



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I  
OFFICE OF THE DIRECTOR  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
KA 'OIHANA PILI KĀLEPA  
335 MERCHANT STREET, ROOM 310  
P.O. BOX 541  
HONOLULU, HAWAII 96809  
Phone Number: 1-844-808-DCCA (3222)  
Fax Number: (808) 586-2856  
cca.hawaii.gov

JOSH GREEN, M.D.  
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE  
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA

NADINE Y. ANDO  
DIRECTOR | KA LUNA HO'OKELE

DEAN I HAZAMA  
DEPUTY DIRECTOR | KA HOPE LUNA HO'OKELE

**Testimony of the Department of Commerce and Consumer Affairs**

**Before the  
Senate Committee on Commerce and Consumer Protection  
Wednesday, February 18, 2026  
9:30 a.m.  
Via Videoconference**

**On the following measure:  
S.B. 2922, RELATING TO COOPERATIVE ASSOCIATIONS**

Chair Keohokalole 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 421<sup>1</sup> and 421C<sup>2</sup> 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

---

<sup>1</sup> Relating to agricultural cooperative associations.

<sup>2</sup> 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.

Hawai'i Co-op Hui

## **SB2922 – 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 SB2922, 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, SB2922 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. SB2922 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. SB2922 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. SB2922 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, SB2922 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 SB2922 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*



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 SB2922, 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.

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, SB2922:

- 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. I have advised emerging cooperatives that spent thousands of dollars in legal fees simply to navigate the gaps and inconsistencies in Hawai'i's current statutes, money that could have gone directly into business operations, member education, and community benefit.

A modern cooperative statute like the one established by SB2922 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.

SB2922 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 SB2922 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. 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 SB2922.

Mahalo for the opportunity to testify.

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





## Officers

Kaipo Kekona  
State President

Christian Zuckerman  
Vice-President

Maureen Datta  
Secretary

Reba Lopez  
Treasurer

## Chapter Presidents

Kelii Gannet  
Kohala, Hawaii

East Hawaii

Puna, Hawaii

Ka'u, Hawaii

Maureen Datta  
Kona, Hawaii

Gina Lind  
Hana, Maui

Mason Scharer  
Haleakala, Maui

Kaiea Medeiros  
Mauna Kahalawai,  
Maui

Kaipo Kekona  
Lahaina, Maui

Kilia Avelino-Purdy  
Molokai

Negus Manna  
Lana'i

India Clark  
North Shore, O'ahu

Christian Zuckerman  
Wai'anae, O'ahu

Rachel LaDrig  
Waimanalo, O'ahu

Vincent Kimura  
Honolulu, O'ahu

Natalie Urminska  
Kauai

Aloha Chair Keohokalole, Vice Chair Fukunaga, and Members of the Senate Commerce and Consumer Protection 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 SB2922.**

SB2922 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, SB2922 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<sup>[1]</sup> 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.



PO Box 4, Kunia, Hawaii, 96759 || 808-622-9026 || [www.agstewardshiphawaii.org](http://www.agstewardshiphawaii.org)

---

February 13, 2026

Aloha e Chair Keohokalole Vice Chair Fukunaga and Members of the Commerce and Consumer Protection Committee

**Re: Testimony in Support of SB2922, Relating To Cooperative Associations**

On behalf of Agriculture Stewardship Hawai'i, we support SB2922, which establishes a unified General Cooperative Associations Act for Hawai'i.

In our work with farmers and ranchers across the state, we see how outdated and fragmented cooperative statutes create unnecessary legal complexity and costs. Producers seeking to form marketing, processing, equipment-sharing, or multi-stakeholder cooperatives often face barriers that discourage collaboration or push them into corporate structures that do not reflect the realities of their operations.

SB2922 would provide a clear and flexible legal framework that makes it easier and more affordable to form cooperatives across sectors, including agriculture. For farmers, this means stronger pathways for shared infrastructure, value-added processing, cooperative marketing, and succession planning.

Modern cooperative law is critical infrastructure for locally owned businesses, community wealth building, and agricultural resilience. SB2922 positions Hawai'i to better support cooperative enterprise and strengthen our local economy.

Mahalo for your time and consideration,

A handwritten signature in black ink, appearing to read "Amanda Shaw".

Dr. Amanda Shaw, PhD,  
Statewide Food Systems Coordinator  
Email: [amanda@agstewardshiphawaii.org](mailto:amanda@agstewardshiphawaii.org)  
Tel: 808 429 5310

*Agriculture Stewardship Hawai'i is a DBA of:  
O'ahu Resource Conservation and Development Council, a 501c3 Nonprofit Corporation*



**SB-2922**

Submitted on: 2/14/2026 2:08:18 PM

Testimony for CPN on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Richard Emery	Testifying for Associa	Comments	Written Testimony Only

Comments:

Currently there are a few (maybe 12) remaining Housing Co-Ops governed by HRS421I. Condominiums long ago replaced this form of real estate ownership.

This Bill should exclude Housing Cooperatives formed under HRS421I to avoid confusion and contradiction.

**SB-2922**

Submitted on: 2/16/2026 11:18:44 AM

Testimony for CPN on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Ming Wei Koh	Testifying for Hawai'i Mamaki Cooperation	Support	Written Testimony Only

Comments:

We support as this will modernize Hawai'i's cooperative laws and create a unified, flexible legal framework so worker-owned and community-owned businesses can form easily across any industry.

