STAND. COM. REP. NO. 1035 -20

Honolulu, Hawaii

, 2020

MAR 13

RE: S.B. No. 2955

H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirtieth State Legislature Regular Session of 2020 State of Hawaii

Sir:

Your Committee on Agriculture, to which was referred S.B. No. 2955 entitled:

"A BILL FOR AN ACT RELATING TO COFFEE LABELING,"

begs leave to report as follows:

The purpose of this measure is to expand coffee labeling and advertising requirements to include ready-to-drink coffee beverages and inner wrapping or packaging labels.

Your Committee received testimony in support of this measure from one member of the Hawaii County Council. Your Committee received comments on this measure from the Department of Agriculture, Konaloha Farms, Kona Mountain Coffee, Rancho Aloha Kona Coffee, Kona Coffee Farmers Association, Hawaii Coffee Association, and three individuals.

Your Committee finds that for over twenty-six years, Hawaii has been the only region in the world that statutorily regulates the uses of its geographic names, such as "Kona", "Maui", and "Ka'ū", on labels of its specialty agricultural products but requires that only ten percent of the product originate in the geographic area indicated. Your Committee further finds that the low ten percent requirement directly damages and degrades the reputation of world-famous Hawaii-grown coffees and damages the economic interests of Hawaii's coffee farmers.

Your Committee amended this measure by:

- (1) Deleting its contents and inserting the language of H.B. No. 1886, H.D. 2, which supports Hawaii's coffee growers by:
 - (A) Including Hawaii-grown green coffee, cherry coffee, and parchment coffee in the coffee labeling requirements;
 - (B) Requiring disclosure on the label of coffee blends of the respective geographic and regional origins and percent by weight of the blended coffees;
 - (C) Making it a violation of the coffee labeling law to use a geographic origin in labeling or advertising for roasted coffee, instant coffee, Hawaii-grown green coffee, cherry coffee, and parchment coffee that contain less than a certain percentage of coffee by weight from that geographic origin, phased in to a minimum of fifty-one percent; and
 - (D) Prohibiting use of the term "All Hawaiian" in labeling or advertising for roasted coffee, instant coffee, Hawaii-grown green coffee, cherry coffee, and parchment coffee not produced entirely from green coffee beans grown and processed in Hawaii;
 - (E) Appropriating funds for the Department of Agriculture to administer the coffee labeling requirements program; and
 - (F) Changing its effective date to July 1, 2150, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2955, as amended herein, and recommends that it pass Second

Reading in the form attached hereto as S.B. No. 2955, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on behalf of the members of the Committee on Agriculture,

RICHARD P. CREAGAN, Chair

State of Hawaii House of Representatives The THIRTIETH Legislature

HSCR 1-35-20

Record of Votes of the Committee on Agriculture

Bill/Resolution No.: 58 2755	Committee Referral: AGR, CPC	=/N Date	3-11-20)
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
AGR Members	Ayes	Ayes (WR)	Nays	Excused
1. CREAGAN, Richard P. (C)				
2. DeCOITE, Lynn (VC)		<u> </u>		· · · · · · · · · · · · · · · · · · ·
3. CABANILLA ARAKAWA, Rida	1			
4. CACHOLA, Romy M.				
5 HOLT Devid				
5. HOLT, Daniel				
6. ONISHI, Richard H.K.	NA .			
o. Olymin, Kenaru II.K.				
7. PERRUSO, Amy A.	All the second s			
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8. THIELEN, Cynthia				
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TOTAL (8)	<u> </u>	2	Ô	2
The recommendation is: Adop	oted	.d		
If joint referral, did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO				