback, consolidates the changes within Chapter 421C rather than creating a new HRS section, and we respectfully request its adoption.

Mahalo for the opportunity to testify.

Hunter Heavilin
Advocacy Director
Hawaii Farmers Union

SECTION 2. The title of Chapter 421C, Hawaii Revised Statutes, is amended to read:

"Chapter 421C [~~Consumer~~] Cooperative Associations"

SECTION 3. Section 421C-2, Hawaii Revised Statutes, is amended to read:

"§421C-2 Purpose. This chapter is intended to apply to the organization and operation of [~~consumer~~] cooperative associations organized for any lawful purpose, including but not limited to consumer cooperatives, worker cooperatives, producer cooperatives, and multi-stakeholder cooperatives that

elect to incorporate under this chapter."

SECTION 4. Section 421C-1, Hawaii Revised Statutes, is amended by adding the following definitions :

"Articles" means the articles of incorporation.

"Association" means a [~~consumer~~]cooperative association.

"Consumer cooperative association" means a cooperative association organized primarily to provide goods or services to members as consumers.

"C[~~consumer~~e]cooperative association" means a group enterprise, organized on a cooperative basis and incorporated under this chapter such that:

- (1) Each member has one vote and only one vote, except as may be altered in the articles or bylaws of a secondary cooperative by provision for voting by member organizations;
- (2) The maximum rate at which any return is paid on share or membership capital is limited; and
- (3) The allocation or distribution of net savings after making provision for such separate funds as may be required or specially permitted by statute, articles, or bylaws, is made to member patrons or to all patrons, in proportion to their patronage; or is allocated in a manner which benefits the general welfare of all of the members of the association.

"Directors" means the board of directors of an association.

"Electric utility cooperative association" means a consumer cooperative association that provides electric utility service as a public utility.

"Interest-dividends" means the return on share, membership fee, or membership capital of the association which is limited in accordance with section 421C-19.

"Member" means a member of either a stock or a nonstock association in accordance with section 421C-3.

"Net savings" means the total income of an association minus

the costs of operation.

"Patronage refund" means the amount returned to the patrons in proportion to their patronage in accordance with section 421C-25.

"Producer cooperative" means a cooperative association whose members are producers of goods or services and that is organized primarily to process, market, distribute, or provide services related to members' production.

"Multi-stakeholder cooperative" means a cooperative association that includes more than one class of members, which may include workers, consumers, producers, or other stakeholders, as defined in the articles of incorporation and bylaws of the association.

"Non-escheat patronage refunds" means patronage refunds from an electric utility cooperative association for which a five-year period has elapsed since the patronage refunds were made and for which no claims have been made by the patrons to whom the refunds were allocated.

"Share or membership capital" refers to the capital paid into an association by a member in accordance with section 421C-3.

"Surplus funds" means funds of an association which may be utilized for capital improvements, emergencies, or other expenditures of the association upon the authorization of the directors as specified in section 421C-25 or as otherwise specified in this chapter.

"Unclaimed property" includes moneys, checks, drafts, interest, dividends, income, credit balances, overpayments, deposits, refunds, and non-escheat patronage refunds.

"Worker cooperative" means a cooperative association in which:

(1) The majority of the members are workers employed by the cooperative; and

(2) At least fifty-one per cent of the cooperative's workers are members.

SECTION 5. Section 421C-11.5, Hawaii Revised Statutes, is amended by adding a new subsection to read:

"(c) The articles of incorporation may state the cooperative type elected by the association, including:

- (1) Consumer cooperative;
- (2) Worker cooperative;
- (3) Producer cooperative; or
- (4) Multi-stakeholder cooperative.

The articles shall specify any membership class structure and patronage basis applicable to the elected cooperative type."

SECTION 6. Worker cooperative provisions added. Chapter 421C, Hawaii Revised Statutes, is amended by adding a new section to read:

"§421C-_____ Worker cooperatives.

(a) A cooperative association electing worker cooperative status shall be owned governed^[1] by its worker-members.

(b) Worker-members shall be admitted pursuant to criteria set forth in the bylaws.

(c) Patronage shall be based primarily on labor contributed to the cooperative, including hours worked, compensation earned, or other equitable measures specified in the bylaws.

(d) A worker cooperative may establish internal capital accounts reflecting patronage allocations and retained earnings."

SECTION 7. Producer cooperative provisions added. Chapter 421C, Hawaii Revised Statutes, is amended by adding a new section to read:

"§421C-_____ Producer cooperative.

