HB 144



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 more than
- 2 twenty-five years, Hawaii has been the only region in the world
- 3 that statutorily regulates the uses of its geographic names,
- 4 such as "Kona", "Maui", and "Ka'ū", on labels of its specialty
- 5 agricultural products but requires that only ten per cent of the
- f 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. Further, the 2018 publication entitled
- 11 "Strengthening sustainable food systems through geographical
- 12 indications: An analysis of economic impacts "by the Food and
- 13 Agriculture Organization of the United Nations and the European
- 14 Bank for Reconstruction and Development concluded, among other
- 15 things, that Kona coffee "does not enjoy any strong protection
- 16 of its name" from the State of Hawaii, and as a result,

	downstream stakehorders, rather than rankers, reap the economic
2	benefits of the fame of Kona."
3	More than ninety per cent of Hawaii's coffee farms are
4	located on the island of Hawaii. The Hawaii county council
5	unanimously adopted Resolution No. 501-14, entitled "Requesting
6	The Hawaii Legislature To Adopt Provisions For Truth-In-Labeling
7	For Hawaii-Grown Coffee". The council's request to the
8	legislature was based on a number of reasons, including:
9	(1) Senate Concurrent Resolution No. 102, S.D. 1, H.D. 1,
10	adopted during the regular session of 2007, which
11	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 is inherently deceptive and misleading to label
20	coffee as a geographically identified blend, such as

1		"Hamakua Blend", "Kaʻū 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,
17		to fill ninety per cent of the coffee blend, enriches
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 statement
17	[, 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

H.B. NO. 144

2		geographic origin;
3	(2)	Use a geographic origin in labeling or advertising,
4		including in conjunction with a coffee style or in any
5		other manner, if the roasted or instant coffee
6		contains less than [ten] fifty-one per cent coffee by
7		weight from that geographic origin;
8	(3)	Use a geographic origin in <u>labeling or</u> advertising
9		roasted or instant coffee, including advertising in
10		conjunction with a coffee style or in any other
11		manner, without disclosing the percentage of coffee

subsection (a)(1)(B) and (a)(2);

contains one hundred per cent coffee from that one

(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;

used from that geographic origin as described in

(5) Misrepresent, on a label or in advertising of a roasted or instant coffee, the per cent coffee by

1		weight of any coffee from a geographic origin or
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	TION 4. This Act shall take effect on July 1, 2019.
14		

INTRODUCED BY:

Aboleshina BL NCX

any Peruso

Dalis Tou Okur Alle a puetti

JAN 17 2019

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.

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

JOSH GREEN Lt. Governor



PHYLLIS SHIMABUKURO-GEISER
Acting Chairperson
Board of Agriculture

State of Hawaii **DEPARTMENT OF AGRICULTURE**

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TESTIMONY OF THE DEPARTMENT OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

FEBRUARY 20, 2019 2:00 P.M. CONFERENCE ROOM 329

HOUSE BILL NO. 144 RELATING TO COFFEE LABELING

Chairperson Takumi and Members of the Committee:

Thank you for the opportunity to testify on House Bill No. 144, relating to coffee labeling. This bill proposes to amend Section 486-120.6, Hawaii Revised Statutes by requiring the geographic origins of various Hawaii-grown coffee and coffees not grown in Hawaii to be listed on the front panel of the coffee blend label and increase the minimum percentage requirement from 10 percent to 51 percent by weight of a Hawaii-grown coffee in a coffee blend. The Department offers comments.

The original roasted coffee label law was enacted by Act 289, SLH 1991, which established a 10 percent minimum Kona coffee by weight. The minimum percentage was determined as a result of the coffee industry discussions and mutual agreement with the coffee industry on the 10 percent minimum Kona coffee allowance for a Kona coffee blend product. Act 258, SLH 2002, amended the roasted coffee labeling law to require the same minimum 10 percent coffee blend percentage for coffees grown in other recognized coffee production regions in the State. It was decided by industry consensus that "Truth in Labeling" for consumers was a better path than mandating an arbitrary percentage of Hawaiian coffee content required in the package.



Listing of the individual non-Hawaii grown coffee origins on a coffee blend label would place an extreme hardship on the blending industry. The individual blend coffee components may not be available, at all times due to logistics, crop size and pricing. If any one of the blend components were not available, it would make the packaging materials obsolete which would be very costly to a business.

In 2006, the department conducted a study, "Hawaii's Coffee Industry Structural Change and Its Effects on Farm Operations". The study revealed that blending pure Kona coffee with less expensive import varieties helps expand the market base for Kona coffee by overcoming the budget constraints of some consumers. The study also revealed that the quantity supplied of pure Kona coffee is reduced by the amount used for blending which, in effect, creates a positive pressure on the price of pure Kona coffee.

We respectfully request that the Section 2 on page 5 be amended as follows:

"(b) A listing of the geographic origins of the various, Hawaii-grown coffees and the regional origins of the various coffees not grown in Hawaii that are included in a blend may be shown on the label. If used, this list shall consist of the term "Contains:", followed by, in descending order of per cent by weigh and separated by commas, the respective geographic origin or regional origin of the various coffees in the blend. If a listing of the regional origins of the coffees not grown in Hawaii is not shown on the label, a statement consisting of the total per cent by weight of all coffees not grown in Hawaii followed by the words "non-Hawaii grown coffee" shall be shown on the label. The type size used for this list or statement shall not appear less than half that of the identity statement. This list or statement shall appear below the identity statement on the front panel of the label."

The department supports the Hawaii coffee industry and feels that the industry members should come together to resolve the blend percentage issue first before initiating any legislation.

Thank you for the opportunity to testify on this measure.



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TO:

Committee on Consumer Protection and Commerce

Rep. Roy M. Takumi, Chair

Rep. Linda Ichiyama, Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION

Lauren Zirbel, Executive Director

DATE: February 20, 2019

TIME: 2pm

PLACE: Conference Room 329

RE: HB144 Relating to Coffee Labeling

Position: Oppose

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, and distributors of food and beverage related products in the State of Hawaii.

We believe in encouraging and supporting local food and drink production. This law would make it harder for businesses selling Hawaii coffee to create labels that best suit their brand and make it harder to promote local coffee to consumers. The existing coffee label regulations are clear and provide ample information to customers about what type of coffee they are getting.

Different ways of blending, roasting, and even brewing coffee create different products with different flavors and characteristics. Decisions about developing and marketing these different types of coffees should be left to coffee growers, blenders, roasters, brewers, and coffee drinkers. These are not the type of things that should be mandated by government bodies. For these reasons we ask that you hold this measure. Thank you for the opportunity to testify.