Mahalo nui



**Senate Committee on Commerce and Consumer Protection**

**Hawai'i Alliance for Progressive Action (HAPA) Supports: SB2922**

Wednesday, February 18th, 2026 9:30 a.m. Conference Room 229

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

**HAPA supports SB2922** 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.

SB2922 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 SB2922 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

**SB-2922**

Submitted on: 2/16/2026 12:01:20 PM

Testimony for CPN on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Philip Nerney	Testifying for CAI	Comments	Written Testimony Only

Comments:

CAI has no position on this matter, provided that it does not affect Cooperative Housing Corporations that are subject to HRS Chapter 421I.



**Testimony of Andrew Trump**

**Island Harvest Inc.**

**RE: SB2922 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 SB2922 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 Trump". The signature is written in a cursive style.

Andrew Trump

Vice President

Island Harvest Inc.



**Senator Jarrett Keohokalole, Chair**  
**Senator Carol Fukunaga Vice Chair**

Committee on Commerce and Consumer Protection

Tuesday, February 18, 2026  
9:30AM Conference Room 229

RE: SB2922 - General Cooperative Associations Act - Support

Dear Chair Keohokalole, Vice Chair Fukunaga, and Members of the Committee,

On behalf of the Chamber of Sustainable Commerce, we write in strong support of SB2922, the General Cooperative Associations Act. The Chamber of Sustainable Commerce represents more than 580 small businesses, sole proprietors and entrepreneurs across Hawai'i committed to a triple bottom line: people, planet and prosperity.

Co-ops exist to benefit their members and communities, not outside investors. That means profits stay local, jobs are more stable, and decisions are made by the people directly involved.

Across the islands, cooperatives already play a critical role in food security, renewable energy, and community finance. This Act updates Hawai'i's legal framework to support the next generation of cooperative enterprises and expand access to cooperative-specific financing and technical assistance.

Right now, Hawai'i's cooperative laws are spread across several different chapters of state law. That makes things confusing, more expensive, and harder for new types of co-ops to get started. Worker-owned businesses, multi-stakeholder co-ops, and newer models don't have one clear, simple legal home.

SB2922 fixes that. It creates one clear law for cooperatives and allows them to form for any lawful purpose. It recognizes different kinds of members – workers, farmers, customers, and even community supporters – while

### Hawaii Legislative Council Members

Joell Edwards  
Wainiha Country Market  
Hanalei

Russell Ruderman  
Island Naturals  
Hilo/Kona

Dr. Andrew Johnson  
Niko Niko Family Dentistry  
Honolulu

Robert H. Pahia  
Hawaii Taro Farm  
Wailuku

Maile Meyer  
Honolulu

Tina Wildberger  
Kihei Ice  
Kihei

L. Malu Shizue Miki  
Abundant Life Natural Foods  
Hilo

Chamber of  
Sustainable Commerce  
808.445.7606  
P.O. Box 22394  
Honolulu, HI 96823

keeping the core rule of co-ops: one member, one vote. It also allows profits (net margins) to be shared fairly based on how much members use or contribute to the co-op. This clear structure makes it easier for small businesses to transition to employee ownership, for farmers to organize together, for renewable energy projects to form, and for housing co-ops to grow. The bill also lets existing agricultural and consumer co-ops choose to operate under this updated law, so they can modernize without starting over.

The Chamber of Sustainable Commerce strongly supports passage of SB2922 to strengthen our communities, small businesses, local ownership, and a resilient, regenerative economy for Hawai'i.

**SB-2922**

Submitted on: 2/17/2026 1:25:26 AM

Testimony for CPN on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Tewid Meresbang	Testifying for Pacificnesian Equities	Support	Written Testimony Only

Comments:

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

**My name is Tewid Meresbang, CEO/Co-founder of Pacificnesian Equities, a consulting firm focused on sustainable and equitable development. I am submitting testimony in strong support of SB2922, Relating to Cooperative Associations.**

**SB2922 establishes a General Cooperative Associations Act to modernize Hawai‘i’s outdated and fragmented cooperative laws and create a unified, flexible legal framework for cooperatives to form for any lawful purpose. This is a critical step in supporting locally owned businesses, community wealth building, and economic resilience across our state.**

**Currently, Hawai‘i 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 hurdles or are forced into corporate structures that do not reflect cooperative values or democratic governance.**

**By creating a single, modern cooperative statute, SB2922 will:**

- Make it easier and more affordable to form cooperatives**
- Provide clear and consistent governance rules**
- Support locally owned businesses across agriculture, housing, energy, retail, technology, and other sectors**
- Allow existing agricultural and consumer cooperatives to opt into a more flexible framework if they choose**

**Cooperatives are proven to create stable jobs, keep wealth circulating locally, and strengthen rural and community economies. Across the country, states with modern cooperative laws have seen growth in worker ownership, small business succession through cooperative conversions, and increased community investment.**

**SB2922 positions Hawai‘i to join those states by providing the legal infrastructure needed for cooperative enterprises to thrive.**

**At a time when many local businesses struggle with rising costs, workforce challenges, and ownership transitions, cooperatives offer a practical, locally rooted solution that benefits workers, consumers, and communities alike.**

**I respectfully urge the committee to pass SB2922 and help modernize Hawai'i's cooperative laws to better support local ownership and economic opportunity.**

**Mahalo for the opportunity to testify.**



**February 16, 2026**

To: Chair Keohokalole, Vice Chair Fukunaga, and Members of the Senate Committee on Commerce and Consumer Protection

Subject: SB2922 – Relating to Cooperative Associations

Aloha Chair and Members of the Committee,

The Food+ Policy Team writes in support of SB2922, which would establish a modern and unified legal framework for cooperative businesses in Hawai'i.

Cooperatives already play an important role in Hawai'i's economy, particularly in agriculture. Agricultural cooperatives allow farmers to pool resources, share infrastructure, aggregate products, access markets, and strengthen their bargaining power. These structures help stabilize local supply chains and keep more value circulating within our communities. Cooperative models are also used across other sectors, including housing, finance, and community services, demonstrating their broad economic relevance.