(a) A cooperative association electing producer cooperative status shall consist of members who are producers of goods or services.

(b) Membership eligibility shall be governed by the bylaws.

(c) Patronage shall be based on the quantity or value of

products marketed, processed, or services provided through the cooperative."

SECTION 8. Multi-stakeholder cooperative provisions added. Chapter 421C, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§421C- Multi-stakeholder cooperative.

(a) A cooperative association electing multi-stakeholder cooperative status shall be owned by more than one class of members, which may include workers, consumers, producers, or other stakeholders, as set forth in the articles of incorporation and bylaws.

(b) Member classes shall be admitted pursuant to eligibility criteria set forth in the bylaws.

(c) Patronage shall be based on the respective contribution of each member class as specified in the bylaws, which may include labor contributed, goods or services purchased, or products marketed, processed, or services provided.

(d) Voting rights may be structured by member class; provided that member control is maintained on a one-member, one-vote basis within each class or as otherwise provided in the articles of incorporation or bylaws."

SECTION 9. Chapter 421C, Hawaii Revised Statutes, is amended by adding a new section to read:

"§421C- Applicability of existing provisions. Except as otherwise provided, all provisions governing cooperative associations, including voting rights, patronage allocations, and limitations on returns on capital, apply equally to all cooperatives organized under this chapter."

SECTION 10. Chapter 421C, Hawaii Revised Statutes, is amended by adding a new section to read:

"§421C- Election by existing cooperatives. Any cooperative association formed under chapter 421 or this chapter may elect

to be governed by the provisions of this chapter upon approval by two-thirds of the members present and voting or by written ballot. The election shall become effective upon filing amended articles of incorporation with the director of commerce and consumer affairs."

SECTION 11. Non-disruption.

This chapter shall not be construed to require any cooperative association organized under chapter 421C, Hawaii Revised Statutes, before the effective date of this Act to amend its articles of incorporation or bylaws. All cooperative associations organized before the effective date of this Act shall remain in full compliance with the law.

HB-2404

Submitted on: 2/17/2026 10:14:14 AM

Testimony for CPC on 2/18/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Brandon Makaawaawa	Nation of Hawaii	Support	Written Testimony Only

Comments:

****Support****

The Nation of Hawai‘i is committed to restoring and advancing the political, economic, and social rights of Native Hawaiians, including the revitalization of communal land tenure and economic self-determination. HB2404 is of significant interest as it establishes a unified and flexible legal framework for cooperatives, which aligns with traditional Hawaiian values of collective stewardship, resource sharing, and community-based economic models.

By enabling cooperatives to form for any lawful purpose and allowing existing agricultural and consumer cooperatives to opt into this new governance structure, the bill provides essential tools for Native Hawaiian communities to organize around shared economic, cultural, and environmental objectives. Cooperative models have historically supported food sovereignty, renewable energy projects, and affordable housing—areas that are central to our mission of self-sufficiency and cultural preservation.

A general cooperative statute also reduces legal barriers and administrative complexity, making it more accessible for Native Hawaiian groups and other community organizations to innovate and participate in the modern economy. This flexibility supports the development of enterprises rooted in Hawaiian values, such as communal land management, regenerative tourism, and sustainable technology, while also fostering economic independence and local control over resources.

We respectfully recommend that the bill’s implementation ensure clear pathways for culturally grounded cooperative governance, including provisions that recognize the unique needs of Native Hawaiian organizations and traditional land stewardship practices. Continued engagement with Native Hawaiian stakeholders during rulemaking will help ensure the framework is inclusive, practical, and supportive of our community’s aspirations for self-determination and sustainable development.

Aloha,

Brandon Maka'awa'awa

Vice President, Nation of Hawaii



Farmer owned, 'āina grown

Aloha Chair Matayoshi, Vice Chair Grandinetti,, and Members of the House Committee on Consumer Protection and Commerce (CPC),

This testimony provided on behalf of the Hawai'i 'Ulu Producers Cooperative is in **strong support of HB2404**, with the proposed amendment to revise Chapter 421C from a consumer-only statute into a **General Cooperative Associations Act**.

