JAN 2 3 2020

### 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 ready-to-drink
- 2 coffee beverages and inner wrapping labels given, but not sold,
- 3 to customers are not subject to the current statutory
- 4 requirements for fair trade coffee labeling and advertising;
- these requirements only apply to "roasted" and "instant" coffee.
  - 6 The legislature also finds that these labeling and advertising
  - 7 requirements were primarily intended to resolve any consumer
  - 8 confusion and allow consumers to "make an enlightened choice,"
  - 9 as stated in Act 289, Session Laws of Hawaii 1991. These
  - 10 statutory requirements ensure truthful representation of a
  - 11 coffee product's geographical origin, which protects consumers
  - 12 from fraud and deception in coffee labeling and advertising.
  - 13 The purpose of this Act is to expand the coffee labeling
  - 14 and advertising requirements to include ready-to-drink coffee
  - 15 beverages and inner wrapping labels given to customers.
  - 16 SECTION 2. Section 486-120.6, Hawaii Revised Statutes, is
  - 17 amended to read as follows:



1	"§486-12	0.6 Hawaii-grown [ <del>roasted or instant</del> ] coffee;
2	labeling or a	dvertising requirements. (a) In addition to all
3	other labelin	g requirements, the identity statement used for
4	labeling or a	dvertising roasted [or] coffee, instant coffee, or
5	ready-to-drin	k coffee beverages produced in whole or in part
6	from Hawaii-g	grown green coffee beans shall meet the following
7	requirements:	
8	(1) For	roasted [or] coffee, instant coffee, or ready-to-
9	dri	nk coffee beverages that [contains] contain one
10	hur	ndred per cent Hawaii-grown coffee by weight the
11	ide	entity statement shall consist of either:
12	(A)	The geographic origin of the Hawaii-grown coffee,
13		in coffee consisting of beans from only one
14		geographic origin, followed by the word "Coffee";
15		provided that the geographic origin may be
16		immediately preceded by the term "100%"; or
17	(B)	The per cent coffee by weight of one of the
18		Hawaii-grown coffees, used in coffee consisting
19		of beans from several geographic origins,
20		followed by the geographic origin of the weight-

1	specified	coffee	and	the	terms	"Coffee"	and	"All
2	Hawaiian";	;						

- (2) For roasted [ex] coffee, instant coffee, or ready-to-drink coffee beverages consisting of a blend of one or more Hawaii-grown coffees and coffee not grown in Hawaii, the per cent coffee by weight of one of the Hawaii-grown coffees used in the blend, followed by the geographic origin of the weight-specified coffee and the term "Coffee Blend"; and
- (3) Each word or character in the identity statement shall be of the same type size and shall be contiguous. The smallest letter or character of the identity statement on packages of sixteen ounces or less net weight shall be at least one and one-half times the type size required under federal law for the statement of net weight or three-sixteenths of an inch in height, whichever is smaller. The smallest letter or character of the identity statement on packages of greater than sixteen ounces net weight shall be at least one and one-half times the type size required under federal law for the statement of net weight.

1	The identity statement shall be conspicuously
2	displayed without any intervening material in a
3	position above the statement of net weight. Upper and
4	lower case letters may be used interchangeably in the
5	identity statement.
6	(b) A listing of the geographic origins of the various
7	Hawaii-grown coffees and the regional origins of the various
8	coffees not grown in Hawaii that are included in a blend may be
9	shown on the label. If used, this list shall consist of the
10	term "Contains:", followed by, in descending order of per cent
11	coffee by weight and separated by commas, the respective
12	geographic origin or regional origin of the various coffees in
13	the blend that the manufacturer chooses to list. Each
14	geographic origin or regional origin may be preceded by the per
15	cent $[rac{f of}]$ coffee by weight represented by that geographic origin
16	or regional origin, expressed as a number followed by the per
17	cent sign. The type size used for this list shall not exceed
18	half that of the identity statement. This list shall appear
19	below the identity statement, if included on the front panel of
20	the label.

1	<u>(c)</u>	The requirements under subsections (a) and (b) shall
2	apply to	the labeling of any inner package or inner wrapping
3	that incl	udes any geographic origin of Hawaii-grown coffee,
4	whether o	r not the inner package is intended to be individually
5	sold.	
6	[ <del>(c)</del>	] (d) It shall be a violation of this section to:
7	(1)	Use the identity statement specified in subsection
8		(a)(1)(A) or similar terms in labeling or advertising
9		unless the package of roasted [or] coffee, instant
10		coffee, or ready-to-drink coffee beverage contains one
11	•	hundred per cent coffee by weight from that one
12		geographic origin;
13	(2)	Use a geographic origin in labeling or advertising,
14		including in conjunction with a coffee style or in any
15		other manner, if the roasted [or] coffee, instant
16		coffee, or ready-to-drink coffee beverage contains
17		less than ten per cent coffee by weight from that
18		geographic origin;
19	(3)	Use a geographic origin in <u>labeling or</u> advertising
20		roasted [0x] coffee, instant coffee, or ready-to-drink
21		coffee beverages, including advertising in conjunction

