STAND. COM. REP. NO.



Honolulu, Hawaii MAR 2 2 2011

RE: H.B. No. 1552 H.D. 1 S.D. 1

Honorable Shan S. Tsutsui President of the Senate Twenty-Sixth State Legislature Regular Session of 2011 State of Hawaii

Sir:

Your Committee on Agriculture, to which was referred H.B. No. 1552, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO COFFEE,"

begs leave to report as follows:

2011-1750 SSCR SMA.doc

The purpose and intent of this measure is to restrict the use of the geographic origin on Hawaii-grown coffee labels to improve the consumer's understanding as to the contents of the package.

Your Committee received testimony in support of this measure from the Department of Agriculture; Honolulu Coffee Co.; Maui Oma Coffee Roasting Company; Coffees of Hawaii, LLC; Hawaii Coffee Association; Maui Grown Coffee Company Store; Kona Coffee Council; Greenwell Farms, Inc.; Royal Kona Coffee Visitor Center Mill & Museum; Harold L. King & Co., Inc.; The Madden Corporation; Captain Cook Coffee Company; and thirty-three individuals. Your Committee received testimony in opposition to this measure from Honu Kula Coffee Farm; Sweet Spirit Farms; Kona County Farm Bureau; Lilikoi Inn; Lions Gate Kona Coffee Farm; Pohaku Kona Coffee Farms; Kona Coffee Farmers Association; and fifty-seven individuals. Your Committee received comments on this measure from Aikane Kona Coffee.

Your Committee finds that producers of coffee blends that include one or more Hawaii-grown coffees are using a secondary label that contains the geographic origin of the Hawaii-grown

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coffee which may mislead consumers into believing that the coffee was exclusive grown in the named region.

Your Committee recognizes the concern raised by testifiers that this measure does not address the real issue many coffee farmers have with geographic origin labeling of coffee blends that contain only a small portion of coffee that is actually grown in Hawaii. Your Committee also recognizes the concern that the restrictions in this measure may prevent small coffee farmers from using a specific geographic origin on their labels unless the farmers have a registered trademark.

Accordingly, your Committee has amended this measure by changing the effective date from July 1, 2020 to July 1, 2050, to allow for further discussion.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1552, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1552, H.D. 1, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

> Respectfully submitted on behalf of the members of the Committee on Agriculture,

Course Knichela

CLARENCE K. NISHIHARA, Chair



The Senate Twenty-Sixth Legislature State of Hawai'i

Record of Votes Committee on Agriculture AGL

Bill / Resolution No.:* HB1552, HD1	Committee Referral: AGL, CPN			Date: 3 -17-11		
HB1992,HD1	AGL,	_PN	- -	5		
The committee is reconsidering its previous decision on this measure.						
If so, then the previous decision was to:						
The Recommendation is:						
Pass, unamended Pass, with amendments I Hold Recommit 2312 2311 2310 2313						
Members		Aye	Aye (WF	R)	Nay	Excused
NISHIHARA, Clarence K. (C)		\checkmark				· · · · · · · · ·
KAHELE, Gilbert (VC)		\sim				
CHUN OAKLAND, Suzanne		V				
DELA CRUZ, Donovan M.						
KOUCHI, Ronald D.			· · · · ·			
SHIMABUKURO, Maile		V_{i}				
TOKUDA, JIII N.		V				
WAKAI, Glenn		\sim				
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TOTAL	•	7		-		2
Recommendation:						
Chair's or Designee's Signature:						
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy						

*Only one measure per Record of Votes