However, Hawai'i's current cooperative statutes are spread across multiple chapters of law. This fragmented structure increases legal complexity and formation costs and does not adequately support newer models such as worker-owned and multi-stakeholder cooperatives. As a result, some locally rooted enterprises must organize under corporate structures that do not fully reflect cooperative governance principles.

SB2922 would create a clearer and more flexible framework, enabling cooperatives to form for any lawful purpose while preserving democratic member control. By modernizing Hawai'i's cooperative law, the State can reduce barriers to formation, support agricultural collaboration, and strengthen cross-sector community-based enterprise.

For food systems in particular, cooperative structures can improve market access, increase coordination among producers, and support long-term agricultural resilience. Updating this statute helps ensure Hawai'i's legal framework reflects the realities of today's locally driven economy.

We respectfully urge the Committee to pass SB2922.

Mahalo,

Carlin McFadden & the Food+ Policy Team  
#fixourfoodsystem

---

**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 2026, the cohort of interns are undergraduate and graduate students and young professionals working in the food 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.

# RE: SB2922 – Relating to Cooperative Associations

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

My name is Glenn Toyama, and I am a community member interested in forming or joining a cooperative in Hawai'i. I strongly support SB2922, which modernizes Hawai'i's cooperative laws by creating a unified General Cooperative Associations Act.

Many people in our communities are looking for ways to own businesses together, create stable jobs, and keep wealth local. However, Hawai'i's current cooperative laws are outdated and difficult to navigate, which discourages people from pursuing cooperative ownership.

SB2922 would remove these barriers by providing a clear and flexible legal structure that supports worker-owned, community-based, and multi-stakeholder cooperatives while preserving democratic control.

This bill will expand economic opportunity for local families and help build stronger, more resilient communities across Hawai'i.

I respectfully urge the committee to pass SB2922.

Mahalo for the opportunity to testify.



Glenn Toyama  
a Kaneohe community houseless outreach organizer  
Kaneohe, HI. 96744  
Email: [gtoyama202x@gmail.com](mailto:gtoyama202x@gmail.com)  
Cell: 808-741-6002

**LATE**

**SB-2922**

Submitted on: 2/17/2026 10:24:25 AM

Testimony for CPN on 2/18/2026 9:30:00 AM

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

Comments:

**\*\*Support\*\***

The Nation of Hawai'i is committed to advancing the political, economic, and social rights of Native Hawaiians, with a focus on self-determination, communal land tenure, and sustainable resource management. SB2922 is of particular interest because it proposes a unified and flexible legal framework for cooperative associations, an approach that aligns with traditional Hawaiian values of collective stewardship and economic collaboration.

By enabling the formation of cooperatives for any lawful purpose and allowing existing agricultural and consumer cooperatives to opt into this new governance framework, the bill supports economic models that foster local ownership and community benefit. This is consistent with the ahupua'a system and communal practices that sustained Native Hawaiians for generations, as well as with our ongoing efforts to achieve food sovereignty, energy independence, and economic self-sufficiency. Cooperatives have been shown in various contexts to empower marginalized communities, facilitate resource sharing, and promote sustainable development.

However, the transition to a general cooperative framework may present challenges for existing cooperatives, particularly those with deep cultural or sector-specific practices. It is important that the new Act provides sufficient flexibility for cooperatives to incorporate indigenous governance principles, protect communal land tenure, and ensure that traditional knowledge and language are respected in their operations. The bill's allowance for voluntary opt-in by agricultural and consumer cooperatives is a positive step, but clarity will be needed to ensure that this transition does not inadvertently undermine existing protections or cultural practices.

We respectfully recommend that the Legislature ensure the General Cooperative Associations Act explicitly accommodates the unique needs of Native Hawaiian and indigenous cooperatives, including provisions for cultural stewardship, language access, and communal resource management. Clear guidance and technical assistance for transitioning cooperatives will help maximize the benefits of this legislation while safeguarding the values and rights of Native Hawaiian communities.

Aloha,

Brandon Maka'awa'awa

Vice President, Nation of Hawaii



*Farmer owned, 'āina grown*

**LATE**

Aloha Chair Keohokalole, Vice Chair Fukunaga, and Members of the Senate Committee on Commerce and Consumer Protection (CPN),

This testimony provided on behalf of the Hawai'i 'Ulu Producers Cooperative is in **strong support of SB2922**, 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?**

For many, the "Co-op" model is still a new concept, but it is a proven engine for economic resilience. Unlike traditional corporations driven by outside shareholders, cooperatives are businesses owned and democratically controlled by the people who use their services—whether they are workers, farmers, or other community stakeholders.

Cooperatives keep wealth within our islands. Because they are rooted in the community, they are less likely to relocate and more likely to prioritize fair wages, sustainable local sourcing, and long-term stability over short-term profits. They represent a "circular economy" that directly benefits Hawai'i's people.



**Hawai'i 'Ulu Producers Cooperative**

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

## Why Hawai'i Needs this Modernization

Currently, Hawai'i's cooperative laws are fragmented and outdated. Our current statutes (like 421C and 421) are sector-specific, meaning they were written decades ago specifically for farmers or for grocery consumers. This creates significant barriers:

- **Legal Hurdles:** If a group of local residents want to start a worker-owned childcare center, a multi-stakeholder renewable energy project, or a community-owned technology platform, there is no clear legal path for them to do so under existing law.
- **High Costs:** Entrepreneurs are forced into corporate structures that don't fit their values or must pay for expensive legal workarounds to try and fit into outdated codes.
- **Missed Opportunities:** States with modern general cooperative statutes see higher rates of local business succession (retiring owners selling to their employees) and increased community wealth building.