About Us

The Hawai'i 'Ulu Co-op (HUC) is an agricultural producer cooperative founded in 2016 with 9 small, family farmers around Hawai'i Island. We are a social enterprise created to provide a stable and reliable market for Hawai'i's 'ulu farmers, united in their belief that 'ulu (breadfruit) can and should be revitalized as a dietary staple for Hawai'i's food security, environmental resilience, cultural integrity, and sustainable economic development. Over the past 10 years, we have grown organically and now represent over 220 farmer-members across four islands (Hawai'i Island, Maui, O'ahu, and Kaua'i). Through the cooperative business structure, we have been able to aggregate economies of scale, develop minimal and value-added processing capabilities that comply with FSMA, and serve markets larger than any of our members would be able to reach on their own – including all 258 public schools of the Hawai'i Department of Education. Today, we are one of DOE's largest local suppliers. For us and other cooperative businesses in Hawai'i, ongoing access to development support resources including both funding and technical assistance is critical to our continued survival and success.

What is a Cooperative?

Because the cooperative model is often unfamiliar, it is helpful to define what it is: a business owned and democratically controlled by the people who use its services or do its work. Unlike traditional corporations that prioritize maximizing wealth for outside investors, a cooperative operates on a "one member, one vote" basis. It is a people-centered model that ensures the business remains accountable to the local community rather than distant shareholders.

Why HB2404 is Necessary



Hawai'i 'Ulu Producers Cooperative

79-1017 E Honalo Rd, Kailua-Kona, Hawai'i 96740 | 808-238-8869 | eatbreadfruit.com | info@eatbreadfruit.com

Hawai'i's current cooperative laws are fragmented and outdated. Our existing statutes (Chapters 421 and 421C) were designed specifically for agricultural producers or consumer buying clubs. This patchwork framework creates significant barriers:

- Limits Innovation: Modern models like worker-owned co-ops (where employees are the owners) or multi-stakeholder co-ops (combining workers, consumers, and producers) currently lack a clear, flexible legal home in Hawai'i.
- Higher Costs: Entrepreneurs are often forced into traditional corporate structures that don't fit their democratic values, leading to higher legal fees and operational friction.
- Economic Vulnerability: Without a modern framework, local businesses face harder transitions when owners retire. A general cooperative statute makes it easier for employees to buy and save a business, keeping it rooted in the community.

The Benefit to Hawai'i's Economy

By modernizing Chapter 421C into a general statute, HB2404 will allow cooperatives to form for any lawful purpose—from renewable energy and housing to retail and technology.

- Wealth Retention: Profits (called "patronage") stay in the pockets of local members, circulating within our islands' economy.
- Resilience: Cooperatives are historically more resilient during economic downturns because their primary goal is service to members, not profit extraction.
- Community Empowerment: This bill provides a pathway for Native Hawaiian and rural communities to solve their own challenges through collective ownership.

Support for the Amended Version

We strongly support the move to repurpose Chapter 421C as the new General Cooperative Associations Act. This provides a unified, flexible framework that supports all types of cooperative enterprises while allowing existing agricultural and consumer co-ops to opt-in at their own pace.

HB2404 is the legal infrastructure Hawai'i needs to build a more equitable and self-reliant economy. We respectfully urge the committee to pass HB2404 with the proposed amendments.

Mahalo for the opportunity to testify,



Dana Shapiro
Hawai'i 'Ulu Cooperative Co-founder and CEO

WRITTEN TESTIMONY

HB 2404: General Co-op Associations Act

House Committee on Consumer Protection & Commerce (CPC)

*Hearing: Wednesday, February 18, 2026 | 2:00 PM | Conference Room 329 via
Videoconference*

Submitted by:

Farmers' Heart Cooperative Project

18-3840 S. Lauko Road, Mountain View, Hawai'i Island, Hawai'i 96771

Contact: fearlesshearts@gmail.com

Submitted in strong support (SUPPORT)

ALOHA, CHAIR AND MEMBERS OF THE COMMITTEE

My name is Lyman, and I am writing in strong support of HB 2404, the House companion to SB 2922, both of which would establish a General Cooperative Associations Act for Hawai'i. This bill would create a unified, flexible legal framework allowing cooperatives to organize for any lawful purpose, and would permit existing agricultural and consumer cooperatives to elect governance under the new framework.

I speak from the perspective of a cooperative developer and farmer on Hawai'i Island. The Farmers' Heart Cooperative Project is working to establish a multi-enterprise agricultural cooperative in Mountain View, Puna, centered on food production, land stewardship, and community education. We have lived firsthand the gap that HB 2404 would fill.

