

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 over twenty-six
- 2 years, Hawaii has been the only region in the world that
- 3 statutorily regulates the uses of its geographic names, such as
- 4 "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. The legislature notes that a 2018
- 11 publication entitled "Strengthening sustainable food systems
- 12 through geographical indications: An analysis of economic
- 13 impacts" by the Food and Agriculture Organization of the United
- 14 Nations and the European Bank for Reconstruction and Development
- 15 concluded, among other things, that Kona coffee "does not enjoy
- 16 any strong protection of its name" from the State of Hawaii, and

1	as a resur	.L, a	ownstream stakehorders, rather than ranmers, "rear
2	the econom	ic b	enefits of the fame of Kona."
3	The 1	egis	lature also finds that more than ninety per cent
4	of Hawaii'	s co	ffee farms are located on the island of Hawaii.
5	In 2014, t	he H	awaii county council adopted Resolution No. 501-
6	14, entitl	.ed "	Requesting the Hawaii Legislature to Adopt
7	Provisions	for	Truth-In-Labeling for Hawaii-Grown Coffees". The
8	council's	requ	est to the legislature was based on a number of
9	findings,	incl	uding:
10	(1)	Sena	te Concurrent Resolution No. 102, S.D. 1, H.D. 1,
11		regu	lar session of 2007, which 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			rate";
19	(2)	It i	s inherently deceptive and misleading to label
20		coff	ee as a geographically identified blend, such as

1		"Hamakua Blend", "Ka u 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 to
17		fill ninety per cent of the coffee blend enriches the
18		mainland-based corporations that own the Hawaii
19		blending companies with immense excess profits,
20		without any benefit to Hawaii coffee farmers;

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.

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] This 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] shall 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] be less than half that of the identity						
16	statement. This list shall appear below the identity						
17	statement[, 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						

1	contains	one	hundred	per	cent	coffee	from	that	one
2	geographi	ic o	rigin;						

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

1		weight of any corree from a geographic origin of
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	(7)	Use a geographic origin on the front label panel of a
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;
15	(8)	Use more than one trademark on a package of roasted or
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	(9)	Use a trademark that begins with the name of a
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
6		(a) in a smaller font than that used for a trademark
7		that includes the name of a geographic origin pursuant
8		to paragraph (7) and in a location other than the
9		front label panel of a package of roasted or instant
10		coffee."
11	SECT	ION 3. Statutory material to be repealed is bracketed
12	and stric	ken. New statutory material is underscored.
13	SECT	ION 4. This Act shall take effect on July 1, 2021.
14		

INTRODUCED BY:

meo

long the

JAN 1 7 2020

any Penos

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. Effective 7/1/2021.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.