Submitted on: 2/17/2019 8:56:18 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Cecelia Smith	Kona Coffee Farmers Association	Support	No

Comments:

Please pass this Bill to **finally halt** the unscrupulous sale of "Kona Blend" coffees that now need *only a pitiful* 10% REAL Kona in the bag to carry the Kona Blend name. 51% of our Kona coffee farm's coffee beans in t hat bag would make the coffee so much more valid. **PLEASE**! It's been 25 years of living with the lousy 10% requirement. We need your help!!

Mahalo nui and with aloha, Cecelia Smith-owner smithfarms Kona Coffee Honaunau, sout Kona

Submitted on: 2/17/2019 10:06:28 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Mark Shultise	Lavarock Farm	Support	No

Comments:

I am a Kona coffee farmer and support this bill.

For too long, large coffee companies have used blends to confuse the public and hurt the small farmer. Some of the public thinks that Kona is so strong that it must be diluted (completely wrong). These blenders have let hotels and restaurants think they are getting Kona coffee (which would imply 100% Kona) when in fact the product may contail lonly 10% or less of Kona.

A recent issue with Safeway was they were selling a product they thought was Kona coffee. When the Kona Coffee Farmers Association confronted them, their spokesman contacted their Oahu provider and replied that the provider assured them that they could come up to 10% Kona. This merant there was fraud or a major misunderstanding of what they were selling.

I ask you, could a product containing 10% gas and 90% water be called a gasoline blend?

These blenders use the Kona name to try to deceive the public. They sometimes choose a text font so the 10% looks like 100% on the label. They might have Kona in theircompany name, yet sell a product that has little or no Kona in it. They talk about and testify about the Kona Coffe INDUSTRY... industry is factories and organizations. They don't talk about the farmer who is creating the basis of their product.

At Target, one of these blenders had more than 15 rows of Kona blend and 1 row of 100% Kona. Those rows of blend keep us farmers from selling these customers real Kona coffee, partly because the customers think they are getting a quality product.

So why do blenders want to avoid putting the origin of their imported coffee on the label? They say it is propriatary information, a trade secret. I say it is because of the cost of that product. One blender uses 10% of the cheapest Kona they can get and the 90% comes from offshore. I understand that filler is no more than \$3 a pound delivered to Hawaii! That might explain why they are not proud to tout where 90% of their product comes from

Product labels generally tell you what you are eating and drinking, listing the majority of product at the top of the label. Why can't we do the same for the origin of the product in a bag of coffee?

Why do these companies want to hide where their product is coming from?

Submitted on: 2/17/2019 11:15:36 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Alan Wells	Konalicious Organic Coffee	Support	No

Comments:

As a small Kona coffee farm, this bill is extremely important to us. The reputation of Kona coffee is the gold standard by which other coffees are judged. To allow other coffees to dilute the purity of Kona coffee in blends to a mere 10% while making claim to the name Kona is certainly deceptive to the consumer and a huge disservice to those of us who are in the business of growing and selling Kona coffee.

Submitted on: 2/17/2019 11:39:44 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
John Koontz	Konaloha Farms	Support	No

Comments:

As a small farmer I find it offensive that a prestigious coffee, such as what is grown here, has been diluted down to a 10% blend, and is able to still carry the distinctive name of the appelation. At this percentage, these "Kona blends" don't qualify as a Kona blend, but are rather a Brazillian blend, with a hint of Kona. Truth in labelling should not mislead people into thinking they are buying something they are not. A Kona blend should contain at least 51% Kona beans. I know of no other product which is allowed to get away with this kind of deception.

Submitted on: 2/17/2019 12:08:13 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Una Greenaway	Kuaiwi Farm	Support	No

Comments:

Please pass this important bill. We Kona coffee farmers have been asking for this sensible level of protection for many years. Please do the right ting and support this bill.

Aloha,

Una Greenaway

Kona Coffee farmer

Submitted on: 2/17/2019 4:20:14 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
bruce corker	Kona Coffee Farmers Association	Support	No

Comments:

Dear Chair Takumi and Members of the Committee:

On behalf of more than 250 members of the Kona Coffee Farmers Association I am testifying in strong support of HB144.

I offer 3 points for the Committee to consider:

1—For more than 25 years Hawaii has been the only region anywhere in the world that authorizes by law the use of its geographic origin names in the labeling of agricultural products with as little as 10% of the content actually grown in the named region. It is long past time for Hawaii to provide its coffee farmers with the types of protections offered by other states to their specialty crop farmers—for example, Idaho's protections for its potato farmers, California's protections for Napa and Sonoma wine grape growers, and Vermont's for maple syrup producers against misleading and fraudulent marketing.

2—The coffee blenders and their allies will again—as they have for years—argue that no change should be made in the blend law until a "study" has been done on the economic effects of a change. Despite enormous economic resources (for example, Hawaii Coffee Company is a wholly owned subsidiary of the State's largest beer and alcohol distributor (Paradise Beverages), which in turn is a wholly owned subsidiary of Topa Enterprises, a multi-billion-dollar Mainland conglomerate), the blenders for years have never taken steps to obtain such a study. The reason they have not done so—they know that any reputable study will show that 10% Hawaii coffee blends take millions of dollars each year from farmers that go to the blenders as "excess profits"

from using Hawaii place names on packages of coffee containing 90% non-Hawaii grown coffee.

And there are studies that have already been done: a 2018 United Nations study concluding that Hawaii origin brands, like Kona, do "not enjoy any strong protection of its name" and that as a result "downstream stakeholders [rather than farmers] reap the economic benefits of the fame of Kona." Here is a link to the UN study: http://www.fao.org/3/18737EN/i8737en.pdf

Also see the 2010 analysis of resource economist Marvin Feldman finding that as much as \$14.4 million each year may be flowing out of the pockets of Kona coffee farmers and into the "excess profits" of blenders. Here is a link-https://www.konacoffeefarmers.org/kona-labeling/economic-effects-of-blending-kona-coffee/

3—The complaints of the blenders about the burdens of changes to the label identification of the 49% non-Hawaiian coffee in the blends are greatly exaggerated. Hawaii Coffee Company, for example, has its own label printing capability that would allow label changes with little or no burden. In any case, consumers are entitled to know what is in the package—a small price for the blenders for using Hawaii origin names on packages containing substantial amounts of foreign-grown coffee.

Any even if the Committee were to see the label changes as an issue, the matter could be easily addressed by adding a provision to give an option to blenders to use a broader disclosure of the total percentage of non-Hawaii coffee in the package--for example, "51% Ka'u Coffee; 49% Imported, Non-Hawaii-grown Coffee". What is important is that consumers be clearly advised that while the package may carry a name such as "Ka'u Blend", that up to 49% of the package content is foreign, imported coffee.

Please support Hawaii farmers and enact HB144.

Bruce Corker

Legislative Committee, Kona Coffee Farmers Association

Submitted on: 2/17/2019 6:08:55 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jean Orlowski	Hala Tree	Support	No

Comments:

A a kona Coffee farmer and member of the KCFA borad, I fully suppor this bill.

Blending without indicating the content of the blend is only detrimental to the transparency we own our clients. Very often the blend used is of a much lesser quality then the original coffee, that is reducing the quality and also push the consumer to go check other coffee.

Protecting the Our regional names byt using 51% will increase the quality, and protect prices for all farmers.

Submitted on: 2/18/2019 11:42:11 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Colehour Bondera	KANALANI OHANA FARM	Support	No

Comments:

Aloha Chair and Committee Members:

Please accept support for HB144 regarding coffee blend labeling.

As a farmer in Honaunau, Hawaii, my business involves direct sales to consumers of our Kona coffee. Therefore my experience with consumers is about what they want and helping them conclude that they want to purchase my coffee. There is open honesty that makes the most sense and therefore am revealing through the labels all of what they have in hand, with no deception.

For 17 years our family has run our coffee farm where we produce and sell all of our product directly to the consumer. For 10 or more of those years, my desire to help preserve the integrity of an important agricultural product means that communication is with others, it has meant that currently there is participation with Kona Coffee Farmers Association as a President emeritus and a current Board member. This means that there is understanding and efforts to protect other farmers, who are the other active members.

Since Kona coffee is but one of many U.S.A. products that are geographically identified, working with other groups around the country, it is important to deal with misleading labelling and marketing efforts at the national level as well, and for that reason play the present role as President of the Board of American Origin Products Association (AOPA). In this capacity, along with other product representatives, such as Idaho Potatoes, Napa Valley, California Wine, New Mexico Chile, Vermont Maple Syrup, we work to seek recognition and protection for national levels. Also, AOPA will be holding its' annual membership meeting in Washington, DC in April, 2019, and at this event we will further connect and communicate with each other but also with prospective members, and finally with legislators and staff and Program and Department representatives in order for them to be better informed and better willing to help keep geographically identified products protected at the national level.

Further, since this is all happening at the international level as well, and international legal bodies and agreements must also be made to work, and toward that means, serve as North American Vice President for oriGIn, which is based in Geneva, but works on

behalf of groups and products from around the world. For things such as international marketing and labelling rules and laws, it is important to incorporate such influence into all efforts. This is significantly important for products such as coffee, that are consumed around the world. Kona coffee is mailed directly by farmers to consumers worldwide. It all comes down to truth-in-labelling of said products, and the European Union being the lead part of the world who has already established international label criteria and a body to oversee and enforce the consumer recognition (through Public Relations and Education). For this reason, oriGln is based in Geneva, Switzerland with other offices in place in other parts of the world as well.

These issues were further considered and studied as completing my Master of Science in International Agricultural Development from the University of California at Davis in 1997. In this regard it was easy to see and understand how labels in markets drive sales and therefore, a label that is not honest with content will affect the sales of direct sales efforts as we sell all of our coffee, and therefore impact the price received, which means less money staying in Hawaii and instead being received by other sources, such as those who provided non-Hawaiian coffee and/or companies outside of Hawaii that are using the names of Counties or regions, without providing the appropriate labelling information so that the consumer in question knows what they are receiving in their purchase.

Having been raised on a farm in Oregon, where we had Jersey cows and drank their milk, it was basic for myself as one of the family members who milked the cows to understand that when, in the 1970's and early 1980's, we sold extra milk to neighbors, that they understood it to be directly and exclusively from our farm. Were this not the case (for example it were coming fully OR in part from a neighbor farm, or another source altogether), simply integrity means that our family would so share said information BEFORE a sale being completed. From this experience it was clear to me that consumers (ie, neighbors) can and should be treated just as we, ourselves, would like to be treated, and that means not being mis-informed or mislead simply to be taken advantage of, rather than being lived next to as equals.

This is already a compromise, since for me 100% of Kona coffee can and should be required to be sold as 100% Kona coffee, as we do with ours. However from my marketing experiences through my life, it is clear that some consumers have other interests (be that financial savings, or a range of coffees) than my customers. Yet one thing stands true and clear across the range of consumers, and that is that they all want to know what they are getting for their decisions, which means truth-in-labelling.

Honesty and openness and full information sharing result in respect and a healthier more complete relationship. Please help Hawaii and help coffee in Hawaii and help Kona coffee, by providing your due endorsement of this piece of legislation.

Sincerely,

Colehour Bondera

KANALANI OHANA FARM

Honaunau, HI



P.O. Box 99, Wailuku, HI 96793-0099 (808) 800-3974

February 17, 2019

David Case Secretary Kona, Hawai'i

Vincent Mina State President

Kyle Studer Vice-President

Ka'u, Hawai'i

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James McCay Waimanalo, Oahu

Dash Kuhr Kohola, Hawai'i

Brynn Foster North Shore, Oahu

Maureen Datta Kona, Hawai'i

John Dobovan Haleakala, Maui

Steve Lund Puna, Hawai'i

> Ray Maki Kauai

Matt VanPaepeghen Hana, Maui

Robert Pahia Mauna Kahalawai, Maui

Kaipo Kekona Lahaina, Maui

Kyle Studer Ka'u, Hawai'i

Yuri Zhuraw East Hawai'i

Christian Zuckerman Wai'anae, Oahu TESTIMONY OF HAWAII FARMERS UNION UNITED (HFUU)

IN STRONG SUPPORT OF HB 144 (RELATING TO COFFEE LABELING)

BEFORE HOUSE COMMITTEE ON CONSUMER PROTECTION AND

COMMERCE(WEDNESDAY, FEBRUARY 20, 2019 AT 2PM)

Aloha Chairman Takumi and Members of the Committee--

HFUU is a 501(c)(5) agricultural advocacy nonprofit representing over 1,500 family farmers and their supporters organized as 13 Chapters in the four Hawai'i Counties. That includes coffee farmers in Kona on Hawai'i Island.