A Cooperative Economy Is a Resilient Economy

Hawai'i's food system is deeply vulnerable. Approximately 85 to 90 percent of food consumed in the state is imported. The cost of living on Hawai'i Island ranks among the highest in the nation. Climate change, supply chain disruptions, and shifting federal priorities all underscore what many in our community have known for generations: the islands must grow more of their own food, and that food system must be organized in ways that are community-owned, not corporate-controlled.

Cooperatives are the most proven model for achieving this. Internationally, the most successful agricultural cooperative communities — from the Mondragon cooperatives in the Basque Country of Spain to the Emilia-Romagna cooperative networks in Italy, from the Landcare movement in New Zealand to cooperative farming models in Kerala, India

— demonstrate that when communities own their food systems together, they are more productive, more stable, and more equitable than investor-owned alternatives.

Closer to home, models like the Ulu Cooperative on O'ahu show that this is not theoretical for Hawai'i. Starting with nine farmers and growing to 160+ across four islands, the Ulu Co-op demonstrates what is possible when cooperative infrastructure — legal, financial, and relational — is in place.

What the Law Currently Lacks

Hawai'i's current cooperative statutes are fragmented across different chapters for agricultural marketing co-ops and consumer co-ops, with no clear home for worker cooperatives, multi-stakeholder cooperatives, or community cooperatives. This creates real, practical barriers. Organizations forming today in Hawai'i that want to be cooperative-owned must use LLC structures as workarounds, incur higher legal costs, and present unclear structures to lenders and partner agencies.

A single, modern General Cooperative Associations Act — as proposed in HB 2404 — solves this by creating a clear legal framework that banks, state agencies, agricultural lenders, and cooperative developers can all reference and rely upon. It lowers the barriers to entry for new co-ops and strengthens the legitimacy of existing ones.

The Agricultural Dimension: CTAHR, Indigenous Practice, and the Future of Farming

For agricultural cooperatives specifically, Hawai'i has extraordinary resources to build on. The work of Dr. Noa Lincoln and the Indigenous Cropping Systems Lab at UH Mānoa CTAHR is documenting and advancing traditional Hawaiian farming systems — including indigenous agroforestry, polyculture, and watershed-based land management — that are scientifically validated as productive, resilient, and regenerative. These systems are not relics; they are models for the future.

A cooperative legal framework that accommodates multi-stakeholder ownership, land stewardship agreements, and community governance makes it possible to formalize these practices in ways that protect them for future generations. It is the difference between a farm that serves one family for one generation and a food system that belongs to a community for many generations.

The Farmers' Heart Project draws directly on CTAHR's research, the guidance of indigenous agricultural practitioners, and proven cooperative development frameworks to build exactly this kind of long-term, community-owned food system on Hawai'i Island. HB 2404 would make that path clearer and more accessible for us — and for every cooperative endeavor that follows.

Our Requests

We urge the House Committee to pass HB 2404 and consider the following amendments or additions in committee process:

- Add explicit recognition of multi-stakeholder cooperative structures (multiple member classes with differentiated rights and responsibilities) — this is the form most relevant to agricultural cooperatives combining land-holding members, farmer-operators, and community investors.
- Ensure the Act includes consumer-friendly provisions for dissolution and asset lock — so that cooperative assets remain in community hands and cannot be converted to private benefit upon dissolution, preserving mission integrity across generations.
- Consider a companion appropriation or referral for technical assistance funding to help rural and Neighbor Island cooperatives access legal support in forming under the new law.
- Align the Act's governance provisions with the seven internationally recognized cooperative principles (ICA principles) to ensure Hawai'i's framework is compatible with national and international cooperative networks and financing sources.

On the Broader Political Moment

We want to be direct about why this bill matters beyond its technical provisions. At a national level, federal support for cooperative development is eroding. Programs that historically supported cooperative formation — through USDA Rural Development, through cooperative extension, through CDFI investments — are under threat. The values of equity, solidarity, and democratic ownership are being quietly removed from federal cooperative educational materials.

Hawai'i has an opportunity to move in the opposite direction. By passing HB 2404 and SB 2922, the Legislature signals that this state believes in community ownership, democratic enterprise, and an economy that works for everyone who lives here — not just those who own capital from elsewhere. That signal matters. It will be heard by cooperative developers, by lenders who finance cooperative ventures, by the young people deciding whether to stay and farm these islands or leave, and by communities trying to build something lasting on land that belongs to all of us.

Closing

We strongly support HB 2404. We ask the Committee to pass it with the cooperative values and practical protections that will make it genuinely useful for the communities it is meant to serve.

