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A BILL FOR AN ACT

RELATING TO COFFEE LABELING.

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

1 SECTION 1. The legislature finds that for more than 2 twenty-five years, Hawaii has been the only region in the world 3 that statutorily regulates the uses of its geographic names, 4 such as "Kona", "Maui", and "Ka'ū", on labels of its specialty 5 agricultural products but requires that only ten per cent of the 6 product originate in the geographic area indicated. The 7 legislature further finds that the low ten per cent requirement 8 directly damages and degrades the reputation of world-famous 9 Hawaii-grown coffees and damages the economic interests of 10 Hawaii coffee farmers. Further, the 2018 publication entitled 11 "Strengthening sustainable food systems through geographical 12 indications: An analysis of economic impacts" by the Food and 13 Agriculture Organization of the United Nations and the European 14 Bank for Reconstruction and Development concluded, among other 15 things, that Kona coffee "does not enjoy any strong protection 16 of its name" from the State of Hawaii, and as a result,



1	downstream stakeholders, rather than farmers, "reap the economic
2	benefits of the fame of Kona."
3	More than ninety per cent of Hawaii's coffee farms are
4	located on the island of Hawaii. The Hawaii county council
5	adopted Resolution No. 501-14, entitled "Requesting The Hawaii
6	Legislature To Adopt Provisions For Truth-In-Labeling For
7	Hawaii-Grown Coffees". The council's request to the legislature
8	was based on a number of reasons, including:
9	(1) Senate Concurrent Resolution No. 102, S.D. 1, H.D. 1,
10	adopted during the regular session of 2007, which
11	stated in part:
12	(A) Existing labeling requirements for Kona coffee
13	causes consumer fraud and degrades the "Kona
14	coffee" name; and
15	(B) Confusion as to the difference between Kona
16	coffee and Kona coffee blends caused Consumer
17	Reports magazine to rate Kona coffee as "second
18	<pre>rate";</pre>
19	(2) It is inherently deceptive and misleading to label
20	coffee as a geographically identified blend, such as



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1		"Hamakua Blend", "Kaʻū Blend", or "Kona Blend", unless
2		at least a majority of the coffee is from that region;
3	(3)	The label on the package of a ten per cent Hawaii
4		coffee blend does not advise consumers that ninety per
5		cent of the coffee in the package is imported,
6		foreign-grown, or may be a mixture of multiple
7		Hawaiian regions and foreign-grown coffee;
8	(4)	Not identifying the origin of ninety per cent of a
9		coffee blend is inherently deceptive to consumers, who
10		are often erroneously led to believe that a package of
11		coffee blend contains a blend of coffees only from
12		farms in Kona or other regions in Hawaii, when in fact
13		a portion of the blended coffee could be foreign-grown
14		coffee;
15	(5)	Blending cheaper commodity coffees from Vietnam,
16		Mexico, Panama, Africa, and other foreign countries,
17		to fill ninety per cent of the coffee blend, enriches
18		mainland-based corporations that own the Hawaii
19		blending companies with immense excess profits,
20		without any benefit to Hawaii coffee farmers;

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1	(6)	The acknowledged blending of beans of various roasts
2		and origins by coffee roasters to create unique flavor
3		profiles is an acceptable practice and is different
4		from the deceptive labeling using misleading
5		geographic origin names of blends, which violates
6		basic principles of consumer protection and fair
7		marketing; and
8	(7)	Immediate legislative action is necessary to protect
9		the reputation of Hawaii-grown coffees as premier,
10		specialty coffees from further degradation.
11	The j	purpose of this Act is to support Hawaii's coffee
12	growers by	y :
13	(1)	Requiring disclosure on the label of coffee blends of
14		the respective regional origins and per cent by weight
15		of the blended coffees; and
16	(2)	Making it a violation of the coffee labeling law to
17		use a geographic origin in labeling or advertising for
18		roasted or instant coffee blends that contain less
19		than fifty-one per cent coffee by weight from that
20		geographic origin.

