
SENATE CONCURRENT RESOLUTION

REQUESTING THE DEPARTMENT OF AGRICULTURE TO STUDY LABELING REQUIREMENTS RELATING TO THE USE OF HAWAII-GROWN COFFEE NAMES AND STUDY THE EFFECTIVENESS OF THE ADMINISTRATIVE RULES RELATING TO INSPECTION, CERTIFICATION, AND AUDIT REQUIREMENTS FOR HAWAII-GROWN COFFEE.

1 WHEREAS, specialty agricultural crops, such as coffee,
2 tropical fruit, macadamia nuts, chocolate, and vanilla,
3 constitute one of the fastest expanding areas of agricultural
4 production for the State; and

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6 WHEREAS, coffee requires a specific combination of sun,
7 soil, and water, and is successfully grown in only a limited
8 number of locations around the world; and

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10 WHEREAS, the Kona weather pattern of bright, sunny
11 mornings, humid rainy afternoons, and mild nights create
12 favorable coffee growing conditions; and

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14 WHEREAS, the care, skill, and cultivation practices of Kona
15 coffee farmers, most of whom operate small family-owned farms,
16 have built a reputation for quality among coffee consumers; and

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18 WHEREAS, the Kona coffee name only applies to coffee beans
19 grown in North and South Kona, thus, coffee that is grown
20 elsewhere in Hawaii cannot be called "Kona coffee"; and

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22 WHEREAS, under section 486-120.6, Hawaii Revised Statutes,
23 the Kona coffee name is permitted to be used on a package of
24 blended coffee that contains at least ten per cent coffee by
25 weight from Kona; and

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27 WHEREAS, the origin and percentage of the other coffees
28 contained in the package of blended coffee is not required to be
29 listed on the package label or advertisement; and

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1 WHEREAS, as a result, a package of blended coffee could be
2 labeled as "Kona coffee" even though it only contains ten per
3 cent of real Kona coffee and ninety per cent of coffee grown in
4 foreign countries; and

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6 WHEREAS, the existing labeling requirements for Kona coffee
7 causes consumer fraud and confusion, and degrades the "Kona
8 coffee" name; and

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10 WHEREAS, furthermore, coffee roasters on the mainland are
11 not bound by any labeling requirements relating to the use of
12 Kona coffee or the "Kona coffee" name, which adds to consumer
13 confusion; and

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15 WHEREAS, in the December, 2004, issue of *Consumer Reports*,
16 a writer confused Kona coffee blends with Kona coffee, and
17 mistakenly rated Kona coffee as "second rate" without
18 differentiating between pure and blended Kona coffees; and

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20 WHEREAS, in 2005, United States Congressman Ed Case
21 introduced H.R. No. 3535 to amend the Agricultural Marketing Act
22 of 1946 to require country of origin labeling for macadamia
23 nuts; and

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25 WHEREAS, similar legislation efforts for Hawaii-grown
26 coffee, whether on the national or state level, could establish
27 better truth-in-labeling standards for Hawaii-grown coffee and
28 lessen coffee consumer confusion; and

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30 WHEREAS, furthermore, the high quality standards of Hawaii-
31 grown coffee beans are due to laws and administrative rules
32 enacted for the purposes of ensuring superior grade and quality;
33 and

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35 WHEREAS, under section 147-7, Hawaii Revised Statutes, all
36 Hawaii-grown green coffee beans (coffee beans that are milled
37 and ready for roasting) need to be inspected and certified by
38 the Department of Agriculture for grade and origin unless
39 otherwise specified by rules adopted by the Department; and

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41 WHEREAS, title 4, chapter 143, Hawaii Administrative Rules,
42 establishes standards for coffee, including labeling
43 requirements, grade standards, inspection requirements, and a
44 coffee quality verification program; and