Many such farmers have testified in support of this Bill. They speak as owners of family farms who are able to make a living because they grow, process and sell a high-value "Origin" coffee from "Kona" and other Hawaii Origins. It is well-recognized, as recounted in HB144, that the way in which Hawaii's current law allows a 10% coffee blend to be labeled "Kona," (or "Ka'u," "Hamakua," "Maui," or "Kauai") is "misleading". The Legislature's 2007 Concurrent Resolution called it "consumer fraud." Hawaii County's 2014 Resolution called it "inherently deceptive and misleading."

It is also economically harmful to Origin coffee farmers. In 2018 the United Nations Food and Agriculture Organization concluded that these Hawaii Origin brands, like Kona: do "not enjoy any strong protection of its name" and that the result is "downstream stakeholders, rather than farmers, 'reap the economic benefits of the fame of Kona.'"

The opponents of this legislation are those "downstream stakeholders," who the United Nations says "reap the economic benefits" of 10% blended coffee. They have testified that "no one can accurately predict" the economic effect of requiring Hawaii's Origin coffee blends to contain 51% Kona, Ka'u, Hamakua, Maui or Kauai coffee. We can predict however, that Hawaii Origin coffee blends will no longer be deceptively marketed. We can also predict that 51% coffee blends will still be less expensive than 100%— only now their cost will be linked to the fair value of Hawaii's Origin coffees.

We commend you and your colleagues representing constituencies throughout Hawaii for sponsoring this long overdue measure and urge your Committee to give it unanimous support.

HAWAII FARMERS UNION UNITED

Un

Vincent Mina, President

The Hawai'i Farmers Union United and its Chapters are a nonprofit corporation formed under Hawai'i law and Section 501(c)(5) of the Internal Revenue Code. HFUU advocates for the sovereign right of farmers to create and sustain vibrant and prosperous agricultural communities for the benefit of all Hawai'i through cooperation, education and legislation. Because HFUU is an agricultural advocacy organization, donations to it are not tax deductible

<u>HB-144</u> Submitted on: 2/18/2019 4:19:54 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Genevieve N Neumann	Lokoea Farms	Support	No

Comments:

Submitted on: 2/18/2019 4:39:23 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kathryn Hickey	Hawaii Farm Bureau Federation - Kona County Chapter	Support	No

Comments:

Aloha.

More than 60 coffee farmers are members of our Kona Chapter of the Hawaii Farm Bureau. We hear from our farmers time and again that this labeling bill is one of the most important issues to their business. Blenders are driving down the price and quality of the Kona brand, and it is crucial that our legislators work to solve this problem! Our chapter strongly supports this labeling bill and any measures that will protect the Kona brand from dilution by inferior coffees.

On a more personal note, I own a Kona coffee farm myself and sell the majority of my coffee roasted, direct to consumer. In my experience, it is rare that our customers understand that when they buy Kona in a grocery store on the mainland, that they are buying only 10% Kona coffee. It is a constant struggle to educate customers who come on my farm tour or visit my website on how to buy real Kona coffee and it doesn't need to be. Stricter labeling requirements will help both farmers and customers who love Kona coffee.

Thank you for your consideration,

Kate Hickey,

Vice President of Kona County Farm Bureau

Owner of Sunshower Farms

<u>HB-144</u> Submitted on: 2/18/2019 5:09:18 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Karen Winslow	Hawaii Farmers Union	Support	No

Comments:



February 18, 2019

House Committee on Finance Friday, Feb 16, 2018 at 2:00 p.m. Conference Room 308

Re: In SUPPORT, HB144, Relating to Coffee Labeling

Aloha Chair Sylvia Luke, Vice Chair Ty J.K Cullen, and House Members of the Committee on Finance.

My name is Heather Brisson. I am the founder of Origin Coffee Roasters located in Kihei, HI. I am writing on behalf of myself and our locally operated business in support of HB144 that requires a change to 51% minimum content in Hawaii coffee blends and identification on the label of the imported coffee.

We believe in protecting local manufacturing and the Hawaii brand. The Hawaiian brand and other imagery and wording used often confuses the consumer as to the true origin on the product. There is little to no recourse or requirement to the truth behind marketing these products. This leads to the devaluation of the band that is Hawaiian.

Mahalo for your consideration. We urge you to pass this bill.

Thank you for the opportunity to provide testimony in support of **HB144**.

Sincerely,

Heather Brisson Origin Coffee Roasters Owner/Roastmaster

HB-144 Submitted on: 2/19/2019 6:15:16 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Suellen Barton	Maui Farmers Union United	Support	No

Comments:

<u>HB-144</u> Submitted on: 2/18/2019 9:52:02 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Autumn Ness	Hawai'i Center for Food Safety	Support	No

Comments:



RE: Support for HB144

RELATING TO COFFEE LABELING Coffee Labeling; Blended Coffee; Percent of Coffee By Weight

Aloha Legislators,

The Kona Coffee Farmers Association requests and appreciates your support of this Bill. We represent over 200 farms in the Kona districts and our mission is to protect the economic interests of our growers.

The ten-percent minimum blend law has long been a drag on Kona's flagship crop. It dilutes and reduces the reputation of our coffee in the specialty marketplace. If there is a place in the market for blends, it is at the 51% level, where Kona (and Ka'u, Maui, Molokai or Kauai) can rightly take the top percentage on the bag.

For many years, the blenders have argued that we should "study" this issue. They testify that coffee prices would crash should they stop buying Kona for blends. But this is not economic reality. Over the last two decades the market for Hawaii coffee has changed drastically and many growers now sell out their entire crop online. The global demand for Kona far exceeds supply and the value of our crop is at record highs. Selling direct-to-market has made small farms financially viable.

To maintain these record prices, it's vital that the State protect our distinctive brand from those who wish to use the name simply for profit. Consumers who buy a Kona Blend often think they are getting a blend of different Kona coffees when in reality, they are drinking 90% foreign beans. The take-away impression from a blend's flavor can turn off buyers and permanently damage the status of Hawaiian coffees. We must protect our Hawaii-origin products.

Blenders will disingenuously argue that selling 10% blends allow more consumers to "taste" Kona. But our market is not the tourist market. It is not Walmart. Such pricing comes at the expense of a sustainable living for our Hawaii growers.

My family has three generations who farm coffee and we support ourselves on 100% Kona. Thank you for your consideration of this bill. Your support makes a difference in the lives of hundreds of small farmers.

