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# A BILL FOR AN ACT

RELATING TO CONSUMER PROTECTION.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that coffee is an  
2 important agricultural crop of the State and a highly valued  
3 commodity in Hawaii. Despite the premium value of Hawaii-grown  
4 coffee, the State has not protected the integrity of the names  
5 of coffee origin regions, such as "Kona", "Kau", or "Kauai".  
6 Instead, existing law allows coffee blends that contain only  
7 very small amounts of coffee beans from these distinctive  
8 regions to use the name of those regions on product packaging, a  
9 practice that deceives consumers and harms coffee growers.

10           The legislature further finds that Hawaii requires that,  
11 for coffee products, only ten per cent of the coffee must  
12 originate in the geographic area indicated for that product to  
13 use the geographic origin name on its label. Other  
14 jurisdictions typically require that one hundred per cent of the  
15 coffee originate in the geographic area to protect the value,  
16 integrity, and reputation of that product and its associated  
17 geographic origin name.



1           The legislature notes that a 2018 publication entitled  
2 "Strengthening Sustainable Food Systems Through Geographical  
3 Indications: An Analysis of Economic Impacts" by the Food and  
4 Agriculture Organization of the United Nations and the European  
5 Bank for Reconstruction and Development concluded, among other  
6 things, that Kona coffee "does not enjoy any strong protection  
7 of its name" from the State and, as a result, downstream  
8 stakeholders, rather than farmers, "reap the economic benefits  
9 of the fame of Kona".

10           The legislature additionally finds that despite existing  
11 labeling laws that include specific requirements for font sizes  
12 and disclosure of blend percentages, the simple inclusion of a  
13 geographic origin name on a product effectively misleads  
14 consumers into believing that the product is representative of  
15 the specialty product of that region, even though, for example,  
16 in a coffee blend that is ten per cent Kona coffee, the flavor  
17 of the Kona coffee is often undetectable at such low  
18 concentrations. Consumers are then deceived into paying a  
19 premium for a "Hawaii" product that does not represent the name  
20 on its label. Therefore, a change to the law is needed to  
21 protect consumers by ensuring that minimum blend amounts allowed



1 for coffee products that bear geographic origin names constitute  
2 a majority of the product from that geographic origin and are  
3 sufficient to ensure that the product reflects the quality and  
4 character of the region.

5 The purpose of this Act is to:

- 6 (1) Make it a violation of the coffee labeling law to use  
7 a geographic origin in labeling or advertising for  
8 roasted coffee, instant coffee, or ready-to-drink  
9 coffee beverage blends that contain less than a  
10 certain percentage of coffee by weight from that  
11 geographic origin, phased in to fifty per cent;
- 12 (2) Require wholesalers to sell off their inventory of  
13 roasted coffee, instant coffee, or ready-to-drink  
14 coffee beverages in anticipation of the phased-in  
15 labeling requirements taking effect; and
- 16 (3) Exempt retailers that do not package roasted coffee,  
17 instant coffee, or ready-to-drink coffee beverage from  
18 liability for the sale of roasted coffee, instant  
19 coffee, or ready-to-drink coffee beverage that use a  
20 label or advertisement in violation of the coffee  
21 labeling law.



1 SECTION 2. Section 486-120.6, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 **"§486-120.6 Hawaii-grown and Hawaii-processed coffee;**  
4 **labeling or advertising requirements.** (a) In addition to all  
5 other labeling requirements, the identity statement used for  
6 labeling or advertising roasted coffee, instant coffee, or  
7 ready-to-drink coffee beverages produced in whole or in part  
8 from Hawaii-grown and Hawaii-processed green coffee beans shall  
9 meet the following requirements:

10 (1) For roasted coffee, instant coffee, or ready-to-drink  
11 coffee beverages that contain one hundred per cent  
12 Hawaii-grown and Hawaii-processed coffee by weight,  
13 the identity statement shall consist of either:

14 (A) The geographic origin of the Hawaii-grown and  
15 Hawaii-processed coffee, in coffee consisting of  
16 beans from only one geographic origin, followed  
17 by the word "Coffee"; provided that the  
18 geographic origin may be immediately preceded by  
19 the term "100%"; or

20 (B) The per cent coffee by weight of one of the  
21 Hawaii-grown and Hawaii-processed coffees, used

1 in coffee consisting of beans from several  
2 geographic origins, followed by the geographic  
3 origin of the weight-specified coffee and the  
4 terms "Coffee" and "All Hawaiian";

5 (2) For roasted coffee, instant coffee, or ready-to-drink  
6 coffee beverages consisting of a blend of one or more  
7 Hawaii-grown and Hawaii-processed coffees and coffee  
8 not grown or processed in Hawaii, the per cent coffee  
9 by weight of one of the Hawaii-grown and Hawaii-  
10 processed coffees used in the blend, followed by the  
11 geographic origin of the weight-specified coffee and  
12 the term "Coffee Blend"; and

