### A BILL FOR AN ACT

RELATING TO AGRICULTURE.

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

- 1 SECTION 1. The legislature finds that Hawaii-grown coffee
- 2 is recognized for its high quality and aromatic flavor. Hawaii-
- 3 grown coffee is held to a set of high quality standards, which
- 4 makes it one of the most expensive coffees in the world.
- 5 According to the National Agricultural Statistics Service of the
- 6 United States Department of Agriculture, the estimated value of
- 7 Hawaii-grown coffee in 2016 was \$48,856,000.
- 8 To protect the Hawaii coffee industry from counterfeiting,
- 9 the legislature in 2012 enacted Act 328, which established
- 10 criminal penalties for Hawaii-grown cherry, parchment, and green
- 11 coffee that is falsely labeled with regard to the geographic
- 12 origin. However, in addition to the geographic origin, stricter
- 13 enforcement on the labeling restrictions based on the quality of
- 14 the coffee being sold is critical to prevent further
- 15 counterfeiting of Hawaii's recognized high quality coffee.
- 16 Furthermore, the criminal penalties for false labeling should

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- 1 apply not only to cherry, parchment, and green coffee, but also
- 2 to roasted coffee.
- 3 The purpose of this Act is to extend the offense of false
- 4 labeling of Hawaii-grown coffee to include violations of grade
- 5 standard requirements and all stages of coffee production.
- 6 SECTION 2. Section 708-871.5, Hawaii Revised Statutes, is
- 7 amended to read as follows:
- 8 "[+]§708-871.5[+] False labeling of Hawaii-grown coffee.
- 9 (1) A person commits the offense of false labeling of Hawaii-
- 10 grown coffee if the person knowingly transports, distributes,
- 11 advertises, sells, or possesses with the intent to sell Hawaii-
- 12 grown [green] coffee[, cherry coffee, or parchment coffee] that
- 13 is falsely labeled with regard to the geographic origin of the
- 14 Hawaii-grown coffee[-] or the grade standard requirements of
- 15 rules adopted under chapter 147.
- 16 (2) For purposes of this section[÷
- 17 "Cherry coffee" means the unprocessed fruit of the coffee
- 18 plant.
- 19 "Geographic origin"], "geographic origin" means the
- 20 geographic areas designated as follows:

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1	(a)	Hamakua is the Hamakua district on the island of
2		Hawaii, as designated by the State of Hawaii tax map;
3	(b)	Hawaii is the State of Hawaii;
4	(c)	Kau is the Kau district on the island of Hawaii, as
5		designated by the State of Hawaii tax map;
6	(d)	Kauai is the island of Kauai;
7	(e)	Kona is the north Kona and south Kona districts on the
8		island of Hawaii, as designated by the State of Hawaii
9		tax map;
10	(f)	Maui is the island of Maui;
11	(g)	Molokai is the island of Molokai; and
12	(h)	Oahu is the island of Oahu.
13	[ <del>"Gr</del>	een coffee" means the agricultural commodity comprised
14	<del>of green</del>	coffee beans.
15	<del>"Par</del>	chment coffee" means the dried product that remains
16	when coff	ee cherries are processed by removing the coffee seeds
17	from the	pulp.]
18	(3)	False labeling of Hawaii-grown coffee is a class C
19	felony."	

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- 1 SECTION 3. 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 4. Statutory material to be repealed is bracketed
- 5 and stricken. New statutory material is underscored.
- 6 SECTION 5. This Act shall take effect upon its approval.

INTRODUCED BY:

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### Report Title:

Hawaii-Grown Coffee; False Labeling

#### Description:

Expands the offense of false labeling of Hawaii-grown coffee to include grade standard violations and all stages of production of Hawaii-grown coffee.

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