Mahalo nui loa!

Suzanne Shriner

President

Submitted on: 2/19/2019 12:28:22 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Lee Sugai	Sugaikonacoffee	Support	No

Comments:

My name is Lee Sugai. I am a Kona coffee farmer and processor and a member of KCFA. I support HB144 because for too many years my profit has suffered because 10% blended Kona coffee is sold a such a lower price than any 100% Kona coffee farmer can compete with. My family has raised 100% Kona coffee for three generations with pride and we have had to compete with an inferior product that misleads consumers. If a product is going to be labeled as Kona coffee then it should contain a majority of Kona coffee. 51% is at least a start.

Submitted on: 2/19/2019 1:25:10 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Jacqueline Wikum	Pohaku Farm	Support	No	

Comments:

Please support the change to 51%. It will protect the reputation of Hawaii coffee and increase income to farmers. Thank you.

Submitted on: 2/17/2019 9:47:52 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jim Monk	Individual	Support	No

Comments:

I am a Kona coffee farmer and a member of the Kona Coffee Farmers Association. I support the HB144 bill. It is time Hawaii supports its farmers and enables us to sell our products at a reasonable profit. 10% blends of Kona coffee take money right out of my pocket and keep my revenue lower than it should be. Moving the required minimum amount of Kona coffee in a blend to 51% is important to us farmers. And having to report the sources of all the coffees in the package is important to consumers. Please support and pass this bill, HB144.

Submitted on: 2/17/2019 12:15:41 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Leon A.Rosner	Individual	Support	No	

Comments:

Please pass this very important bill. As a Kona coffee farmer I have been asking for this percentage for at least 30 years. Many hotels and restaurants tell their guests and customers that the blended coffee is 100%. It is time to protect our brand. Do what is pono.

mahalo

Leon Rosner

Kona Coffee Farmer

<u>HB-144</u> Submitted on: 2/17/2019 12:25:38 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Franz Weber	Individual	Support	No

Submitted on: 2/17/2019 12:45:42 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Randall Phillips	Individual	Support	No	

Comments:

Aloha,

I am a coffee farmer in North Kona and support HB144. Kona is one of a handful of specialty coffees that is complex and interesting enough to stand on its own as a single origin coffee. Not only does it not need to be blended it does not need to have its good name adulterated by the current law that allows blenders to trade on the name 'Kona" with as little as 10% Kona beans. I am not at all against blending but I am against using the name Kona on any blend that has less than 51% Kona beans in it. We lost control of the name Kona coffee decades ago. While we will never have the full protection that Napa Wines or Vidallia Onions currently have (100%) we deserve at least 51%.

The confusion over the name 10% Kona Blend is well known and has been proven to be generally misunderstood to be a blend of Kona coffees which it clearly is not. The resulting poor tasting coffee sullies the name Kona. It has been proven that even the best Q grader could never identify the Kona flavor profile in a 10% blend. At 51% most of them could. 100% Kona coffee has been getting better and better recently. Our cupping scores testify to this fact. While you may know that 100% Kona coffee sells for around \$40/pound - do you know that we have several farms here selling special lots of 100% Kona coffee for \$100/pound and even \$180/ pound? Having a lower grade of coffee trading on that name is a serious detriment to this stellar rise in Kona coffee as a very high end specialty coffee. This bill, if passed will go a long way to end the confusion over the name Kona Coffee Blend. Let the consumer decide if they want 51% Kona blended with 49% Vietnamese coffee (for example). This bill in the end is just a very simple truth in labeling law and should be passed.

Mahalo,

Randy Phillips

Submitted on: 2/17/2019 3:11:25 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Sandra Scarr	Individual	Support	No

Comments:

To the CPC Committee:

As a Kona coffee farmer for 19 years, I urge the Consumer Protectioon Committee to approve HB144, which offers consumers a significantly improved product with 51% Kona coffee when the Kona name is used on the bag.

Currently, the Kona name can be used with only 10% Kona in the bag, a small amount that even expert cuppers cannot detect. Requiring a majority of coffee in the bag to be accurately described by the name on the label is obviously an improvement in consumer protection.

Please pass HB144 out of Committee.

Aloha,

Sandra Scarr

Submitted on: 2/17/2019 3:48:56 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Donald C Anderson	Individual	Support	No	ı

Comments:

I am a consumer of Kona Coffee in Auburn, California. Th existing labling of only 10% Kona Coffee should be eliminated and replaced with a minimum at least 51% Kona Coffee. I am willing to pay for th extra cost for at least 51% Kona Coffee.

Kona has a very distinctive taste and should not be diluted with coffee of a lessor quality coffee.

The Kona Coffee growers in the County of Hawaii are mostly small farmers and grow a coffee with an excellent flavor.

I urge to pass HB144 and it's companion Bill SB888.

Thank you,

Donald C Anderson, 11350 Mount Vernon Road, Auburn, CA. 95603

<u>HB-144</u> Submitted on: 2/17/2019 4:22:59 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Joanna Weber	Individual	Support	No

Submitted on: 2/17/2019 4:49:56 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

	Submitted By	Organization	Testifier Position	Present at Hearing
Ī	DJ lijima	Individual	Support	No

Comments:

In support of the HB144 requiring any roasted or instant coffee labeled "Kona Coffee" or donating any other particular geographical region, be comprised of at least 51% by weight from the advertised region. Powerful coffee blenders on Oahu should not be influencing our lawmakers at the expense of farmers.

Submitted on: 2/18/2019 7:52:31 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Lawrence Ford	Individual	Support	No

Comments:

Please help protect the good Kona Coffee name which has been built up over many years. Many hard working smaller kona coffee farmers will benefit. They are the ones that worked so hard to build the Knoa Coffee name.

Submitted on: 2/18/2019 8:57:37 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Mark Wessels	Individual	Support	No

Comments:

As a small coffee farmer in Captain Cook, HI and a member of the Kona Coffee Farmers Assoc, I wish to voice my support of HB144 and its requirement of a change to 51% minimum genuine content in Hawaii coffee blends and identification on the label of the imported coffee in the blend. This is vitally important to protect the integrity of genuine Kona coffee and to protect customers who believe they are buying real Kona coffee and are in fact buying a 'Kona blend' coffee with a mere 10% of Kona beans. I have spoken to literally 100s of people who have no idea that a Kona blend contains only 10% real Kona beans. I am dumbfounded and frankly appalled that these 10% blends are still allowed to call themselves Kona coffee. I was in the retail wine business for 25 years prior to being in the coffee business. The concept that a wine could be labelled as Napa blend or Bordeaux blend and that it would contain only 10% of wines from that region is unimaginable. Producers from these wines regions would Never allow such misleading statements. The continuation of Kona blends that allow only 10% Kona beans is entirely NOT in the best interest of the consumer, the Kona coffee farmer, or the Kona coffee industry as a whole. PLEASE Pass HB144!

