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## SENATE 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

13  
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

17  
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

21  
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

26  
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

30  
31 WHEREAS, as a result, a package of blended coffee could be  
32 labeled as "Kona coffee" even though it only contains ten per



1 cent of real Kona coffee and ninety per cent of coffee grown in  
2 foreign countries; and

3  
4 WHEREAS, the existing labeling requirements for Kona coffee  
5 causes consumer fraud and confusion, and degrades the "Kona  
6 coffee" name; and

7  
8 WHEREAS, furthermore, coffee roasters on the mainland are  
9 not bound by any labeling requirements relating to the use of  
10 Kona coffee or the "Kona coffee" name, which adds to consumer  
11 confusion; and

12  
13 WHEREAS, in the December, 2004, issue of *Consumer Reports*,  
14 a writer confused Kona coffee blends with Kona coffee, and  
15 mistakenly rated Kona coffee as "second rate" without  
16 differentiating between pure and blended Kona coffees; and

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

22  
23 WHEREAS, similar legislation efforts for Hawaii-grown  
24 coffee, whether on the national or state level, could establish  
25 better truth-in-labeling standards for Hawaii-grown coffee and  
26 lessen coffee consumer confusion; and

27  
28 WHEREAS, furthermore, the high quality standards of Hawaii-  
29 grown coffee beans are due to laws and administrative rules  
30 enacted for the purposes of ensuring superior grade and quality;  
31 and

32  
33 WHEREAS, under section 147-7, Hawaii Revised Statutes, all  
34 Hawaii-grown green coffee beans (coffee beans that are milled  
35 and ready for roasting) need to be inspected and certified by  
36 the Department of Agriculture for grade and origin unless  
37 otherwise specified by rules adopted by the Department; and

38  
39 WHEREAS, title 4, chapter 143, Hawaii Administrative Rules,  
40 establishes standards for coffee, including labeling  
41 requirements, grade standards, inspection requirements, and a  
42 coffee quality verification program; and

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1           WHEREAS, under section 4-143-2, Hawaii Administrative  
2 Rules, the inspection and certification of green coffee for  
3 origin, grade, or both are required by the Department of  
4 Agriculture, except for a few exceptions; and

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6           WHEREAS, under section 4-143-10, Hawaii Administrative  
7 Rules, dry millers may participate in a coffee quality  
8 verification program, which is a self-certification program that  
9 authorizes dry millers to certify green coffee and issue a  
10 coffee quality verification program certificate; and

11  
12           WHEREAS, the Department of Agriculture must follow a coffee  
13 quality verification program audit scheme consisting of three  
14 levels of audits depending on production output for dry millers  
15 participating in this self-certification program; and

16  
17           WHEREAS, the audit scheme ensures that a consistent level  
18 of quality is maintained for all green coffee beans grown in  
19 Hawaii because poor quality coffee degrades the "Kona coffee" or  
20 "Hawaii Seal of Quality" names; and

21  
22           WHEREAS, the inspection and certification requirements  
23 under section 147-7, Hawaii Revised Statutes, and title 4,  
24 chapter 143, Hawaii Administrative Rules, apply to green coffee  
25 beans, and not roasted coffee beans; and

26  
27           WHEREAS, roasted coffee beans are considered processed  
28 foods under part IV, chapter 147, Hawaii Revised Statutes; and

29  
30           WHEREAS, although roasted coffee beans must also be  
31 inspected for grade or origin, it does not follow the same  
32 inspection and certification processes as green coffee beans;  
33 and

34  
35           WHEREAS, further studies need to be performed on the  
36 current administrative rules relating to the certification,  
37 inspection, and audit requirements for green coffee beans, and  
38 whether a uniform inspection and certification process should be  
39 required for all coffee beans grown in Hawaii, whether green or  
40 roasted, to ensure a better and higher quality of all Hawaii-  
41 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,  
3 that the Department of Agriculture is requested to:

- 4
- 5 (1) Study the existing labeling requirements relating to  
6 the use of the "Kona coffee" or other Hawaii-grown  
7 coffee names; and
- 8
- 9 (2) Study the effectiveness of the current administrative  
10 rules relating to the inspection, certification, and  
11 audit requirements for all Hawaii-grown coffee beans;  
12 and

13

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

- 16
- 17 (1) Examine the existing labeling requirements relating to  
18 the use of the "Kona coffee" or other Hawaii-grown  
19 coffee names;
- 20
- 21 (2) Identify the problems with the existing labeling  
22 requirements for Hawaii-grown coffee;
- 23
- 24 (3) Develop stricter labeling requirements under state law  
25 and department rules for the use of the "Kona coffee"  
26 and other Hawaii-grown coffee names;
- 27
- 28 (4) Perform a thorough economic analysis of the probable  
29 impact of increasing the minimum content requirement  
30 to fifty per cent upon each segment of the Kona coffee  
31 industry, and each segment of the coffee industry in  
32 other parts of the State, such as Ka'u and on islands  
33 other than the island of Hawaii;
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- 35 (5) Determine the fiscal impact that stricter labeling  
36 requirements or a uniform national labeling  
37 requirement standard will have on farmers of small  
38 coffee bean farms in Hawaii;
- 39
- 40 (6) Develop ideas for a uniform national labeling standard  
41 and requirements for coffee roasters to abide by for  
42 the use of the "Kona coffee" or other Hawaii-grown  
43 coffee names; and



1  
2 (7) Seek input from and collaborate with Hawaii's  
3 Congressional delegation, the United States Department  
4 of Agriculture, and the Federal Food and Drug  
5 Administration on establishing and enforcing a uniform  
6 national labeling standard for the use of the "Kona  
7 coffee" or other Hawaii-grown coffee names; and  
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9 BE IT FURTHER RESOLVED that the Department of Agriculture  
10 is requested to:

- 11  
12 (1) Examine the effectiveness the current administrative  
13 rules relating to the inspection, certification, and  
14 audit requirements of green coffee beans grown in  
15 Hawaii and the current statutes relating to the  
16 inspection of roasted Hawaii-grown coffee beans;  
17  
18 (2) Seek input from and collaborate with coffee  
19 associations and coffee growers statewide on the  
20 current statutes and administrative rules relating to  
21 the grade and quality assurance of Hawaii-grown coffee  
22 beans;  
23  
24 (3) Identify any problems with the current statutes or  
25 administrative rules relating to the grade and quality  
26 assurance of Hawaii-grown coffee beans;  
27  
28 (4) Determine the feasibility in establishing and  
29 implementing uniform inspection and certification  
30 requirements for Hawaii-grown coffee beans, whether  
31 green or roasted, to ensure a better grade and higher  
32 quality commodity; and  
33  
34 (5) Determine the fiscal impact that a uniform inspection  
35 and certification scheme for all Hawaii-grown coffee  
36 beans will have on growers of small coffee bean farms;  
37 and  
38

39 BE IT FURTHER RESOLVED that the Department of Agriculture  
40 is requested to submit a written report to the Legislature of  
41 its findings and recommendations, including any proposed  
42 legislation, no later than twenty days prior to the convening of  
43 the 2008 Regular Session; and  
44



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

