A BILL FOR AN ACT

RELATING TO AGRICULTURE.

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

1	SECTION 1. Chapter 710, Hawaii Revised Statutes, is
2	amended by adding a new section to be appropriately designated
3	and to read as follows:
4	"§710- False labeling of Hawaii-grown green coffee. (1)
5	A person commits the offense of false labeling of Hawaii-grown
6	green coffee if the person knowingly transports, distributes,
7	advertises, sells, or possesses with the intent to sell, within
8	the State, Hawaii-grown green coffee that is falsely labeled
9	with regard to the geographic origin of the Hawaii-grown green
10	coffee.
11	(2) For purposes of this section:
12	"Geographic origin" means the geographic areas designated
13	as follows:
14	(a) Hamakua is the Hamakua district on the island of
15	Hawaii, as designated by the State of Hawaii tax map;
16	(b) Hawaii is the island of Hawaii;
17	(c) Kau is the Kau district on the island of Hawaii, as
18	designated by the State of Hawaii tax map;

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1	<u>(d)</u>	Kauai is the island of Kauai;
2	<u>(e)</u>	Kona is the north Kona and south Kona districts on the
3		island of Hawaii, as designated by the State of Hawaii
4		tax map;
5	<u>(f)</u>	Maui is the island of Maui;
6	<u>(g)</u>	Molokai is the island of Molokai; and
7	<u>(h)</u>	Oahu is the island of Oahu.
8	<u>"Gre</u>	en coffee" means the agricultural commodity comprised
9	of green	coffee beans.
10	(3)	False labeling of Hawaii-grown green coffee is a class
11	C felony.	.n
12	SECT	ION 2. Section 147-4, Hawaii Revised Statutes, is
13	amended t	o read as follows:
14	" §14	7-4 Rules. The department may make rules, subject to
15	chapter 9	1:
16	(1)	Defining grades and grade labeling requirements of
17		agricultural commodities and standard containers for
18		packing of particular agricultural commodities;
19	(2)	Prohibiting the sale, offering for sale, or
20		transportation of agricultural commodities unless
21		packed in standard containers and labeled with the
22		appropriate grade or offgrade designation; provided

1		that this prohibition shall not apply to the sale,
2		offering for sale, or transportation to a plant for
3		grading, packing, or processing, or transportation to
4		a warehouse for storage;
5	(3)	Prohibiting the use of grade terms or abbreviations of
6		grade terms on agricultural commodities for which no
7		grades have been established under this part;
8	(4)	Defining "suitable shipping condition" for
9		agricultural commodities which are to be shipped for
10		sale from one island to another within the State or to
11		points outside the State, and prohibiting such
12		shipment for sale of agricultural commodities which do
13		not meet the minimum standards set for "suitable
14		shipping condition";
15	(5)	Prescribing records to be kept in connection with
16		purchases of agricultural commodities by persons,
17		other than produce dealers purchasing from a producer
18		or producers, for purposes of resale five or more tons
19		of agricultural commodities during any one calendar
20		month; [and]
21	(6)	Prescribing records to be kept by produce dealers in
22		connection with the purchase, sale, transport for