Mark Wessels ww.domainkona.com

Submitted on: 2/18/2019 12:04:25 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
John Miller	Individual	Support	No

Comments:

I support HB144. As a coffee farmer, and a consumer, I believe that products should be honestly labeled. It is not fair that some some marketers should be allowed to hijack our brand after we put so much hard work into maintaing a high quality product. We are constantly striving to improve our product through training, legislation, and new technologies. The blended products are clearly inferior to 100% Hawaiian coffee. If the non-Hawaiian coffee used in blends was any good it would be marketed under its own name rather than eroding the reputation that we have worked so hard to build. I would be in favor of trade or service marking Hawaii regional coffee names and outlawing blends altogether.

Submitted on: 2/18/2019 12:27:16 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Beth Webb	Individual	Support	No

Comments:

I am a coffee farmer in South Kona and a member of KCFA. I am hoping that this bill will help farmers by honestly indicating the content of coffee sold with the Kona name. The current minimum amount of 10% is so unfair to farmers who compete with blenders using 90% cheap imported coffee and basically "steal" the honorable Kona name. Consumers will at least know what percentage of real Kona coffee is in the container and where the other coffee originates. Thank you for helping farmers.

<u>HB-144</u> Submitted on: 2/18/2019 3:46:21 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Keith Ranney	Individual	Support	No

<u>HB-144</u> Submitted on: 2/18/2019 3:49:14 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Lois Crozer	Individual	Support	No

<u>HB-144</u> Submitted on: 2/18/2019 3:49:38 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Maureen Datta	Individual	Support	No

Submitted on: 2/18/2019 4:12:21 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
marta greenleaf	Individual	Support	No

Comments:

This bill contains many positive aspects for coffee farmers. I support this bill.

sincerely, Marta Greenleaf

310 Hoopalua Dr

Makawao, HI 96788

<u>HB-144</u> Submitted on: 2/18/2019 4:33:34 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Barbara Barry	Individual	Support	No

<u>HB-144</u> Submitted on: 2/18/2019 4:51:34 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Ken Stover	Individual	Support	No

<u>HB-144</u> Submitted on: 2/18/2019 5:41:14 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Steven Forman	Individual	Support	No

<u>HB-144</u> Submitted on: 2/18/2019 6:07:31 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jo Kimm	Individual	Support	No

<u>HB-144</u> Submitted on: 2/18/2019 7:36:31 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Koohan Paik	Individual	Support	No

<u>HB-144</u> Submitted on: 2/18/2019 7:40:33 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jacqueline S. Ambrose	Individual	Support	No

Submitted on: 2/18/2019 8:21:57 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Cynthia Maryanoff	Individual	Support	No	

Comments:

Dear Representatives,

Please represent Kona small farm coffee growers and support HB-144 requiring 51% minimum genuine context in Hawaii coffee blends and identification on the label of the origin of imported coffee in the blend.

My husband and I own two small Kona coffee farms. Our special interest is premium, single-estate 100% Kona coffee. Our company grows, processes, roasts, and sells high-quality, single-estate 100% Kona coffee, with a focus on artisanal, premium brands to satisfy the interests of coffee connoisseurs. Our trees are dry-farmed (i.e., not irrigated). We have state-of-the-art coffee processing and roasting facilities and offer brands that represent the flavor profiles of specific terroirs. We exclusively custom-roast in small batches with a fluidized-bed air roaster. Our flagship brand is designated "Private Reserve".. We thank you for your past support, especially with the CBB problems. We work very hard and have invested much money in our Hawaiian farms. All context of KONA is lost without effective labelling, and right now it is a very special taste: UNIQUE! Let's keep it unique!

We work hard! We are proud of our 100% KONA coffee products.

We find it offensive to see coffee labeled "Kona coffee" and in small print CONTAINS 10% KONA COFFEE and no notation of what the 90% is.

We are member of the Kona Coffee Farmers Association.

Please support HB-144 requiring 51% minimum genuine context in Hawaii coffee blends and identification on the label of the origin of imported coffee in the blend.

Sincerely

Cynthia A Maryanoff

Absolutelykona.com

Submitted on: 2/18/2019 8:35:42 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

	Submitted By	Organization	Testifier Position	Present at Hearing	
Ī	Greg Koch	Individual	Support	No	

Comments:

A label should accurately reflect its contents, and require no special knowledge to understand what it really contains. I know, crazy.

<u>HB-144</u> Submitted on: 2/18/2019 8:42:32 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jun Shin	Individual	Support	No

Submitted on: 2/18/2019 9:34:59 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Robert Barrett	Individual	Support	No

Comments:

As a Kona Coffee Farmer for 20yrs, The job of providing quality coffee is not getting any easier. In fairness to hard working Coffee Farmer the 10% Kona Coffee labling standard appears to hurt the KONA COFFEE name and allows a few large distributers to dominate the market. In addition actual percentage monitoring is difficult at the 10% amount. A 51% will be easier to regulate as it is more obvious how much coffee a buyer is actually buying. Not to mention flavor, aroma and satisfaction.

<u>HB-144</u> Submitted on: 2/18/2019 9:43:43 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Dennis F Lokmer	Individual	Support	No

Submitted on: 2/18/2019 9:49:08 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Ann M. Fontes	Individual	Support	No

Comments:

I urged all of you to approve this bill to require at least 51% of Kau Coffee be included in a blended coffee that is labeled Kau Coffee. This would apply to any coffee grown in Hawaii that is blended with foreign grown coffee to be able to be labeled with the distinct Hawaiian grown coffee to contain at least 51% of that specific coffee. Thank you for your consideration of this biill.

HB-144 Submitted on: 2/18/2019 11:15:22 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Shannon Rudolph	Individual	Support	No

Comments:

Past time to support Hawai'i coffee farmers! When will legislators listen?

