
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 the production and
2 sale of coffee is a major industry in the State, and coffee from
3 Kona is world renowned. For more than twenty-five years, Hawaii
4 has been the only region in the world that statutorily regulates
5 the uses of its geographic names, such as "Kona", "Maui", and
6 "Ka'ū", on labels of its specialty agricultural products but
7 requires that only ten per cent of the product originate in the
8 geographic area indicated. The legislature is concerned that
9 the low, ten per cent requirement may damage and degrade the
10 reputation of world-famous Hawaii-grown coffees and the economic
11 interests of Hawaii coffee farmers.

12 The legislature further finds that there has been
13 contentious debate for decades regarding the labeling
14 requirements for Kona coffee, including most notably, minimum
15 percentage content. One of the contentious issues raised by
16 those involved on both sides of this debate is that changing the
17 labeling requirements will have a serious economic impact on the



1 State's coffee farmers and industry. Based on this repeatedly
2 discussed issue, the legislature finds that a neutral economic
3 impact study should be completed to fully understand what
4 economic impacts, if any, will result from changes to Hawaii's
5 coffee labeling requirements, and a task force consisting of
6 coffee industry representatives needs to be convened to propose
7 appropriate legislative changes, if any, that are needed to
8 address this matter.

9 The purpose of this Act is to support Hawaii's coffee
10 growers by:

- 11 (1) Directing the university of Hawaii economic research
12 organization to conduct a study to assess the economic
13 impact on the local coffee industry from potential
14 changes to coffee labeling laws; and
- 15 (2) Establishing a coffee labeling task force to review
16 and assess the findings and recommendations of the
17 study regarding the economic impact on the local
18 coffee industry from potential changes to coffee
19 labeling laws, develop proposed legislation to address
20 the pertinent issues, and identify any related issues
21 not addressed by state law.



1 SECTION 2. (a) The university of Hawaii economic research
2 organization shall conduct a study to assess the economic impact
3 on the local coffee industry from potential changes to coffee
4 labeling laws.

5 (b) The university of Hawaii economic research
6 organization shall consult with the department of agriculture
7 and stakeholders in the coffee industry to establish the
8 protocols to be used and factors to be addressed in the study.

9 (c) The university of Hawaii economic research
10 organization shall complete the study no later than January 1,
11 2021, and shall submit a report of its findings and
12 recommendations, including any proposed legislation, to the
13 legislature and the coffee labeling task force established by
14 section 3 of this Act, no later than twenty days prior to the
15 convening of the regular session of 2021.

16 SECTION 3. (a) There is established on July 1, 2020, a
17 coffee labeling task force within the department of agriculture
18 for administrative purposes to consist of the following members:

19 (1) The chairperson of the board of agriculture or the
20 chairperson's designee, who shall serve as the chair
21 of the task force;



- 1 (2) An economist from the university of Hawaii;
- 2 (3) A representative from the Hawaii Coffee Association;
- 3 (4) A representative from the Hawaii Coffee Growers
4 Association;
- 5 (5) A representative from the Kona Coffee Council;
- 6 (6) A representative from the Kona Coffee Farmers
7 Association;
- 8 (7) A representative from the Maui Coffee Association;
- 9 (8) A representative from the Kauai Coffee Company;
- 10 (9) A representative from Coffees of Hawaii (Molokai); and
- 11 (10) A representative from Waialua Coffee (Oahu).
- 12 (b) The task force shall review and assess the findings
13 and recommendations of the economic impact study conducted
14 pursuant to section 2 of this Act, develop proposed legislation
15 to address the issues raised and identified in the findings and
16 recommendations of the economic impact study, and identify any
17 related issues not addressed by state law. The task force shall
18 submit a report of its findings and recommendations, including
19 any proposed legislation, to the legislature no later than
20 twenty days prior to the convening of the regular session of
21 2022.



1 (c) The task force shall cease to exist after it has
2 accomplished the purpose of this Act or twenty days prior to the
3 convening of the regular session of 2022, whichever occurs
4 first.

5 (d) No member of the task force shall be made subject to
6 section 84-17, Hawaii Revised Statutes, solely because of that
7 member's participation on the task force. The task force shall
8 be exempt from chapter 92, Hawaii Revised Statutes.

9 (e) The members of the task force shall serve without
10 compensation but shall be reimbursed for expenses, including
11 travel expenses, necessary for the performance of their duties.

12 SECTION 4. There is appropriated out of the general
13 revenues of the State of Hawaii the sum of \$250,000 or so much
14 thereof as may be necessary for fiscal year 2019-2020 for the
15 university of Hawaii economic research organization to conduct a
16 study assessing the economic impact of potential changes to
17 coffee labeling laws on the local coffee industry.

18 The sum appropriated shall be expended by the university of
19 Hawaii for the purposes of this Act.

20 SECTION 5. There is appropriated out of the general
21 revenues of the State of Hawaii the sum of \$100,000 or so much



1 thereof as may be necessary for fiscal year 2020-2021 for the
2 purposes of the coffee labeling task force established pursuant
3 to this Act.

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

6 SECTION 6. This Act shall take effect on July 1, 2019.



Report Title:

Coffee Labeling Economic Impact Study; Coffee Labeling Task Force; Appropriation

Description:

Directs and appropriates funds for UHERO to conduct an economic impact study regarding the impact of potential changes to coffee labeling laws on the local coffee industry. Establishes and appropriates funds for a coffee labeling task force. (SD1)

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