13 (3) Each word or character in the identity statement shall  
14 be of the same type size and shall be contiguous. The  
15 smallest letter or character of the identity statement  
16 on packages of sixteen ounces or less net weight shall  
17 be at least one and one-half times the type size  
18 required under federal law for the statement of net  
19 weight or three-sixteenths of an inch in height,  
20 whichever is smaller. The smallest letter or  
21 character of the identity statement on packages of



1 greater than sixteen ounces net weight shall be at  
2 least one and one-half times the type size required  
3 under federal law for the statement of net weight.  
4 The identity statement shall be conspicuously  
5 displayed without any intervening material in a  
6 position above the statement of net weight. Upper and  
7 lower case letters may be used interchangeably in the  
8 identity statement.

9 (b) A listing of the geographic origins of the various  
10 Hawaii-grown and Hawaii-processed coffees and the regional  
11 origins of the various coffees not grown or processed in Hawaii  
12 that are included in a blend shall be shown on the label. This  
13 list shall consist of the term "Contains:", followed by, in  
14 descending order of per cent coffee by weight and separated by  
15 commas, the respective geographic origin or regional origin of  
16 the various coffees in the blend. Each geographic origin or  
17 regional origin shall be preceded by the per cent coffee by  
18 weight represented by that geographic origin or regional origin,  
19 expressed as a number followed by the per cent sign. In place  
20 of separate listings of regional origins of coffee not grown or  
21 processed in Hawaii in the blend, the list may include the words



1 "Foreign-grown Coffee", preceded by the per cent coffee by  
2 weight in the blend. The type size used for this list shall be  
3 no less than half that of the identity statement. This list  
4 shall appear below the identity statement on the front panel of  
5 the label.

6 (c) The requirements of subsections (a) and (b) shall  
7 apply to the labeling of any inner package or inner wrapping of  
8 the roasted coffee, instant coffee, or ready-to-drink coffee  
9 beverages that includes any geographic origin of Hawaii-grown  
10 and Hawaii-processed coffee, regardless of whether the inner  
11 package or inner wrapping is intended to be individually sold.

12 (d) It shall be a violation of this section to:

13 (1) Use the identity statement specified in subsection  
14 (a)(1)(A) or similar terms in labeling or advertising  
15 unless the package of roasted coffee, instant coffee,  
16 or ready-to-drink coffee beverage contains one hundred  
17 per cent coffee by weight from that one geographic  
18 origin;

19 (2) Use a geographic origin in labeling or advertising,  
20 including in conjunction with a coffee style or in any  
21 other manner, if [~~the roasted coffee, instant coffee,~~



1 ~~or ready-to-drink coffee beverage contains less than~~  
2 ~~ten per cent coffee by weight from that geographic~~  
3 ~~origin;]:~~

4 (A) Beginning July 1, 2027, the roasted coffee,  
5 instant coffee, or ready-to-drink coffee beverage  
6 contains less than twenty per cent coffee by  
7 weight from that geographic origin;

8 (B) Beginning July 1, 2030, the roasted coffee,  
9 instant coffee, or ready-to-drink coffee beverage  
10 contains less than twenty-five per cent coffee by  
11 weight from that geographic origin; and

12 (C) Beginning July 1, 2033, the roasted coffee,  
13 instant coffee, or ready-to-drink coffee beverage  
14 contains less than fifty per cent coffee by  
15 weight from that geographic origin;

16 (3) Use a geographic origin in labeling or advertising  
17 roasted coffee, instant coffee, or ready-to-drink  
18 coffee beverages, including advertising in conjunction  
19 with a coffee style or in any other manner, without  
20 disclosing the per cent coffee by weight used from



- 1 that geographic origin as described in subsection  
2 (a) (1) (B) and (a) (2);
- 3 (4) Use a geographic origin in labeling or advertising  
4 roasted coffee, instant coffee, or ready-to-drink  
5 coffee beverages, including in conjunction with a  
6 coffee style or in any other manner, if the green  
7 coffee beans used in that roasted coffee, instant  
8 coffee, or ready-to-drink coffee beverage do not meet  
9 the grade standard requirements of rules adopted under  
10 chapter 147;
- 11 (5) Misrepresent, on a label or in advertising of a  
12 roasted coffee, instant coffee, or ready-to-drink  
13 coffee beverage, the per cent coffee by weight of any  
14 coffee from a geographic origin or regional origin;
- 15 (6) Use the term "All Hawaiian" on a label or in  
16 advertising of a roasted coffee, instant coffee, or  
17 ready-to-drink coffee beverage if that roasted coffee,  
18 instant coffee, or ready-to-drink coffee beverage is  
19 not produced entirely from green coffee beans grown  
20 and processed in Hawaii;