E mālama kākou i ka 'āina. Let us care together for the land.

Me ke aloha pumehana,

Lyman

Farmers' Heart Cooperative Project | fearlesshearts@gmail.com

Mountain View, Puna, Hawai'i Island

HB-2404

Submitted on: 2/14/2026 6:52:45 AM

Testimony for CPC on 2/18/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
melissa tomlinson	Individual	Support	Written Testimony Only

Comments:

Please support all Measures regarding

Co-op's in Hawai'i. They will benefit everyone in Hawai'i that wishes to support local economic growth. Mahalo

HB-2404

Submitted on: 2/14/2026 9:19:33 AM

Testimony for CPC on 2/18/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
cheryl burghardt	Individual	Support	Written Testimony Only

Comments:

Aloha Chair and Committee members,

I am in **STRONG SUPPORT** of this bill, HB 2404, which will update Hawai'i's cooperative laws to remove red tape and lowers barriers. It creates one flexible legal framework, support for worker-owned & community co-ops. I believe these are essential steps for our islands as we continue to build upon our foundations of traditions, culture and community here.

I appreciate your hearing this bill and ask for your support.

Cheryl Burghardt

Nuuanu Oahu

HB-2404

Submitted on: 2/14/2026 10:58:05 AM

Testimony for CPC on 2/18/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Michelle Ma	Individual	Support	Written Testimony Only

Comments:

Support

HB-2404

Submitted on: 2/14/2026 6:33:10 PM

Testimony for CPC on 2/18/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Brandon Koskie	Individual	Support	Written Testimony Only

Comments:

Aloha my name is Brandon Koskie and I am in support of HB2404. Hawaii's co-op laws are outdated and sector-specific, this hinders new potential formations. A unified act makes it easier and cheaper to start co-ops in many diverse areas such as student businesses, renewable energy, and farming. I'd like to refer to the Hawaii Ulu Cooperative as a highlighted co-op that will benefit greatly from this bill. They focus on growing ulu throughout the islands and reconnecting the community with this fruit by helping farmers and consumers work together. The cooperative also has an education program which involves connecting school cafeterias with local farmers, educating students on nutrition and food systems in the classroom, and school based agriculture which involves hands-on learning in school gardens. This bill will give better alignment with their community to work towards future growth. It would make it easier to onboard new members, create more local markets, supply chains, and partner co-ops that can all work together.

HB-2404

Submitted on: 2/15/2026 1:01:30 PM

Testimony for CPC on 2/18/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Anna Camacho	Individual	Support	Written Testimony Only

Comments:

Aloha Chair and Members of the Committee,

I respectfully submit this testimony in **strong support of HB 2404**, which would enact a *General Cooperative Associations Act* in Hawai‘i. This bill modernizes our cooperative statutes and creates a unified, flexible legal structure for all kinds of cooperative enterprises — from agricultural and consumer co-ops to multi-stakeholder and worker-owned models.

I support this measure because **true economic resilience starts with empowering Hawai‘i’s people and communities**, not just existing corporate interests. Cooperatives are an embodiment of community self-determination, and shared prosperity. These values are fundamental to our islands’ culture and wellbeing.

Here’s why HB 2404 matters:

Strengthening Local Economies:

Cooperatives help keep wealth circulating locally by enabling producers, workers, and consumers to join together in democratically controlled enterprises. Whether it’s farmers pooling resources to market products, workers owning their workplaces, or communities building shared services, cooperatives create economic power for ordinary people in Hawai‘i.

Removing Barriers to Cooperative Formation: Right now, Hawai‘i’s cooperative laws are outdated, rigid, and siloed, forcing groups with cooperative intentions into business structures that don’t reflect their values. This bill simplifies and modernizes the law so that cooperatives can form, grow, and adapt without unnecessary legal complexity.

Advancing Equity and Sustainability:

A clear statutory framework for cooperatives supports equitable access to economic opportunity — especially for small producers, young entrepreneurs, Neighbor Island communities, and traditionally underserved populations. It also aligns with regenerative approaches to agriculture, housing co-ops as alternatives to speculative markets, and community-based responses to rising costs and climate challenges.

Working families across Hawai‘i feel the strain of high living costs, lack of affordable housing, and limited economic choice. HB 2404 gives our communities another tool for building economic systems rooted in cooperation, shared benefit, and long-term resilience — not short-

term profit. It's an investment in *people-centered* economic development that reflects our values of mutual support (*kōkua*), stewardship (*mālama 'āina*), and collective wellbeing.