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2 WHEREAS, under section 4-143-2, Hawaii Administrative
3 Rules, the inspection and certification of green coffee for
4 origin, grade, or both are required by the Department of
5 Agriculture, except for a few exceptions; and
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7 WHEREAS, under section 4-143-10, Hawaii Administrative
8 Rules, dry millers may participate in a coffee quality
9 verification program, which is a self-certification program that
10 authorizes dry millers to certify green coffee and issue a
11 coffee quality verification program certificate; and
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13 WHEREAS, the Department of Agriculture must follow a coffee
14 quality verification program audit scheme consisting of three
15 levels of audits depending on production output for dry millers
16 participating in this self-certification program; and
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18 WHEREAS, the audit scheme ensures that a consistent level
19 of quality is maintained for all green coffee beans grown in
20 Hawaii because poor quality coffee degrades the "Kona coffee" or
21 "Hawaii Seal of Quality" names; and
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23 WHEREAS, the inspection and certification requirements
24 under section 147-7, Hawaii Revised Statutes, and title 4,
25 chapter 143, Hawaii Administrative Rules, apply to green coffee
26 beans, and not roasted coffee beans; and
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28 WHEREAS, roasted coffee beans are considered processed
29 foods under part IV, chapter 147, Hawaii Revised Statutes; and
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31 WHEREAS, although roasted coffee beans must also be
32 inspected for grade or origin, it does not follow the same
33 inspection and certification processes as green coffee beans;
34 and
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36 WHEREAS, further studies need to be performed on the
37 current administrative rules relating to the certification,
38 inspection, and audit requirements for green coffee beans, and
39 whether a uniform inspection and certification process should be
40 required for all coffee beans grown in Hawaii, whether green or
41 roasted, to ensure a better and higher quality of all Hawaii-
42 grown coffee; now, therefore,
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1 BE IT RESOLVED by the Senate of the Twenty-fourth
2 Legislature of the State of Hawaii, Regular Session of 2007, the
3 House of Representatives concurring, that the Department of
4 Agriculture is requested to:

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- 6 (1) Study the existing labeling requirements relating to
7 the use of the "Kona coffee" or other Hawaii-grown
8 coffee names; and
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- 10 (2) Study the effectiveness of the current administrative
11 rules relating to the inspection, certification, and
12 audit requirements for all Hawaii-grown coffee beans;
13 and

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15 BE IT FURTHER RESOLVED that the Department of Agriculture
16 is requested to:

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- 18 (1) Examine the existing labeling requirements relating to
19 the use of the "Kona coffee" or other Hawaii-grown
20 coffee names;
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- 22 (2) Identify the problems with the existing labeling
23 requirements for Hawaii-grown coffee;
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- 25 (3) Develop stricter labeling requirements under state law
26 and department rules for the use of the "Kona coffee"
27 and other Hawaii-grown coffee names;
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- 29 (4) Perform a thorough economic analysis of the probable
30 impact of increasing the minimum content requirement
31 to fifty per cent upon each segment of the Kona coffee
32 industry, and each segment of the coffee industry in
33 other parts of the State, such as Ka'u and on islands
34 other than the island of Hawaii;
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- 36 (5) Determine the fiscal impact that stricter labeling
37 requirements or a uniform national labeling
38 requirement standard will have on farmers of small
39 coffee bean farms in Hawaii;
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- 41 (6) Develop ideas for a uniform national labeling standard
42 and requirements for coffee roasters to abide by for



1 the use of the "Kona coffee" or other Hawaii-grown
2 coffee names; and

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4 (7) Seek input from and collaborate with Hawaii's
5 Congressional delegation, the United States Department
6 of Agriculture, and the Federal Food and Drug
7 Administration on establishing and enforcing a uniform
8 national labeling standard for the use of the "Kona
9 coffee" or other Hawaii-grown coffee names; and

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11 BE IT FURTHER RESOLVED that the Department of Agriculture
12 is requested to:

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14 (1) Examine the effectiveness the current administrative
15 rules relating to the inspection, certification, and
16 audit requirements of green coffee beans grown in
17 Hawaii and the current statutes relating to the
18 inspection of roasted Hawaii-grown coffee beans;
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20 (2) Seek input from and collaborate with coffee
21 associations and coffee growers statewide on the
22 current statutes and administrative rules relating to
23 the grade and quality assurance of Hawaii-grown coffee
24 beans;
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26 (3) Identify any problems with the current statutes or
27 administrative rules relating to the grade and quality
28 assurance of Hawaii-grown coffee beans;
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30 (4) Determine the feasibility in establishing and
31 implementing uniform inspection and certification
32 requirements for Hawaii-grown coffee beans, whether
33 green or roasted, to ensure a better grade and higher
34 quality commodity; and
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36 (5) Determine the fiscal impact that a uniform inspection
37 and certification scheme for all Hawaii-grown coffee
38 beans will have on growers of small coffee bean farms;
39 and
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41 BE IT FURTHER RESOLVED that the Department of Agriculture
42 is requested to submit a written report to the Legislature of
43 its findings and recommendations, including any proposed



1 legislation, no later than twenty days prior to the convening of
2 the 2008 Regular Session; and

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4 BE IT FURTHER RESOLVED that certified copies of this
5 Concurrent Resolution be transmitted to the Chairperson of the
6 Board of Agriculture; the Dean of the College of Tropical
7 Agriculture and Human Resources, University of Hawaii; the
8 President of the Hawaii Farm Bureau Federation; the President of
9 the Hawaii Coffee Association; the President of the Kona Coffee
10 Council; the President of the Kona Coffee Farmers Association;
11 and any other statewide coffee organizations.