## The Benefit to Hawai'i's Communities

Modernizing these laws isn't just a technical fix—it's an economic strategy for resilience. Cooperatives:

- **Keep Wealth Local:** Profits are returned to members based on their "patronage" (their participation), ensuring money stays in our islands rather than being extracted by mainland shareholders.
- **Stabilize Jobs:** Worker-owned cooperatives are proven to have lower turnover and are more resilient during economic downturns because the owners are the workers themselves.
- **Empower Underserved Areas:** Co-ops provide a pathway for Native Hawaiian and rural communities to pool resources and solve their own challenges in housing, food security, and energy.

## Support for the Amended Version

We specifically support the proposed amendment to **repurpose Chapter 421C into a General Cooperative Statute**. This provides the "unified, flexible legal framework" our state desperately needs. It allows existing agricultural and consumer cooperatives to opt-in if they choose, while finally opening the door for new, innovative worker-owned and multi-stakeholder models to flourish.

This bill, alongside SB2716, builds the legal and institutional infrastructure necessary for a community-centered economy in Hawai'i.



We respectfully urge the committee to **pass SB2922** and modernize our laws to support local ownership and economic opportunity.

Mahalo for the opportunity to testify,



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



**LATE**

## WRITTEN TESTIMONY

### SB 2922: General Co-op Associations Act

*Senate Committee on Commerce and Consumer Protection (CPN)*

*Hearing: Wednesday, February 18, 2026 | 9:30 AM | Conference Room 229 & 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 submitting testimony in strong support of SB 2922, the General Co-op Associations Act, which would establish a unified, flexible legal framework for cooperatives of any kind to form and operate in Hawai'i for any lawful purpose.

I represent the Farmers' Heart Cooperative Project, an emerging agricultural cooperative on Hawai'i Island in Mountain View, currently in the process of land acquisition and organizational formation. Our project involves a multi-enterprise farming operation with a core farmer-owner group, a pathway for broader community participation, and a governance structure rooted in our 4 Kuleana: protect the 'āina, feed the people, engage the keiki, and build healthy community.

#### The Problem: Hawai'i's Outdated Co-op Law

Anyone who has tried to form a cooperative in Hawai'i under current law quickly discovers the problem: the existing legal framework is fragmented, dated, and built primarily around agricultural marketing co-ops and consumer co-ops in separate chapters. Worker cooperatives, multi-stakeholder cooperatives, and community-based cooperatives — precisely the forms most relevant to the needs of today's economy — exist in a legal gray zone. Forming them requires expensive legal workarounds, and lenders who are unfamiliar with cooperative structures grow cautious when the legal entity itself feels uncertain.

The Farmers' Heart Project has directly experienced this friction. Our advisor recommended an LLC-mothership structure as the most practical path forward under current law, with an intended transition to cooperative ownership once the legal and

financial infrastructure is better established. That we must begin as something other than what we intend to be is a direct consequence of the gap SB 2922 would close.

## **What SB 2922 Would Change**

---

A modern General Cooperative Associations Act would accomplish several things at once. It would create a single, clear legal home for cooperatives of all types — agricultural, worker, consumer, multi-stakeholder, and community — reducing the need for costly workarounds. It would allow cooperatives to form quickly with clear governance provisions and member pathways established in statute. It would give lenders, agricultural loan officers, and state agencies a coherent reference point for understanding and financing cooperative entities. And it would allow existing agricultural and consumer co-ops to voluntarily elect into the new framework if they choose.

This is not theoretical. States with modern cooperative statutes — including Colorado, Minnesota, and Wisconsin — have significantly more robust cooperative ecosystems. Their cooperative law reflects their cooperative reality. Hawai'i should do the same.

## **The Indigenous Roots of Cooperative Governance**

---

There is something deeply resonant about this bill for Hawai'i specifically. The cooperative principles of democratic member control, shared ownership, equitable distribution, and community concern are not imports from European cooperative theory — they are also woven into the fabric of Hawaiian community governance.

The principles of mālama 'āina (caring for the land), laulima (many hands working together), and pono (righteous balance) describe a form of cooperative relationship that predates any Western corporate legal structure. Dr. Noa Lincoln's research at UH Mānoa CTAHR demonstrates how traditional Hawaiian land management systems — including the ahupua'a — were sophisticated, multi-stakeholder systems of shared stewardship. A flexible modern cooperative law creates the legal vessel that community practitioners can fill with culturally grounded content.

The Ulu Cooperative model on O'ahu demonstrates this possibility already. Starting with nine farmers and growing to over 160 members across four islands, it proves that Hawaii communities are ready for cooperative ownership — when the infrastructure supports it.

## **Specific Considerations**

---

We respectfully ask the Committee to ensure that the final form of this legislation:

- Includes clear provisions for multi-stakeholder cooperatives, which combine multiple member classes (farmer-operators, community members, supporting investors) in a single governance structure — this is the most relevant form for agricultural cooperatives seeking both farmer ownership and community support.
- Ensures democratic governance provisions are robust and protected — specifically that cooperative values of equity, democratic member control, and

economic participation are preserved in the statutory framework, even as flexibility is offered on structure.

- Provides a clear, accessible pathway for agricultural cooperatives — including emerging land-based cooperatives on Neighbor Islands — to form under the new framework without prohibitive legal costs.
- Considers companion investment in legal aid or technical assistance resources so that communities without access to cooperative attorneys can still utilize the new law effectively.

## Closing

---

Hawai'i's food future will be built by people working together on the land. The Farmers' Heart Project, the Ulu Co-op, and countless other organizations across these islands are already doing that work. SB 2922 is the legal infrastructure that lets us do it more clearly, more accountably, and with greater long-term permanence.