For these reasons, I urge you to **pass HB 2404 with strong support.**

Mahalo nui loa for your time and consideration.

HB-2404

Submitted on: 2/15/2026 6:11:50 PM

Testimony for CPC on 2/18/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Chelle C Pahinui	Individual	Support	Written Testimony Only

Comments:

Testimony in Strong Support of HB2404

Relating to Cooperative Associations

Aloha Chair Matayoshi and Members of the House Committee on Consumer Protection and Commerce,

I respectfully urge passage of HB2404, the companion measure to SB2922, which updates Hawai‘i’s cooperative statutes to create a clear, modern legal framework for forming cooperatives across industries.

Cooperatives are not theoretical models—they are practical tools that allow local people to build businesses together, share governance, and strengthen economic resilience. In industries ranging from agriculture to creative services, co-ops provide pathways for ownership and participation that traditional corporate models do not.

By modernizing cooperative law, Hawai‘i removes unnecessary barriers and allows innovation to flourish in a structure that prioritizes community benefit over extraction. This bill supports economic self-determination, particularly in rural areas where access to capital and business support can be limited.

HB2404 strengthens our local economy by empowering people to build it together. I respectfully ask for your support.

Mahalo.

Chelle Pahinui
Captain Cook
Nahenahe Farm LLC

HB-2404

Submitted on: 2/15/2026 9:03:54 PM

Testimony for CPC on 2/18/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Noa Lincoln	Individual	Support	Written Testimony Only

Comments:

I strongly support this bill

HB-2404

Submitted on: 2/16/2026 7:06:55 AM

Testimony for CPC on 2/18/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
pahnelopi mckenzie	Individual	Support	Written Testimony Only

Comments:

I support HB 2404

HB-2404

Submitted on: 2/16/2026 9:24:30 AM

Testimony for CPC on 2/18/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kelsey Amos	Individual	Support	Written Testimony Only

Comments:

I support HB2404.

There is an energized ecosystem of cooperatives and cooperative-curious business and nonprofit leaders in Hawai‘i. Last May I attended the first annual Hawai‘i Cooperative Gathering, held on Hawai‘i Island, which was attended by over 50 organizations.

A key learning from this convening is that cooperatives solve problems for businesses and communities. One clear example is in agriculture with the ‘Ulu Co-op. The ‘Ulu Co-op solves problems of aggregation and market access/development for small farmers who can then focus on farming, but still enjoy the benefits of owning a piece of the co-op they sell to.

Another great example is the energy co-op on Kaua‘i, which has been able to aggressively increase renewable energy while keeping electric bills lower on Kaua‘i than on any other island. They are a consumer co-op meaning their decisions are accountable to their customers, because the decision-makers ARE customers.

At the conferece the issue was raised of how existing Hawai‘i law on cooperatives is scattered and does not allow for certain kinds of cooperatives.

Addressing this problem will be beneficial to folks wanting to start new cooperatives in different sectors. And that in turn will be beneficial to our local economy because we will have another tool in our toolkit to solve economic problems while keeping ownership local.

HB-2404

Submitted on: 2/16/2026 12:30:21 PM

Testimony for CPC on 2/18/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Carmela Resuma	Individual	Support	Written Testimony Only

Comments:

I support this bill.

HB-2404

Submitted on: 2/16/2026 1:52:07 PM

Testimony for CPC on 2/18/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ted Bohlen	Individual	Support	Written Testimony Only

Comments:

SUPPORT facilitating cooperatives.

HB-2404

Submitted on: 2/16/2026 2:12:03 PM

Testimony for CPC on 2/18/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Glenn Toyama	Recyclenators (non-profit community service group start-up)	Support	Written Testimony Only

Comments:

My name is Glenn Toyama, and I am part of a group working to form a cooperative in Hawai'i. I strongly support HB2404.

The biggest challenge we face in starting our cooperative is the high cost of legal services, feasibility studies, and business planning required to do it right. These costs are a major barrier for working families and small community groups.

SB2716 would make cooperative ownership possible by providing cost-share grants and access to technical assistance.

This bill will help new cooperatives like ours launch successfully and contribute to local job creation and economic resilience.

I respectfully urge the committee to pass HB2404.

Mahalo.

HB-2404

Submitted on: 2/16/2026 8:32:09 PM

Testimony for CPC on 2/18/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jan K Baldado	Individual	Support	Written Testimony Only

Comments:

Aloha,

I SUPPORT HB2404.

