
A BILL FOR AN ACT

RELATING TO AGRICULTURE.

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

1 SECTION 1. The legislature finds that there is strong
2 support for changing Hawaii's Kona coffee blend laws, in
3 particular, increasing from ten to seventy-five per cent the
4 required percentage of Kona-grown coffee that entitles a coffee
5 to be called "Kona" coffee.

6 In addition, there is support for strengthening the
7 labeling laws to inform consumers properly about coffee's origin
8 and requiring a certification for Kona coffee to ensure a high
9 quality of Kona coffee. The legislature further finds that
10 there is a need to have an objective, reasoned examination of
11 these issues.

12 The purpose of this Act is to direct the department of
13 agriculture to undertake a study to evaluate possible impacts on
14 farmers, processors, retailers, and consumers if certain changes
15 are made to the current Hawaii Kona coffee blend laws.

16 SECTION 2. (a) The department of agriculture shall
17 conduct a study of the possible impacts of changes to current
18 Hawaii Kona coffee blend laws, including:



1 (1) Increasing from ten to seventy-five per cent the
2 required percentage of Kona-grown coffee that entitles
3 a coffee to be labeled "Kona coffee";

4 (2) Adapting the labeling standards accordingly; and

5 (3) Requiring state certification for Kona coffee grown
6 and sold in the North and South Kona districts to
7 confirm the coffee's Kona origin.

8 (b) The study shall include an analysis of pertinent
9 issues, including:

10 (1) A description of the current economic situation
11 concerning Kona coffee as it pertains to farmers,
12 processors, and retailers;

13 (2) Identifying existing concerns or issues regarding the
14 current ten per cent Kona coffee minimum blend
15 requirement;

16 (3) An evaluation of the possible economic impact of
17 raising the current ten per cent Kona coffee minimum
18 blend requirement to seventy-five per cent on:

19 (A) Farmers;

20 (B) Processors; and

21 (C) Retailers;



- 1 (4) An evaluation of anticipated consumer reaction, taking
2 into account a likely increase in the price of Kona
3 coffee;
- 4 (5) An evaluation of how to strengthen the State's "truth-
5 in-labeling" laws, as provided in section 486-120.6,
6 Hawaii Revised Statutes, to further enhance consumer
7 awareness of blended Kona coffee; provided that the
8 evaluation shall particularly take into account what
9 people in Hawaii's coffee industry perceive as a
10 statutory omission that allows a double identity
11 statement regarding the coffee, and shall propose
12 solutions to achieve a more accurate description of
13 all ingredients in the ingredient statement on the
14 coffee package;
- 15 (6) An examination of how to achieve national recognition
16 for Kona coffee and deter the illegal use of the term
17 "Kona Coffee" in connection with coffee products in
18 Hawaii and on the continental United States that do
19 not meet Hawaii's standards established for Kona
20 coffee; and
- 21 (7) An evaluation of whether to institute state
22 certification for Kona coffee grown and sold in the



1 South Kona district and the North Kona district to
2 confirm the coffee's Kona origin, and if so, how best
3 to accomplish it.

4 The department of agriculture shall seek input from as many
5 stakeholders as possible, including the Hawaii Coffee
6 Association, the Kona Coffee Council, the Kona County Farm
7 Bureau, and the University of Hawaii.

8 The department of business, economic development, and
9 tourism, and the department of the attorney general, upon
10 request, shall assist the department of agriculture in
11 conducting this study.

12 SECTION 3. The department of agriculture shall submit a
13 report of its findings, recommendations, and any proposed
14 legislation to the legislature at least twenty days prior to the
15 convening of the regular session of 2008.

16 SECTION 4. There is appropriated out of the general
17 revenues of the State of Hawaii the sum of \$, or so
18 much thereof as may be necessary for fiscal year 2007-2008, to
19 fund the study by the department of agriculture required by this
20 Act.

21 The sum appropriated shall be expended by the department of
22 agriculture for the purposes of this Act.



1 SECTION 5. This Act shall take effect on July 1, 2007.



Report Title:

Kona Coffee; Study

Description:

Appropriates funds for a study by the department of agriculture to evaluate economic impacts on farmers, processors, and retailers if certain changes to the current Hawaii coffee blend laws are made.