We urge the Committee to pass SB 2922. The land is ready. The farmers are ready. The law should be ready too.

Mahalo nui loa,

Lyman

Farmers' Heart Cooperative Project | [fearlesshearts@gmail.com](mailto:fearlesshearts@gmail.com)

**SB-2922**

Submitted on: 2/13/2026 4:08:48 PM

Testimony for CPN on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Elle Vincioni	Individual	Support	Written Testimony Only

Comments:

Aloha Honorable Committee Members,

I strongly support the General Cooperative Associations Act. Having volunteered at Pu‘uhonua o Waimānalo with the Nation of Hawai‘i on numerous occasions for their Aloha ‘Āina Days, I am astounded by their incredible work to sustain their community. They actively uplift Kānaka ‘Ōiwi and Kama‘āina by educating others and putting Indigenous knowledge and science into practice. This bill provides the flexible legal framework they need to flourish.

By allowing cooperatives to form for "any lawful purpose," it empowers communities like Pu‘uhonua O Waimānalo to advance their agricultural, governmental, and economic goals under a unified structure that protects their values as the Indigenous people of this land.

Nearly 90 percent of Hawai‘i's food is imported, and as lawmakers that put local people and the needs of your community first, I urge you to pass this measure as a vital step in advancing Hawai‘i as a whole by supporting the self-sufficiency and autonomy of its people.

Mahalo nui loa,

Elle Vincioni

UH Mānoa Graduate Student

**SB-2922**

Submitted on: 2/14/2026 9:21:31 AM

Testimony for CPN on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Ted Bohlen	Individual	Support	Written Testimony Only

Comments:

SUPPORT facilitating cooperatives.

**SB-2922**

Submitted on: 2/14/2026 10:55:06 AM

Testimony for CPN on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Michelle Ma	Individual	Support	Written Testimony Only

Comments:

Support!

**SB-2922**

Submitted on: 2/14/2026 5:00:31 PM

Testimony for CPN on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Emily Shaljian	Individual	Support	Written Testimony Only

Comments:

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

My name is Emily Shaljian, and I am submitting testimony in strong support of SB2922, Relating to Cooperative Associations.

SB2922 establishes a General Cooperative Associations Act to modernize Hawai'i's outdated and fragmented cooperative laws and create a unified, flexible legal framework for cooperatives to form for any lawful purpose. This is a critical step in supporting locally owned businesses, community wealth building, and economic resilience across our state.

Currently, Hawai'i 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 hurdles or are forced into corporate structures that do not reflect cooperative values or democratic governance.

By creating a single, modern cooperative statute, SB2922 will:

- Make it easier and more affordable to form cooperatives
- Provide clear and consistent governance rules
- Support locally owned businesses across agriculture, housing, energy, retail, technology, and other sectors
- Allow existing agricultural and consumer cooperatives to opt into a more flexible framework if they choose

Cooperatives are proven to create stable jobs, keep wealth circulating locally, and strengthen rural and community economies. Across the country, states with modern cooperative laws have seen growth in worker ownership, small business succession through cooperative conversions, and increased community investment.

SB2922 positions Hawai'i to join those states by providing the legal infrastructure needed for cooperative enterprises to thrive.

At a time when many local businesses struggle with rising costs, workforce challenges, and ownership transitions, cooperatives offer a practical, locally rooted solution that benefits workers, consumers, and communities alike.

I respectfully urge the committee to pass SB2922 and help modernize Hawai'i's cooperative laws to better support local ownership and economic opportunity.

Mahalo for the opportunity to testify.

Emily Shaljian

**SB-2922**

Submitted on: 2/14/2026 6:02:42 PM

Testimony for CPN on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Brandon Koskie	Individual	Support	Written Testimony Only

Comments:

Aloha my name is Brandon Koskie and I am in support of SB2922. Hawaii's current cooperative laws are fragmented. Scattered across different chapters for specific types from agricultural to consumer co-ops. This makes it hard to form cooperatives. SB2922 creates a single, flexible framework which allows cooperatives to form for a lawful purpose. This bill will give support for innovative structures such as multi-stakeholder cooperatives, worker-owned businesses, and community owned cooperatives. This will promote local ownership, economic resilience, and self determination. From community solar, ulu/taro farming, housing, and small local businesses, the possibilities are endless with how the bill can help the community. We can assist the people who want to grow, innovate and take care of the land.

**SB-2922**

Submitted on: 2/15/2026 12:58:09 PM

Testimony for CPN on 2/18/2026 9:30:00 AM

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 SB 2922**, which establishes a *General Cooperative Associations Act* that creates a unified and flexible legal framework for cooperatives in Hawai‘i.

I support this bill because I believe that **economic systems should work for people and community**, not just for profit. Hawai‘i faces unique challenges (like high cost of living, reliance on imports, and concentrated ownership structures) that make local resilience and community-driven economic models essential.

SB 2922 will modernize Hawai‘i’s outdated cooperative statutes — currently fragmented and rigid — and give communities, workers, producers, and consumers the legal tools to build equitable, democratic enterprises that **keep wealth circulating locally**.

**Why this matters:**

**Community Wealth Building:** Cooperatives, including agricultural co-ops, worker-owned businesses, and multi-stakeholder enterprises, help anchor economic value in Hawai‘i by prioritizing local ownership and democratic member governance. These models retain profits within our islands and create opportunities for wealth building for everyday residents.

**Equity and Accessibility:** Today’s patchwork of cooperative laws forces many groups to adopt corporate structures that don’t reflect cooperative values. This bill lowers barriers to forming cooperatives, making it easier for small farmers, childcare cooperatives, renewable energy projects, and other community ventures to operate under a law that recognizes their principles and priorities.

