

STAND. COM. REP. NO. **2776**

Honolulu, Hawaii

**FEB 29 2024**

RE: S.B. No. 2500  
S.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Second State Legislature  
Regular Session of 2024  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2500, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO VALUE-ADDED PRODUCTS,"

begs leave to report as follows:

The purpose and intent of this measure is to help the State meet its agricultural and economic diversification goals.

More specifically, this measure:

- (1) Establishes a food and product innovation network within the Agribusiness Development Corporation; and
- (2) Appropriates moneys for the food and product innovation network.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Agribusiness Development Corporation; University of Hawaii; Hawaii Food Industry Association; Hawaii Farmers Union; Ulupono Initiative; Hawaii Farm Bureau; Hawaii Forest Industry Association; Chamber of Commerce Hawaii; and Maui Chamber of Commerce.

Your Committee finds that establishing a food and product innovation network will help the State meet its agricultural and



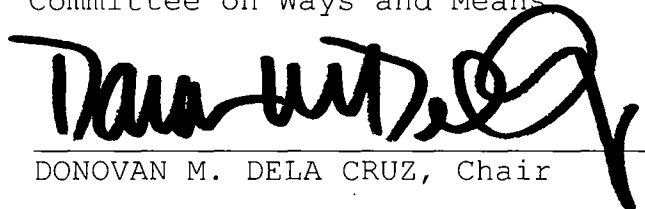
economic diversification goals. Your Committee recognizes that product research and development is risky and requires up-front capital, which often discourages emerging agribusinesses and entrepreneurs from exploring new markets. Your Committee believes that establishing a food and product innovation network will decrease the risk of investment for growing businesses and accelerate their efforts in developing new products to promote food resiliency and Hawaii's export marketing.

Your Committee has amended this measure by:

- (1) Clarifying the duties of the food and product innovation network;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2500, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2500, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means

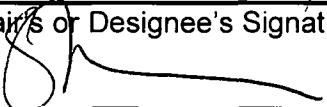


DONOVAN M. DELA CRUZ, Chair



The Senate  
 Thirty-Second Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2500, SD1	EET/AEN, WAM	2/23/2024		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
MORIWAKI, Sharon Y. (VC)	X			
AQUINO, Henry J.C.	X			
DECOITE, Lynn				X
HASHIMOTO, Troy N.	X			
INOUYE, Lorraine R.				X
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
KIM, Donna Mercado	X			
LEE, Chris	X			
SHIMABUKURO, Maile S.L.	X			
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
<b>TOTAL</b>	11			2
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
<b>Distribution:</b>				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

\*Only one measure per Record of Votes