Mahalo nui.

Aloha Chair Matayoshi, Vice Chair Grandinetti, and Members of the Committee,

My name is Oriana Leao and I **support** HB2404 which 1) establishes a General Cooperative Associations Act to provide a unified, flexible legal framework for cooperatives to form for any lawful purpose and 2) allows agricultural cooperative associations and consumer cooperative associations to elect governance under the General Cooperative Associations Act.

This bill allows cooperatives to - form for any lawful purpose, accommodate both patron and worker ownership, and give cooperatives authority to design membership and governance structures consistent with cooperative principles while maintaining democratic member control. A general cooperative statute will reduce legal complexity, lower barriers to formation, and support business succession, innovation, local and employee ownership, high-quality jobs, cooperative food systems, flexible housing models, and community-rooted resilience.

HB2404 is consistent with the Hawai'i State Planning Act outlined in Chapter 226, Hawaii Revises Statutes, which emphasizes a diversified and resilient economy, expanded opportunities for locally owned businesses, and the vitality of rural and agricultural communities. Clarifying and modernizing Chapter 421C, Hawaii Revised Statutes, supports these long-standing state policy goals.

Thank you for your consideration of this testimony.

HB-2404

Submitted on: 2/17/2026 8:49:41 AM

Testimony for CPC on 2/18/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Keoni Shizuma	Individual	Support	Written Testimony Only

Comments:

Aloha,

I am writing in support of SB2404.

Cooperatives help businesses compete with larger entities and corporations as it brings together resources and helps smaller businesses achieve scale in order to reduce costs. In this capitalistic society, it is very difficult for small businesses to compete with larger corporations. With the high cost of living in Hawaii, materials, equipment, capital improvements, and labor are huge burdens to do business, and cooperatives can help with bringing those costs down, utilizing shared spaces, shared operations, and other factors.

There are also new positive models of cooperatives that are forming that should be allowed to operate in Hawaii.

Mahalo for your consideration,
Keoni Shizuma

HB-2404

Submitted on: 2/17/2026 10:45:45 AM

Testimony for CPC on 2/18/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Carly Wyman	Individual	Support	Written Testimony Only

Comments:

[HB2404 – General Cooperative Associations Act](#) modernizes Hawai‘i’s cooperative laws and creates a unified, flexible legal framework so worker-owned and community-owned businesses can form easily across any industry. As someone who has been working in food systems in Hawai‘i since 2014, I urge the legislature to pass this bill. Hawai'i is a place of small farmers-around 2/3 of all farms operate on 10 acres or less. This pales in comparison to the average US farm size of 463 acres. To be more competitive agriculturally, cooperatives are a necessary and valuable tool for pooling the resources of small farmers for increased profitability, farm viability, and local food security. Our current cooperative statutes are unclear and incomplete. HB2404 will address these gaps, providing more flexibility for our communities to form community-owned business ventures, not just in ag, but across industries. Support a viable future for our farmers and localized food security. Support the passage of HB2404.

TESTIMONY IN SUPPORT OF HB2404

RELATING TO COOPERATIVE ASSOCIATIONS

Aloha Chair and Members of the Committee,

My name is Jennifer Karaca, and I am submitting testimony in strong support of HB2404, which establishes a General Cooperative Associations Act to provide a unified and flexible legal framework for cooperatives to form for any lawful purpose in Hawai'i.

Cooperatives play an increasingly important role in supporting community-based economic development, local ownership, and shared prosperity. However, many cooperative efforts face challenges due to fragmented statutes, outdated governance structures, and limited flexibility in how cooperatives can be formed and managed. HB2404 helps address these challenges by creating a modern, streamlined framework that better reflects how cooperatives operate today.

This bill is particularly important because it allows cooperatives to form for any lawful purpose, expanding opportunities for cooperative models across a wide range of sectors including food systems, agriculture, housing, childcare, renewable energy, and essential community services. This flexibility is critical in Hawai'i, where cooperative models are increasingly being explored as solutions to complex, cross-sector challenges.

Additionally, allowing agricultural cooperative associations and consumer cooperative associations to elect governance under the General Cooperative Associations Act provides greater clarity and consistency, while still preserving the unique purposes of these cooperative types. This approach supports innovation while maintaining accountability and strong governance practices.