**Supports Food Security and Sustainability:** In the face of climate change, supply chain fragility, and rising costs, cooperative models help strengthen food systems and diversify economic pathways. A unified cooperative statute makes it easier for Hawai‘i’s agricultural communities to partner, share resources, and invest in regenerative practices.

SB 2922 doesn’t just update statute language; it opens doors for Hawai‘i’s people to design economic systems that reflect *our cultural values of cooperation, mutual support, and shared*

*benefit.* I urge this Committee to **pass SB 2922 with strong support**, so that Hawai‘i can nurture homegrown economic resilience and opportunity for all.

Mahalo nūnui for your consideration.

**SB-2922**

Submitted on: 2/15/2026 6:09:58 PM

Testimony for CPN on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Chelle C Pahinui	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Keohokalole and Members of the Senate Committee on Commerce and Consumer Protection,

I strongly support SB2922, which modernizes Hawai‘i’s cooperative laws and creates a unified legal framework for worker-owned and community-owned enterprises.

Outdated cooperative statutes limit innovation and make it unnecessarily difficult for Hawai‘i residents to form businesses that reflect our shared values of collaboration, shared stewardship, and collective resilience. In rural communities especially, cooperative structures provide a powerful pathway for local ownership, shared risk, and shared reward.

Modernizing the General Cooperative Associations Act allows entrepreneurs, farmers, cultural practitioners, and creative workers to build enterprises that keep wealth circulating locally rather than flowing outward. It supports multi-stakeholder models that align with Hawai‘i’s traditions of collective responsibility and mutual aid.

SB2922 positions Hawai‘i to meet 21st-century challenges with community-rooted solutions. I respectfully urge your support.

Mahalo for the opportunity to testify.

Chelle Pahinui  
Captain Cook  
Nahenahe Farm LLC

**SB-2922**

Submitted on: 2/15/2026 9:03:29 PM

Testimony for CPN on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Noa LIncoln	Individual	Support	Written Testimony Only

Comments:

I strongly support this bill.

**SB-2922**

Submitted on: 2/16/2026 9:26:17 AM

Testimony for CPN on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kelsey Amos	Individual	Support	Written Testimony Only

Comments:

I support SB2922.

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.

**SB-2922**

Submitted on: 2/16/2026 9:45:03 AM

Testimony for CPN on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Summer begnaud	Individual	Support	Written Testimony Only

Comments:

I strongly support SB2922, which establishes a modern General Cooperative Associations Act to unify and update Hawai‘i’s outdated cooperative laws. This bill will make it easier to form and operate worker-owned, community-based, and multi-stakeholder cooperatives while preserving democratic governance and keeping wealth in Hawai‘i. I respectfully urge the committee to pass SB2922.

**SB-2922**

Submitted on: 2/16/2026 12:29:45 PM

Testimony for CPN on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Carmela Resuma	Individual	Support	Written Testimony Only

Comments:

I support this bill.

**SB-2922**

Submitted on: 2/16/2026 12:32:37 PM

Testimony for CPN on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Leo Nahe Smith	Individual	Support	Written Testimony Only

Comments:

Aloha all,

**My name is Leo Nahe, and I am submitting testimony in strong support of SB2922, Relating to Cooperative Associations.**

**SB2922 establishes a General Cooperative Associations Act to modernize Hawai‘i’s outdated and fragmented cooperative laws and create a unified, flexible legal framework for cooperatives to form for any lawful purpose. This is a critical step in supporting locally owned businesses, community wealth building, and economic resilience across our state.**

**Currently, Hawai‘i 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 hurdles or are forced into corporate structures that do not reflect cooperative values or democratic governance.**

**By creating a single, modern cooperative statute, SB2922 will:**

- Make it easier and more affordable to form cooperatives**
- Provide clear and consistent governance rules**
- Support locally owned businesses across agriculture, housing, energy, retail, technology, and other sectors**
- Allow existing agricultural and consumer cooperatives to opt into a more flexible framework if they choose**

**Cooperatives are proven to create stable jobs, keep wealth circulating locally, and strengthen rural and community economies. Across the country, states with modern cooperative laws have seen growth in worker ownership, small business succession through cooperative conversions, and increased community investment.**

**SB2922 positions Hawai‘i to join those states by providing the legal infrastructure needed for cooperative enterprises to thrive.**

**At a time when many local businesses struggle with rising costs, workforce challenges, and ownership transitions, cooperatives offer a practical, locally rooted solution that benefits workers, consumers, and communities alike.**

**I respectfully urge the committee to pass SB2922 and help modernize Hawai'i's cooperative laws to better support local ownership and economic opportunity.**

**Mahalo,**

**Leo Nahe, Nu'uano**

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

My name is Oriana Leao and I **support** SB2922 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.

SB2922 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.

**SB-2922**

Submitted on: 2/16/2026 8:31:31 PM

Testimony for CPN on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jan K Baldado	Individual	Support	Written Testimony Only

Comments:

Aloha,

I SUPPORT SB 2922.

Mahalo nui.

**SB-2922**

Submitted on: 2/17/2026 7:31:07 AM

Testimony for CPN on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Carly Wyman	Individual	Support	Written Testimony Only

Comments:

[SB2922 – 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. SB2922 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 SB2922.

**SB-2922**

Submitted on: 2/17/2026 7:53:09 AM

Testimony for CPN on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Malia	Individual	Support	Written Testimony Only

Comments:

Aloha Chair and Members of the Committee,

I'm writing in support of SB2922 in regards to making it easier for new cooperatives to organize, operate, manage governance. By increasing the ability to reduce legal uncertainty, opportunities for major shifts will happen. People will have new avenues to relate and co-create in a way that hasn't always been easily accessible. This measure represents more than a technical change in statute — it is an opportunity to strengthen the social and economic foundations of our communities.