<u>HB-144</u> Submitted on: 2/19/2019 1:12:27 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Raphiell Nolin	Individual	Support	No

<u>HB-144</u> Submitted on: 2/19/2019 3:26:42 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Sam Small	Individual	Support	No

Comments:

Protect the integrity of our Hawaiin coffee brands mahalo

<u>HB-144</u> Submitted on: 2/19/2019 5:22:59 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Eloise Engman	Individual	Support	No

Submitted on: 2/19/2019 5:48:30 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Brian Murphy	Individual	Support	No

Comments:

Aloha Lawmakers,

I SUPPORT the passage of HB144.

We need to protect our world-famous Hawaii branding. Truth is labeling is vital to customer confidence.

I would like to see an amendment added to ban listing ingredients that are NOT in the product, without clearly labeling them as imitation flavors, AND stating what they really are.

Almost all brands of Hawaiian flavored coffees have a long list of chemical ingredients that they do not list on the packages. These chemicals can have adverse health reactions to customers who are receiving untrue, and grossly misleading, information about what is in their coffee products.

Hawaiian brand coffees often list mac-nuts and vanilla prominently on their package, neither of which are actually in the product, because of nut allergies.

TRUTH in Labeling! It's a wonderful idea.

Mal	hal	Ю,
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Brian Murphy

Maui, Hawaii

Submitted on: 2/19/2019 5:50:46 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Mary Whispering Wind	Individual	Support	No

Comments:

Aloha Lawmakers,

I SUPPORT the passage of HB144.

We need to protect our world-famous Hawaii branding. Truth is labeling is vital to customer confidence.

I would like to see an amendment added to ban listing ingredients that are NOT in the product, without clearly labeling them as imitation flavors, AND stating what they really are.

Almost all brands of Hawaiian flavored coffees have a long list of chemical ingredients that they do not list on the packages. These chemicals can have adverse health reactions to customers who are receiving untrue, and grossly misleading, information about what is in their coffee products.

For example, Hawaiian brand coffees often list mac-nuts and vanilla prominently on their package, neither of which are actually in the product, because of nut allergies.

TRUTH in Labeling! It's a wonderful idea.

Mahalo,

Mary Whispering Wind

Puunene, Hawai'i

Submitted on: 2/19/2019 8:19:19 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Allan Wang	Individual	Support	No	

Comments:

Aloha, Representatives,

As a twenty two year Kona coffee farmer, and life long resident of Hawaii, as well as a professional in the Hawaii community, I am writing in support of HB144.

The insignificant 10 percent content requirement for product origin to use the fine, recognized Kona geographic origin name is terribly harmful to individual, hard working Hawaii coffee farmers, confuses our visitors that are the lifeblood of Hawaii's economy, and degrades the reputation of our fine coffee. Many objective measures illustrate the above to be true as summarized in the bill.

It is necessary and important for Hawaii to hold its high standards and history of advancing the parameters of a just and fair society, including upholding the hard work of its farmers, especially as it seeks to attain the critical goal of food independence.

Please consider carefully, and help change the packaging requirement for our fine coffee be increased to a common sense minimum that 1) most of the coffee be from the indicated geographic region and 2) that the balance be accurately identified.

The interests of big companies and mainland corporations should no longer take precedent over what is right and just for Hawaii's visitors, consumers, and farmers.

Thank you for your thoughtful consideration.

Sincerely,

Allan Wang, MD, PhD Aikane Kona Coffee Holualoa, Hawaii Island

Submitted on: 2/19/2019 9:06:21 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Deniz Tek	Individual	Support	No

Comments:

I am a small estate coffee farmer in the Kona district. Dishonest and misleading labeling harms the integrity of the Kona Coffee brand. We are justly proud of our coffee and wish to see it's reputation protected. Allowing inferior product to go out under the good Kona name is wrong. Please do the right thing and support honesty in labeling.

Thank you for hearing my testimony.

HB-144 Submitted on: 2/19/2019 9:10:10 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Carissa Holley	Individual	Support	No	1

Comments:

I support coffee labeling.

HB-144 Submitted on: 2/19/2019 9:11:20 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
emilie kirk	Individual	Support	No

Comments:

I support this measure to increase transparency in coffee labeling.

<u>HB-144</u> Submitted on: 2/19/2019 9:33:41 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Barbara Hershey	Individual	Support	No

HB-144 Submitted on: 2/19/2019 9:36:47 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Gagne	Individual	Support	No

Comments:

Please support Hawaii agriculture and coffee farmers

<u>HB-144</u> Submitted on: 2/19/2019 10:01:01 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Mary Lacques	Individual	Support	No

Comments:

Please support HB144 to protect Hawai'i's dedicated, hardworking coffee farmers and the integrity of Hawaii-origin products.

<u>HB-144</u> Submitted on: 2/19/2019 10:17:56 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Emily Garland	Individual	Support	No

<u>HB-144</u> Submitted on: 2/19/2019 10:53:48 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Chezlani Casar	Individual	Support	No

<u>HB-144</u> Submitted on: 2/19/2019 10:57:14 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
ChristopherMcCullough	Individual	Support	No

HB-144 Submitted on: 2/19/2019 10:30:07 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Valerie Barnes	Individual	Support	No

Comments:

Support our local coffee growers, please! It has already taken MUCH too long to pass this bill.

<u>HB-144</u> Submitted on: 2/19/2019 11:01:07 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Laura Acasio	Individual	Support	No

<u>HB-144</u> Submitted on: 2/19/2019 11:15:40 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Derek Lindes	Individual	Support	No

Submitted on: 2/19/2019 11:51:50 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
A Kathleen Lee	Individual	Support	No	

Comments:

Aloha Honorable Legislators,

Mahalo for sponsoring this bill. I am a small farmer, amongst other things to survive, as I cannot survive on farming & this bill protects my livelihood if I could get to the point of selling my coffee. It is expensive to produce coffee for market. Due to the fact that dishonesty has damaged this industry, it is imperative we protect the hard-working farmer.

Please vote for this very reasonable bill in support of our farmers,

April Lee

Hawi, HI

Submitted on: 2/19/2019 12:18:16 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
KATHLEEN DIXON	Individual	Support	No

Comments:

My name is Kathleen Dixon and I am a small Kona coffee farmer and am a Kona Coffee Farmers Association member. I also manage a medium sized Kona coffee farm. I strongly support HB144. For too long large coffee companies and processors have used a minimal amount of Kona coffee (10%) blended with inexpensive imported coffee to increase their profit margins at the expense of 100% Kona coffee farmers and processors. The 10% (Only one bean in ten is Kona coffee) Kona blended into this coffee is not even enough to change the flavor of the coffee it is mixed with. This practice devalues 100% Kona and is misleading to consumers. If the trademarked name Kona is used on a product it should contain at least 51% of what it is labeled as!