1	sale, solicitation, or negotiation of sale with		
2	respect to an agricultural commodity $[-]$; and		
3	(7) Relating to the inspection and certification of the		
4	geographic origin of Hawaii-grown green coffee beans.		
5	In making the rules the department shall take into account,		
6	among other things, the factors of maturity, condition,		
7	soundness, color, shape, size, and freedom from defects of the		
8	agricultural commodity in question and shall also take into		
9	consideration the official standards, grades or classifications		
10	adopted by the secretary of the Department of Agriculture of the		
11	United States, commonly known as U.S. Grades."		
12	SECTION 3. Section 147-7, Hawaii Revised Statutes, is		
13	amended to read as follows:		
14	"§147-7 Inspection and classification of agricultural		
15	commodities; fees. (a) The department may contract with the		
16	United States Department of Agriculture for obtaining the		
17	services of a supervising inspector employed by the federal		
18	department and the establishment of a cooperative inspection		
19	service with the United States government. The department, or		
20	the supervising inspector[$ au$] with the approval of the		
21	department, may designate any competent employee or agent of the		
22	department as an inspector to inspect or classify agricultural		
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- 1 commodities in accordance with rules of the department, and at
- 2 the time and places designated by the supervising inspector or
- 3 the department.
- 4 (b) The inspectors shall be authorized to inspect or
- 5 classify agricultural commodities at the request of persons
- 6 having a financial interest in the commodities[, or as mandated
- 7 by subsection (d), and to ascertain and certify to the persons
- 8 the grade, classification, quality, condition, or origin of them
- 9 and other pertinent facts.
- 10 (c) The department may fix, assess, and collect or cause
- 11 to be collected fees for the services when they are performed by
- 12 employees of the department. The fees shall be on a uniform
- 13 basis and in an amount reasonably necessary to cover the cost of
- 14 inspection and the administration of this part; provided that
- 15 the department may prescribe a reasonable charge for traveling
- 16 expenses and extraordinary services when the performance of the
- 17 services involves unusual cost in their performance. No fee
- 18 shall be charged for an inspection unless the inspection was
- 19 requested by a person having a financial interest in the
- 20 inspected commodity [or the inspection was mandated by
- 21 subsection (d).

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         (d) All Hawaii-grown green coffee beans shall be inspected
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    and certified by the department for grade and origin unless
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    otherwise specified by rules of the department].
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         [<del>(e)</del>] (d) The department may adopt rules establishing the
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    requirements, procedures, restrictions, and other criteria
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    necessary for establishing a program of self inspection and
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    certification of agricultural commodities."
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         SECTION 4. Section 147-23, Hawaii Revised Statutes, is
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    amended to read as follows:
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         "§147-23 Prohibited acts. (a) No commercial exporter
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    shall ship any fresh or processed agricultural commodities to
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    points outside the State unless such products meet the quality,
    condition, and labeling requirements of the rules adopted under
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    this part.
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         (b) No Hawaii-grown green coffee beans shall be shipped
    outside the area of their geographic origin to any point within
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    the State or outside the State unless [they have] the coffee
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    bean package containing the beans has been [inspected and
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    certified as required in section 147-7(d) or by rules adopted
    under section [147-7(e)]. Areas of geographic origin shall be
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    defined by rules of the department.] marked with or contains a
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    certification of geographic origin approved by the department."
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- 1 SECTION 5. This Act does not affect rights and duties that
- 2 matured, penalties that were incurred, and proceedings that were
- 3 begun before its effective date.
- 4 SECTION 6. If any provision of this Act, or the
- 5 application thereof to any person or circumstance, is held
- 6 invalid, the invalidity does not affect other provisions or
- 7 applications of the Act that can be given effect without the
- 8 invalid provision or application, and to this end the provisions
- 9 of this Act are severable.
- 10 SECTION 7. Statutory material to be repealed is bracketed
- 11 and stricken. New statutory material is underscored.
- 12 SECTION 8. This Act shall take effect upon its approval.

Report Title:

Agriculture; Hawaii-grown Green Coffee; Penal Code

Description:

Makes the offense of false labeling as to the geographic origin of Hawaii-grown green coffee a class C felony. Authorizes the department of agriculture to adopt administrative rules relating to the inspection and certification of the geographic origin of Hawaii-grown green coffee beans. Removes the requirement that all Hawaii-grown green coffee beans shall be inspected and certified by the Department of Agriculture unless otherwise specified by rules of the Department. Requires that no Hawaii-grown green coffee beans shall be shipped outside the area of their geographic origin unless they have been marked with or contain a certification of geographic origin approved by the department of agriculture. (SD1)

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