As someone who previously helped to manage the Berkeley Student Cooperative (BSC) while attending school in Berkeley, I witnessed firsthand the transformative power of cooperative governance. In that environment, collaboration was not just an ideal — it was a daily practice. Through shared leadership and mutual accountability, we were able to keep housing affordable, create inclusive educational programming, and expand access to community gardens and land-based learning spaces. This created opportunities for many marginalized community members to have a life full of support whereas without the co-operative model, they would've continued to face economic and health disparities. As a current healthcare student and mahi'ai born and raised in Waikiki, I've witnessed how Hawai'i is becoming less of a melting pot and more of a competitive financially driven space where locals get pushed out due to lack of structure for culturally appropriate lifestyles.

Living in a cooperative taught me that when people are given a clear and supportive legal structure, they can organize effectively and sustainably. Our ability to collectively steward land for gardening, share resources, and create educational opportunities was possible because the cooperative model reduced barriers to participation and empowered members to take ownership of their shared future.

In Hawai'i, where the cost of living continues to rise, strengthening the legal framework for cooperatives will create pathways toward resilience. By reducing legal uncertainty and modernizing governance options, SB2922 will make it easier for agricultural, consumer, and other cooperatives to form and thrive. This supports not only economic sustainability, but also deeper relationships to 'āina and to one another.

Cooperatives reflect the values of shared kuleana, reciprocity, and collective well-being that are foundational to our islands. When we invest in cooperative structures, we invest in community self-determination. SB2922 provides the infrastructure necessary for communities to organize in ways that are rooted in collaboration rather than competition, which is exactly what is needed for the Aloha Spirit to rise once again.

For these reasons, I respectfully urge you to support SB2922.

Mahalo,

Malia Powers

**LATE**

## **TESTIMONY IN SUPPORT OF SB2922**

### **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 SB2922, which establishes a General Cooperative Associations Act to provide a unified and flexible legal framework for cooperatives in Hawai'i.

Cooperatives are a powerful tool for building community-based economic resilience and expanding local ownership opportunities. However, many emerging cooperative efforts face challenges due to unclear or fragmented legal structures, limited standardization, and high administrative barriers to formation. A unified legal framework would reduce confusion, streamline cooperative development, and encourage more locally driven enterprises to form and succeed.

SB2922 is especially important because it modernizes Hawai'i's approach to cooperative formation by allowing cooperatives to form for any lawful purpose, rather than limiting cooperative development to specific sectors or outdated structures. This flexibility is essential in Hawai'i, where cooperatives are increasingly being explored as solutions for critical needs such as food systems, agriculture, housing, childcare, renewable energy, and community services.

Additionally, allowing agricultural cooperative associations and consumer cooperative associations to elect governance under the General Cooperative Associations Act provides needed flexibility while still preserving the integrity and intent of cooperative models. This approach supports both innovation and long-term sustainability.

From my experience working in community resilience and local economic development, I have seen that cooperative structures can strengthen communities by enabling shared ownership, shared accountability, and shared benefit. Establishing a modern, unified cooperative statute is a meaningful step toward empowering local people to build enterprises that keep resources and decision-making rooted in Hawai'i.

For these reasons, I respectfully urge the Committee to pass SB2922.

Mahalo nui loa for the opportunity to provide testimony and for your leadership in supporting local economic resilience and community-driven solutions.

Respectfully,  
Jennifer Karaca

**LATE**

**SB-2922**

Submitted on: 2/17/2026 11:18:51 AM

Testimony for CPN on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Cheryl Ho	Individual	Support	Written Testimony Only

Comments:

I Stand in support of this bill

**LATE**

**SB-2922**

Submitted on: 2/17/2026 12:12:38 PM

Testimony for CPN on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Stacey Alapai	Individual	Support	Written Testimony Only

Comments:

Please Support SB2922 to modernize our cooperative laws to support worker and community-owned businesses.

Mahalo,

Stacey Alapai, Maui

**LATE**

**SB-2922**

Submitted on: 2/17/2026 12:20:46 PM

Testimony for CPN on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Ashlie McGuire	Individual	Support	Written Testimony Only

Comments:

I strongly support agricultural co-ops in Hawaii

**LATE**



**Wai‘anae Community Re-Development Corporation & MA‘O Organic Farms**

Farm: 86-148 Puhawai Road, Mailing: P.O. BOX 441 Wai‘anae, Hawai‘i 96792

Phone: 808-696-5569, Email: [info@maoorganicfarms.org](mailto:info@maoorganicfarms.org), Website: [www.maoorganicfarms.org](http://www.maoorganicfarms.org)

**Testimony in Support of SB2922**

**Wai‘anae Community Re-Development Corporation – MA‘O Organic Farms (WCRC-MA‘O)**

Aloha kākou e Chair and Members of the Committee,

On behalf of the Wai‘anae Community Re-Development Corporation and MA‘O Organic Farms (WCRC-MA‘O), we respectfully submit strong support for SB2922, which establishes a modern General Cooperative Associations Act to unify and update Hawai‘i’s outdated cooperative laws.

Our organization is grounded in community-led, equity-driven economic development that centers ‘ike kupuna, aloha ‘āina, and the restoration of abundance for our communities. We believe cooperative business models align deeply with Hawai‘i’s cultural values by prioritizing shared ownership, democratic governance, and collective well-being over extractive economic practices. Worker-owned, community-based, and multi-stakeholder cooperatives provide pathways for local residents—especially youth, farmers, and emerging entrepreneurs—to build assets, retain wealth locally, and participate meaningfully in economic decision-making.