Submitted on: 2/19/2019 1:30:21 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Martha Lind	Individual	Support	No

Comments:

My husband and I own and operate a coffee farm in Upcountry Maui. Currently a coffee is allowed to be sold as "Kona coffee" or "Maui coffee," etc. when it contains only 10% of Kona or Maui coffee. This is misleading to the public, and detrimental to the reputation and image of our excellent Hawaiian coffees. Hawaiian coffee is an extremely important and valued commodity from our State and, as such, should be protected from being sold as a "blend" when the "blend" only contains 10% Hawaiian coffee. I urge you to pass HB144 to require Hawaiian blended coffees to contain at least 51% of a Hawaiian georgraphic origin to uphold the integrity and value of the excellent coffees from our State.

<u>HB-144</u> Submitted on: 2/19/2019 1:42:04 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
John NAYLOR	Individual	Support	No

Comments:

Aloha

Support Hawaii grown java!

Cheers

JN Makawao

Submitted on: 2/19/2019 1:56:21 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
David Douglas	Individual	Support	No	

Comments:

Hello, my name it's Dave Douglas, owner of Cafe Cafe Maui, and Old Lahaina Coffee Company. I am also a member of the Maui Coffee Association and acting as their Voice President. I would like to urge to support of HB144. I deal with consumers of Hawaiian Coffee every day. And they share their frustrations with labeling. In addition global competition of world class coffee has increased, and Hawaii would benefit greatly by protecting our brand with 51% labeling.

Thank you!

<u>HB-144</u> Submitted on: 2/19/2019 2:05:15 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Gwen Morinaga-Kama	Individual	Support	No

<u>HB-144</u> Submitted on: 2/19/2019 4:03:26 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
marjorie erway	Individual	Support	No	1



PHONE: (808) 323-4267 FAX: (808) 323-4786 EMAIL: Rebecca.villegas@hawaiicounty.gov

HAWAI'I COUNTY COUNCIL

West Hawai'i Civic Center, Bldg. A 74-5044 Ane Keohokalole Hwy. Kailua-Kona, Hawai'i 96740

February 19, 2019

TESTIMONY OF REBECCA VILLEGAS COUNCIL MEMBER, HAWAI'I COUNTY COUNCIL ON HB 144, RELATING TO COFFEE LABELING; BLENDED COFFEE, PERCENT OF COFFEE BY WEIGHT

Committee on Consumer Protection and Commerce Wednesday, February 20, 2019 2:00 p.m. Conference Room 329

Aloha Chair Takumi and Members of the Committee:

I thank you for the opportunity to testify in support of HB 144, relating to coffee labeling; blended coffee, percent of coffee by weight.

The purpose of this measure is a requirement to disclose regional origins and percent by weight of the blended coffees and prohibits using geographic origins in labeling or advertising for roasted or instant coffee that contain less than 51 percent coffee by weight from that geographic origin.

For more than 25 years Hawai'i has been the only region in the world that statutorily regulates the uses of its geographic names, such as "Kona", on labels of its specialty agriculture products but requires that only 10% of the product originate from the geographic area indicated. Existing labeling requirements for Kona Coffee causes consumer fraud and degrades the "Kona Coffee" name. This also causes confusion to the difference between Kona coffee and Kona coffee blends. The 10% Hawai'i coffee blend does not advise consumers that 90% of the coffee in the package is imported, foreign-grown, or may be a mixture of multiple Hawaiian regions and foreign-grown coffee. Not being clear on the origin of coffee blends is deceptive to consumers who often believe that a package of coffee blend is only from farms in Kona or other regions of Hawai'i when in fact most of the blended coffee is foreign originated.

For the reasons stated above, I urge the Committee on Consumer Protection and Commerce to support this measure as well. Should you have any questions, please feel free to contact me at (808) 323-4267.

Mahalo for your consideration.

Rebecca Villegas

Council Member, Hawar i County Council

HB-144 Submitted on: 2/19/2019 6:02:22 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Joseph Kohn MD	We Are One, Inc www.WeAreOne.cc - WAO	Support	No

HB-144 Submitted on: 2/19/2019 7:35:08 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i	Support	No

Submitted on: 2/20/2019 8:38:00 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Chet Gardiner	Cassandra Farms and KCFA	Support	No

Comments:

I am a coffee farmer from the Kona region of the Big Island of Hawai'i. I am also on the Board of Directors of our Kona Coffee Farmers Association.

This is an issue of honesty and survival.

Kona Coffee is primarily grown on small, often family operations. It is often more of a lifestyle choice and passion than a "business" - we mainly grow for love, not money. For us, the reputation of Kona Coffee, probably the best tasting coffee on the planet is an issue of survival for hundreds of Coffee farms in our region and a matter of pride.

The horrible taste of "Blends" labeled as "Kona" that are consumed by people who have never had the pleasure of drinking real 100% Kona Coffee, especially those people who love coffee and are willing to pay a premium for fine tasting coffee inevitably results in extremely negative feelings about the Entire Kona Coffee experience and builds an aversion to the idea of spending the money to buy REAL 100% Kona.

In other words, blends water down our Brand with very bad tasting coffee.

We are asking for TRUTH in advertising. We are asking for honesty in Labeling. 10% "Kona" blends will NEVER taste good, are NOT KONA and must be labeled as the inferior product they really are.

I urge passage of HB144 as a start.

Thank you for the opportunity to weigh in on this matter.

Submitted on: 2/20/2019 11:48:25 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Eric Stoddard	Hawaii Coffee Company	Oppose	No

Comments:

Hawaii Coffee Company employs approximately 125 people in the state. Our business is coffee - Lion Coffee, Royal Kona Coffee, Koa Coffee, additional private lable blends for local retailers and tea. There are other coffee companies of our size within the state as well. Enacting a 51% Kona Coffee blend requirement for Kona Blend coffees would in all liklihood put most, if not all, of HCC employees out of work as well as employees at the other similar size coffee manufacturing companies in the state. There's simply not enough Kona coffee to support.

<u>HB-144</u> Submitted on: 2/20/2019 11:53:42 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jeri Di Pietro	Hawai'i SEED	Support	No

<u>HB-144</u> Submitted on: 2/19/2019 8:31:13 PM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Patrick Harley Simmons	Individual	Support	No

<u>HB-144</u> Submitted on: 2/20/2019 9:05:55 AM

Testimony for CPC on 2/20/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Doris Segal Matsunaga	Individual	Support	No