- 1           (7) Use a geographic origin on the front label panel of a  
2 package of roasted coffee, instant coffee, or ready-  
3 to-drink coffee beverage other than in the trademark  
4 or in the identity statement as authorized in  
5 subsection (a) (1) and (2) unless the roasted coffee,  
6 instant coffee, or ready-to-drink coffee beverage  
7 contains one hundred per cent coffee by weight from  
8 that geographic origin;
- 9           (8) Use more than one trademark on a package of roasted  
10 coffee, instant coffee, or ready-to-drink coffee  
11 beverage unless the roasted coffee, instant coffee, or  
12 ready-to-drink coffee beverage contains one hundred  
13 per cent coffee by weight from that geographic origin  
14 specified by the trademark;
- 15           (9) Use a trademark that begins with the name of a  
16 geographic origin on a package of roasted coffee,  
17 instant coffee, or ready-to-drink coffee beverage  
18 unless the roasted coffee, instant coffee, or ready-  
19 to-drink coffee beverage contains one hundred per cent  
20 coffee by weight from that geographic origin or the



1 trademark ends with words that indicate a business  
2 entity; or

3 (10) Print the identity statement required by subsection  
4 (a) in a smaller font than that used for a trademark  
5 that includes the name of a geographic origin pursuant  
6 to paragraph (7) and in a location other than the  
7 front label panel of a package of roasted coffee,  
8 instant coffee, or ready-to-drink coffee beverage.

9 (e) Wholesalers shall sell off their inventory of roasted  
10 coffee, instant coffee, or ready-to-drink coffee beverages to  
11 comply with the labeling requirements of subsection (d) (2) as  
12 follows:

13 (1) For inventory that uses a geographic origin in  
14 labeling or advertising and that contains less than  
15 twenty per cent coffee by weight from that geographic  
16 origin, by no later than June 30, 2027;

17 (2) For inventory that uses a geographic origin in  
18 labeling or advertising and that contains less than  
19 twenty-five per cent coffee by weight from that  
20 geographic origin, by no later than June 30, 2030; and



1        (3) For inventory that uses a geographic origin in  
2        labeling or advertising and that contains less than  
3        fifty per cent coffee by weight from that geographic  
4        origin, by no later than June 30, 2033.

5        (f) Retailers that do not package roasted coffee, instant  
6        coffee, or ready-to-drink coffee beverages shall not be liable  
7        for the sale of roasted coffee, instant coffee, or ready-to-  
8        drink coffee beverages that use a label or advertisement in  
9        violation of this section.

10        [~~e~~] (g) Roasters, manufacturers, or other persons who  
11        package roasted coffee, instant coffee, or ready-to-drink coffee  
12        beverages covered by this section shall maintain, for a period  
13        of two years, records on the volume and geographic origin or  
14        regional origin of coffees purchased, sold, and used and any  
15        other records required by the department for the purpose of  
16        enforcing this section. Authorized employees of the department  
17        shall have access to these records during normal business hours.

18        [~~f~~] (h) As used in this section:

19        "Geographic origin" means the geographic regions in which  
20        Hawaii-grown green coffee beans are produced, as defined in  
21        rules adopted under chapter 147; provided that the term



1 "Hawaiian" may be substituted for the geographic origin  
2 "Hawaii".

3 "Per cent coffee by weight" means the percentage calculated  
4 by dividing the weight in pounds of roasted green coffee beans  
5 of one geographic or regional origin used in a production run of  
6 roasted coffee, instant coffee, or ready-to-drink coffee  
7 beverages by the total weight in pounds of the roasted green  
8 coffee beans used in that production run of roasted coffee,  
9 instant coffee, or ready-to-drink coffee beverages, and  
10 multiplying the quotient by one hundred.

11 "Ready-to-drink coffee beverage" means a prepackaged  
12 beverage that consists of or includes coffee and is sold in a  
13 prepared form that can be immediately consumed upon purchase.  
14 "Ready-to-drink coffee beverage" does not include made-to-order  
15 beverages."

16 SECTION 3. Statutory material to be repealed is bracketed  
17 and stricken. New statutory material is underscored.

18 SECTION 4. This Act shall take effect on July 1, 3000.



**Report Title:**

Consumer Protection; Coffee Labeling; Geographic Origins;  
Prohibitions

**Description:**

Establishes a timeline by which roasted coffee, instant coffee, and ready-to-drink coffee beverages that use a geographic origin in labeling or advertising are required to contain a certain percent coffee by weight from that geographic origin. Requires wholesalers to sell off their inventory of roasted coffee, instant coffee, or ready-to-drink coffee beverages in anticipation of the phased-in labeling requirements taking effect. Exempts retailers that do not package roasted coffee, instant coffee, or ready-to-drink coffee beverages from liability for the sale of roasted coffee, instant coffee, or ready-to-drink coffee beverages that use a label or advertisement in violation of the coffee labeling law. Effective 7/1/3000. (HD1)

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