DAVID Y. IGE Governor

SHAN S. TSUTSUI Lt. Governor



**SCOTT E. ENRIGHT** Chairperson, Board of Agriculture

PHYLLIS SHIMABUKURO-GEISER Deputy to the Chairperson

State of Hawaii DEPARTMENT OF AGRICULTURE 1428 South King Street Honolulu, Hawaii 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613

## TESTIMONY OF SCOTT E. ENRIGHT CHAIRPERSON, BOARD OF AGRICULTURE

## BEFORE THE SENATE COMMITTEES ON AGRICULTURE AND COMMERCE AND CONSUMER PROTECTION

February 13, 2015 9:30 A.M. CONFERENCE ROOM 229

SENATE BILL NO. 1294 RELATING TO LABELING REQUIREMENTS

Chairpersons Ruderman and Baker and Members of the Committees:

Thank you for the opportunity to testify on Senate Bill 1294. This bill proposes to require the Board of Agriculture to adopt rules pertaining to "made in Hawaii" labeling requirements, and establish labeling requirements for Hawaii-grown cacao. The Department provides comments.

The department is opposed to the sections in the bill referring to "made in Hawaii" labeling. The United States Department of Agriculture (USDA) Country of Origin Labeling program (COOL) requires retailers to provide a country of origin labeling on muscle cuts of beef, pork, lamb, fish, shellfish, fresh fruits, vegetables, and nuts. Under the COOL program, origin designations for muscle cuts of beef, pork, and lamb, must also specify the country in which the production steps of birth, raising and slaughter of the animal took place. Fresh fruits, vegetables and nuts must be identified as "Product of …", or "Produced in …".and may include the state in which the commodity originated. The term "Made in …" is not allowed. This would place an undue burden on retailers to include this additional labeling on local products.



Testimony of Scott E. Enright Senate Bill No. 1294 Page 2

The department supports the intent of the portions in the bill referring to labeling requirements for Hawaii-grown cacao. Language in the bill is similar to the existing Hawaii-grown roasted coffee law, however, for enforcement purposes, the term "geographic origin", as used in the bill, will need to be clearly defined. The bill defines "geographic origin" as the geographic regions in which Hawaii-grown cacao are produced. A clearer demarcation of the various geographic origins is needed in order to establish where the Hawaii-grown cacao is produced.

The department respectfully requests for consideration the language in House Bill No. 1051, which provides the authority to the department to define declaration of Hawaii geographic origin for agricultural commodities.

Thank you for the opportunity to testify on this measure.



February 11, 2015

To: The Senate Committee on Agriculture And to: The Senate Committee on Commerce and Consumer Protection From: Kona Coffee Farmer Association Re: **SB1294: Scheduled for Hearing February 13, 2015 at 9:30 AM** 

The Kona Coffee Farmers Association, on behalf of its more then 300 members, strongly opposes SB1294.

Both the "Made In Hawaii" section and the "Cacao Labeling" section of this bill are bad for Hawaii farmers.

**"MADE IN HAWAII**"—This section of the bill fails to include the most essential element for protecting the integrity of Hawaii-Grown agricultural products—that is, a requirement that a package of an agricultural commodity labeled as "Made In Hawaii" or "Produced In Hawaii" must contain 100% Hawaii-Grown products. This bill sets no minimum whatever for the discretion of the Board of Agriculture as to the Hawaii grown content in the package. Will it be 10% genuine Hawaii-Grown content as is allowed for use of the name "Hawaii" or Hawaii place names on packages of coffee blends? (See HRS 486-120.6)? Will it be anything above 0% genuine Hawaii-Grown content as is now allowed for use of the words "Hawaii-Grown Macadamia Nuts"? (See HRS 486-120.5) The Legislature needs to protect the economic interests of farmers by following the examples of other states that required 100% genuine content to use their state and regional names on labels of specialty agricultural products. Why is Hawaii so out of step in protecting the names of its agricultural products?

"HAWAII-GROWN CACAO LABELING"—For more than 23 years Hawaii has been the only region anywhere in the world that by law permits the use of the name of certain of its premier agricultural products with only 10% genuine content (coffee), or less (macadamia nuts). Rather than correcting the disgrace that these deceptive labeling laws bring upon the State of Hawaii, this bill would extend the deceptive 10% blend labeling and impose it on Hawaii's cacao farmers. In 2007 the Hawaii Legislature made a factual finding that the 10% coffee blend law "causes consumer fraud" and "degrades the 'Kona coffee' name." (SCR No. 102. SD1,HD1). This "consumer fraud" is largely targeted at mainland and foreign visitors to Hawaii. People don't like to be cheated. This deception of tourists is counter to Hawaii's efforts to build the goodwill and affection of our tourist visitors. As to the "degradation" of the reputation of coffee and other Hawaii agricultural products, this "degradation" damages the economic interests of hard working family farmers in Hawaii and damages State's economy.

The Kona Coffee Farmers Association urges you to reject this bill.

Sincerely yours,

Bruce Corker, Chair Legislative Committee Kona Coffee Farmers Association



P.O. Box 5436, Kailua-Kona, Hawaii, 96745 \* info@konacoffeefarmers.org



From:	mailinglist@capitol.hawaii.gov		
To:	AGL Testimony		
Cc:	dan.nellis@dole.com		
Subject:	Submitted testimony for SB1294 on Feb 13, 2015 09:30AM		
Date:	Wednesday, February 11, 2015 4:25:03 PM		

## <u>SB1294</u>

Submitted on: 2/11/2015 Testimony for AGL/CPN on Feb 13, 2015 09:30AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Daniel Nellis	Dole Food Co. Hawaii	Support	No

Comments: Dole Food Co. Hawaii, producer of Waialua Estate Chocolate, supports this bill with the following amendments. From the pdf version of the bill; amend to eliminate Section 3 part 2 which is on page 2 line 10 through 15 which refers to "blend of Hawaii grown cacao and cacao not grown in Hawaii". Also, amend to eliminaate page 5 line 8 through 10 which refers to blends "not less than 10% cacao from geographic origin". Dole Hawaii is investing in cacao farming and chocolate production in Hawaii and finds it counterproductive to promote the uniqueness of Hawaiian cacao and chocolate while allowing blends of foreign cacao to carry the Hawaii name. We believe all chocolate products labeled as Hawaiian or made in Hawaii should utilize 100% Hawaiian grown cacao and no other cacao. Respectfully submitted, Daniel Nellis, General Manager , Dole Food Co. Hawaii

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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February 12, 2015

Good morning Committee Chairs Ruderman, Riviere, Baker and Taniguichi,

My name is HC "Skip" Bittenbender, I resident of St. Louis Drive , Honolulu and I strongly oppose SB1294.

My opposition is related to my experience with the growing, processing and marketing of coffee, cacao, macadamia, guava, and 'awa in Hawaii. My experience is based on my job as extension specialist in CTAHR at UHM for the past 29 years. This is my personal testimony and not the official position of the University of Hawaii.

Labeling Hawaii-grown agricultural products to everyone's satisfaction is challenging. The cacao section of SB1294 is completely opposite of the position Hawaii Chocolate and Cacao Association has taken. It will be very unpopular and unfair to our fledgling cacao industry of farmers and bean to bar chocolate companies.

I ask you not to pass SB1294. Rather direct the HDOA to make the labeling rules for each commodity when requested by its principal association of farmers, marketers and processors. HDOA's public hearings and rules making is a much more deliberate, transparent, and fair approach to what can be an emotional issue.

Thank you,

H.C. "Skip Bittenbender, Ph.D.