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2		disclosing the [percentage of] per cent coffee by
3		weight used from that geographic origin as described
4		in subsection (a)(1)(B) and (a)(2);
5	(4)	Use a geographic origin in labeling or advertising
6		roasted [or coffee, instant coffee, or ready-to-drink
7		coffee beverages, including in conjunction with a
8		coffee style or in any other manner, if the green
9		coffee beans used in that roasted [or] coffee, instant
10		coffee, or ready-to-drink coffee beverage do not meet
11		the grade standard requirements of rules adopted under
12		chapter 147;
13	(5)	Misrepresent, on a label or in advertising of $[a]$
14		roasted [or] coffee, instant coffee, or ready-to-drink
15		coffee beverages, the per cent coffee by weight of any
16		coffee from a geographic origin or regional origin;

with a coffee style or in any other manner, without

(6) Use the term "All Hawaiian" on a label or in advertising of [a] roasted [or] coffee, instant coffee, or ready-to-drink coffee beverages if [the] that roasted [or] coffee, instant coffee, or ready-to-drink coffee beverage is not produced entirely from

1	green	coffee	beans	produced	in	geographic	origins
2	define	ed in th	nis cha	apter;			

- (7) Use a geographic origin on the front label panel of a package of roasted [ex] coffee, instant coffee, or ready-to-drink coffee beverage other than in the trademark or in the identity statement as authorized in subsection (a) (1) and (2) unless [ene hundred per cent of] the roasted [ex] instant coffee [contained in the package is], or ready-to-drink coffee beverage contains one hundred per cent coffee by weight from that geographic origin;
  - (8) Use more than one trademark on a package of roasted

    [ex] coffee, instant coffee, or ready-to-drink coffee

    beverage unless [ene hundred per cent of] the roasted

    [ex] coffee, instant coffee [contained in the package

    is], or ready-to-drink coffee beverage contains one

    hundred per cent coffee by weight from that geographic

    origin specified by the trademark;
  - (9) Use a trademark that begins with the name of a geographic origin on a package of roasted [or] coffee, instant coffee, or ready-to-drink coffee beverage

1		unless [one hundred per-cent of] the roasted [or]
2		coffee, instant coffee [contained in the package
3		comes], or ready-to-drink coffee beverage contains one
4		hundred per cent coffee by weight from that geographic
5		origin or the trademark ends with words that indicate
6		a business entity; or
7	(10)	Print the identity statement required by subsection
8		(a) in a smaller font than that used for a trademark
9		that includes the name of a geographic origin pursuant
10		to paragraph (7) and in a location other than the
11		front label panel of a package of roasted [ex] coffee,
12		instant coffee[-], or ready-to-drink coffee beverage.
13	[ <del>-(d)</del> -	] (e) Roasters, manufacturers, or other persons who
14	package r	oasted [ <del>or</del> ] <u>coffee,</u> instant coffee, or ready-to-drink
15	coffee be	verages covered by this section shall maintain, for a
16	period of	two years, records on the volume and geographic origin
17	or region	al origin of coffees purchased [and], sold, and used
18	and any o	ther records required by the department for the purpose
19	of enforc	ing this section. Authorized employees of the
20	departmen	t shall have access to these records during normal
21	business	hours.

1 [<del>(e)</del>] (f) For the purpose of this section: 2 "Geographic origin" means the names of the geographic 3 regions in which Hawaii-grown green coffee beans are produced, 4 as defined in rules adopted under chapter 147; provided that the 5 term "Hawaiian" may be substituted for the geographic origin 6 "Hawaii". 7 "Per cent coffee by weight" means the percentage calculated 8 by dividing the weight in pounds of roasted green coffee beans 9 of one geographic or regional origin used in a production run of 10 roasted [or] coffee, instant coffee, or ready-to-drink coffee 11 beverage by the total weight in pounds of the roasted green 12 coffee beans used in that production run of roasted [or] coffee, instant coffee, or ready-to-drink coffee beverage, and 13 14 multiplying the quotient by one hundred. 15 "Ready-to-drink coffee beverage" means a prepackaged 16 beverage that consists of or includes coffee and that is sold in 17 a prepared form that can be immediately consumed upon purchase." 18 SECTION 3. Statutory material to be repealed is bracketed 19 and stricken. New statutory material is underscored.

1 SECTION 4. This Act shall take effect on July 1, 2021.

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### Report Title:

Coffee; Labeling; Ready-to-Drink Coffee Beverages; Inner Wrapping Labels

### Description:

Expands the coffee labeling and advertising requirements to include ready-to-drink coffee beverages and inner wrapping or packaging labels. Effective 7/1/2021.

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