SB2922 represents an important step toward strengthening Hawai‘i’s local economy by making it easier to form and operate cooperatives while maintaining strong democratic principles. Modernizing cooperative law will help remove barriers for communities seeking to develop culturally grounded enterprises that are rooted in place, relationships, and long-term stewardship.

For organizations like WCRC-MA‘O, which work at the intersection of youth leadership development, ‘āina-based education, and social enterprise, cooperatives offer a promising structure to expand economic opportunity while preserving cultural and social values of aloha ‘āina and ‘āina aloha. Enabling cooperative development supports not only business growth, but also community resilience, workforce development, and intergenerational prosperity across Hawai‘i.

Mahalo for the opportunity to provide testimony. We respectfully urge the committee to pass SB2922.

Me ka ha‘aha‘a, humbly,

A handwritten signature in black ink, appearing to read 'J. Kukuiola Maunakea-Forth'.

J. Kukuiola Maunakea-Forth, Executive Director  
Executive & Programs Director, WCRC-MA‘O

**LATE**

**SB-2922**

Submitted on: 2/17/2026 4:26:41 PM

Testimony for CPN on 2/18/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Mackenzie Harrington	Individual	Support	Written Testimony Only

Comments:

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

**My name is Mackenzie Harrington, and I am submitting testimony in strong support of SB2922, Relating to Cooperative Associations.**

**SB2922 establishes a General Cooperative Associations Act to modernize Hawai'i's outdated and fragmented cooperative laws and create a unified, flexible legal framework for cooperatives to form for any lawful purpose. This is a critical step in supporting locally owned businesses, community wealth building, and economic resilience across our state.**

**Currently, Hawai'i 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 hurdles or are forced into corporate structures that do not reflect cooperative values or democratic governance.**

**By creating a single, modern cooperative statute, SB2922 will:**

- Make it easier and more affordable to form cooperatives**
- Provide clear and consistent governance rules**
- Support locally owned businesses across agriculture, housing, energy, retail, technology, and other sectors**
- Allow existing agricultural and consumer cooperatives to opt into a more flexible framework if they choose**

**Cooperatives are proven to create stable jobs, keep wealth circulating locally, and strengthen rural and community economies. Across the country, states with modern cooperative laws have seen growth in worker ownership, small business succession through cooperative conversions, and increased community investment.**

**SB2922 positions Hawai'i to join those states by providing the legal infrastructure needed for cooperative enterprises to thrive.**

**At a time when many local businesses struggle with rising costs, workforce challenges, and ownership transitions, cooperatives offer a practical, locally rooted solution that benefits workers, consumers, and communities alike.**

**I respectfully urge the committee to pass SB2922 and help modernize Hawai'i's cooperative laws to better support local ownership and economic opportunity.**

**Mahalo for the opportunity to testify.**

**LATE**

**SB-2922**

Submitted on: 2/17/2026 6:54:12 PM

Testimony for CPN on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Cristina Holt	Individual	Support	Written Testimony Only

Comments:

Chair Keohokalole, Vice Chair Fukunaga, and Members of the Committee,

I am submitting testimony in **STRONG SUPPORT** of SB 2922.

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.

SB 2922 would have changed that for me, and it will change it for the next person in Hilo, or Kona, or anywhere in Hawaii who wants to build something together with their community rather than just for a handful of investors.

Please Support SB 2922. Mahalo

**LATE**

**SB-2922**

Submitted on: 2/17/2026 9:48:57 PM

Testimony for CPN on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kelsey Mapa	Individual	Support	Written Testimony Only

Comments:

Aloha,

I support SB 2922 which modernizes Hawai'i's cooperative laws to create a unified, flexible framework for worker and community-owned businesses. Research shows that everyone is safer, healthier, and happier when societies are able to work together to share resources and care for one another. Cooperative ownership is one way this can happen; it's a business model that deserves to flourish! Please support SB2922!

**LATE**

**SB-2922**

Submitted on: 2/18/2026 8:02:05 AM

Testimony for CPN on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Maile Risch	Individual	Support	Written Testimony Only

Comments:

My name is Maile Risch, and I am submitting testimony in strong support of SB2922, Relating to Cooperative Associations.

SB2922 establishes a General Cooperative Associations Act to modernize Hawai‘i’s outdated and fragmented cooperative laws and create a unified, flexible legal framework for cooperatives to form for any lawful purpose. This is a critical step in supporting locally owned businesses, community wealth building, and economic resilience across our state.

Currently, Hawai‘i 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 hurdles or are forced into corporate structures that do not reflect cooperative values or democratic governance.

By creating a single, modern cooperative statute, SB2922 will:

- Make it easier and more affordable to form cooperatives
- Provide clear and consistent governance rules
- Support locally owned businesses across agriculture, housing, energy, retail, technology, and other sectors
- Allow existing agricultural and consumer cooperatives to opt into a more flexible framework if they choose

Cooperatives are proven to create stable jobs, keep wealth circulating locally, and strengthen rural and community economies. Across the country, states with modern cooperative laws have seen growth in worker ownership, small business succession through cooperative conversions, and increased community investment.

SB2922 positions Hawai‘i to join those states by providing the legal infrastructure needed for cooperative enterprises to thrive.

At a time when many local businesses struggle with rising costs, workforce challenges, and ownership transitions, cooperatives offer a practical, locally rooted solution that benefits workers, consumers, and communities alike.

I respectfully urge the committee to pass SB2922 and help modernize Hawai'i's cooperative laws to better support local ownership and economic opportunity.

Mahalo for the opportunity to testify.