From my experience working in community resilience and local economic development efforts, I have seen how cooperative structures can empower local residents, support small producers, and strengthen long-term economic stability. A unified cooperative statute will help reduce barriers to entry and support the creation of durable, locally rooted enterprises.

For these reasons, I respectfully urge the Committee to pass HB2404.

Mahalo nui loa for the opportunity to provide testimony and for your commitment to strengthening Hawai'i's communities and local economy.

Respectfully,
Jennifer Karaca

HB-2404

Submitted on: 2/17/2026 11:19:29 AM

Testimony for CPC on 2/18/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Cheryl Ho	Individual	Support	Written Testimony Only

Comments:

I stand in support for this bill

HB-2404

Submitted on: 2/17/2026 12:13:16 PM

Testimony for CPC on 2/18/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Stacey Alapai	Individual	Support	Written Testimony Only

Comments:

Please support HB2404 to modernize our cooperative laws to support worker and community-owned businesses

Mahalo,

Stacey Alapai, Maui

HB-2404

Submitted on: 2/17/2026 12:21:13 PM

Testimony for CPC on 2/18/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ashlie McGuire	Individual	Support	Written Testimony Only

Comments:

I strongly support agricultural co-ops in Hawaii!

LATE

HB-2404

Submitted on: 2/17/2026 6:51:39 PM

Testimony for CPC on 2/18/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Cristina Holt	Individual	Support	Written Testimony Only

Comments:

Chair Matayoshi, Vice Chair Grandinetti, and Members of the Committee,

I am submitting testimony in STRONG SUPPORT of HB 2404.

I live in Hilo, and I tried to open a coffee shop under a cooperative model. I wanted it to be worker-owned, with the people making the coffee having a real stake in the business, sharing in the profits, and having a voice in how things were run. It seemed like exactly the kind of locally rooted, community-building business Hawaii needs more of.

But when I sat down with an attorney to figure out how to structure it, I ran into a wall. Hawaii's cooperative statutes are built for agricultural associations and consumer co-ops. A worker-owned coffee shop did not fit into any of them cleanly. My options were to either force my cooperative vision into a legal structure that did not recognize cooperative principles, or organize as a regular corporation and lose the whole point.

HB 2404 would have changed that for me, and it will change it for the next person anywhere in Hawaii who wants to build something together with their community rather than just for a handful of investors.

This bill creates one flexible, unified legal framework that finally makes room for worker co-ops, multi-stakeholder co-ops, and other cooperative models that are already succeeding across the country. It lowers the legal complexity and cost that stopped me and others like me from getting started.

I urge the committee to pass HB 2404.

Mahalo for your time and consideration.

LATE

HB-2404

Submitted on: 2/17/2026 9:28:47 PM

Testimony for CPC on 2/18/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tonya Lee Coulter	Individual	Support	Written Testimony Only

Comments:

As a farmer and value added small business owner I support House Bill 2404 because this will strengthen farmers and small businesses by allowing economic cooperation among other local small business and farms, providing leverage to small businesses and farms to become better equipped to scale successfully, strengthen resources and access to resources, encouraging economic growth for small businesses and farms in Hawai'i....which is money that stays in Hawai'i

LATE

HB-2404

Submitted on: 2/18/2026 1:43:33 AM

Testimony for CPC on 2/18/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
James Trujillo	Individual	Support	Written Testimony Only

Comments:

aloha from kaua'i,
please accept this testimony in favor of passing HB2404
mahalo nui, . . . james g trujillo

LATE

HB-2404

Submitted on: 2/18/2026 9:17:20 AM

Testimony for CPC on 2/18/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jackie Keefe	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Matayoshi, Vice Chair Grandinetti, and Members of the Committee,

Please accept this late testimony **in strong support of HB2404** which modernizes Hawaii's COOP laws to support workers and community-owned businesses.

Mahalo for your consideration,

Jackie Keefe, Lahaina

LATE

HB-2404

Submitted on: 2/18/2026 2:14:40 PM

Testimony for CPC on 2/18/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Rebekah Cryderman	Individual	Support	Written Testimony Only

Comments:

I fully support the establishment of a unified and flexible legal framework for cooperatives. Not only does this have the potential to strengthen our local food systems and farmers in Hawai'i in an economic sense, it also creates more pathways for community-based models of stewardship and resource management.

LATE

HB-2404

Submitted on: 2/18/2026 2:52:55 PM

Testimony for CPC on 2/18/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jennifer Rodwell	Individual	Support	Written Testimony Only

Comments:

I support [HB2404](#)