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1	SECTION 2. Section 486-120.6, Hawaii Revised Statutes, is	
2	amended by amending subsections (b) and (c) to read as follows:	
3	"(b) A listing of the geographic origins of the various	
4	Hawaii-grown coffees and the regional origins of the various	
5	coffees not grown in Hawaii that are included in a blend [may]	
6	shall be shown on the label. [If used, this] <u>This</u> list shall	
7	consist of the term "Contains:", followed by, in descending	
8	order of per cent by weight and separated by commas, the	
9	respective geographic origin or regional origin of the various	
10	coffees in the blend [that the manufacturer chooses to list].	
11	Each geographic origin or regional origin [may] <u>shall</u> be	
12	preceded by the per cent of coffee by weight represented by that	
13	geographic origin or regional origin, expressed as a number	
14	followed by the per cent sign. The type size used for this list	
15	shall not [exceed] <u>be less than</u> half that of the identity	
16	statement. This list shall appear below the identity statement	
17	[, if included] on the front panel of the label.	
18	(c) It shall be a violation of this section to:	
19	(1) Use the identity statement specified in subsection	
20	(a)(1)(A) or similar terms in labeling or advertising	
21	unless the package of roasted or instant coffee	

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1		contains one hundred per cent coffee from that one
2		geographic origin;
3	(2)	Use a geographic origin in labeling or advertising,
4		including in conjunction with a coffee style or in any
5		other manner, if the roasted or instant coffee
6		contains less than [ten] <u>fifty-one</u> per cent coffee by
7		weight from that geographic origin;
8	(3)	Use a geographic origin in <u>labeling or</u> advertising
9		roasted or instant coffee, including advertising in
10		conjunction with a coffee style or in any other
11		manner, without disclosing the percentage of coffee
12		used from that geographic origin as described in
13		subsection $(a)(1)(B)$ and $(a)(2);$
14	(4)	Use a geographic origin in labeling or advertising
15		roasted or instant coffee, including in conjunction
16		with a coffee style or in any other manner, if the
17		green coffee beans used in that roasted or instant
18		coffee do not meet the grade standard requirements of
19		rules adopted under chapter 147;
20	(5)	Misrepresent, on a label or in advertising of a
21		roasted or instant coffee, the per cent coffee by



1 weight of any coffee from a geographic origin or 2 regional origin[+] as defined in this chapter; 3 (6) Use the term "All Hawaiian" on a label or in 4 advertising of a roasted or instant coffee if the 5 roasted or instant coffee is not produced entirely 6 from green coffee beans [produced in geographic 7 origins defined in this chapter;] grown and processed 8 in Hawaii; 9 Use a geographic origin on the front label panel of a (7)10 package of roasted or instant coffee other than in the 11 trademark or in the identity statement as authorized 12 in subsection (a)(1) and (2) unless one hundred per 13 cent of the roasted or instant coffee contained in the 14 package is from that geographic origin; Use more than one trademark on a package of roasted or 15 (8) 16 instant coffee unless one hundred per cent of the 17 roasted or instant coffee contained in the package is 18 from that geographic origin specified by the 19 trademark; 20 Use a trademark that begins with the name of a (9) 21 geographic origin on a package of roasted or instant



1 coffee unless one hundred per cent of the roasted or 2 instant coffee contained in the package comes from 3 that geographic origin or the trademark ends with 4 words that indicate a business entity; or 5 (10) Print the identity statement required by subsection (a) in a smaller font than that used for a trademark 6 7 that includes the name of a geographic origin pursuant to paragraph (7) and in a location other than the 8 9 front label panel of a package of roasted or instant coffee." 10 11 SECTION 3. Statutory material to be repealed is bracketed 12 and stricken. New statutory material is underscored. 13 SECTION 4. This Act shall take effect on July 1, 2050.

Report Title: Coffee Labeling; Blended Coffee; Percent of Coffee By Weight

Description:

Requires coffee blend labels to disclose regional origins and percent by weight of the blended coffees. Prohibits using geographic origins of coffee in labeling or advertising for roasted or instant coffee that contains less than 51 percent coffee by weight from that geographic origin. (HB144 HD1)

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