DAVID Y. IGE Governor

JOSH GREEN Lt. Governor



PHYLLIS SHIMABUKURO-GEISER Chairperson, Board of Agriculture

MORRIS M. ATTA
Deputy to the Chairperson

State of Hawaii **DEPARTMENT OF AGRICULTURE**

1428 South King Street Honolulu, Hawaii 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613

TESTIMONY OF PHYLLIS SHIMABUKURO-GEISER CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON AGRICULTURE

MARCH 11, 2020 9:00 A.M. CONFERENCE ROOM 312

SENATE BILL NO. 2955 RELATING TO COFFEE LABELING

Chairperson Creagan and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill 2955, relating to coffee labeling. This bill expands the coffee labeling requirements pertaining to Hawaii grown roasted coffee to include ready-to-drink coffee beverages. The Department supports the intent of this bill and offers comments.

The Department supports the Hawaii coffee industry and the use of unique geographic coffee growing regions to market, advertise and sell Hawaii-grown coffee. Currently the Department can enforce grading and labeling of green Hawaii-grown coffee but cannot determine the content or origin of a coffee or its blend once it is roasted or manufactured as a ready-to-drink beverage. There is no industry standard to determine the actual content or origin of the coffee for effective enforcement and the Department currently lacks the manpower and resources to effectively prove any fraudulent occurrence. The Department may need to work with industry/university to research the adoption/cost to implement new inspection/detection technology required to regulate the authenticity of roasted and blended Hawaii-grown coffee labeling.

Thank you for the opportunity to testify on this measure.





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 4, 2020

TESTIMONY OF REBECCA VILLEGAS COUNCIL MEMBER, HAWAI'I COUNTY COUNCIL ON SB 2955, RELATING TO COFFEE LABELING

> Committee on Agriculture Wednesday, March 11, 2020 9:00 a.m. Conference Room 312

Aloha Chair Creagan, and Members of the Committee:

I thank you for the opportunity to testify in support of SB 2955, relating to coffee labeling. My testimony is submitted in my individual capacity as a member of the Hawai'i County Council.

The purpose of this measure is to expand the coffee labeling and advertising requirements to include ready-to-drink coffee beverages, and inner wrapping labels given to customers. Ready-to-drink coffee beverages and inner wrapping labels are not subject to the current statutory requirements for fair trade coffee labeling and advertising. Labeling and advertising requirements were primarily intended to resolve consumer confusion and to allow consumers to make an enlightened choice. The statutory requirements ensure truthful representation of a coffee products geographical origin, which protects consumers from fraud and false advertising.

For the reasons stated above I urge the Committee on Agriculture 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, Hawai'i County Council

<u>SB-2955</u> Submitted on: 3/9/2020 5:49:25 PM

Testimony for AGR on 3/11/2020 9:00:00 AM

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

Comments:

I support SB2955 and also request that SB2955 be amended to include the "content and intent" of HB1886 for a requirement of 51% minimum of genuine Hawaii-grown coffee in "Hawaii Coffee Blends" Mahalo!

Submitted on: 3/10/2020 6:30:45 AM

Testimony for AGR on 3/11/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing	
Bill Dwyer	Kona Mountain Coffee	Support	No	

Comments:

Dear Chair Creagan and Committe Members,

We support SB2955 and requiring Ready To Drink coffee packages to meet the same labeling standards that currently apply to roasted coffee; and request that Sb2955 be amended to include the "content and intent" of HB1886 for a requirement of 51% minimum of genuine" Hawaii growen coffee in Hawaii coffee Blends".

Sincerely

Bill Dwyer

President/CEO

Kona Mountain Coffee LLC

808-987-9557

Submitted on: 3/9/2020 6:05:36 PM

Testimony for AGR on 3/11/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
bruce corker	Rancho Aloha Kona Coffee	Support	No

Comments:

Dear Chair Creagan and Members of the Committee:

As a coffee farmer in the North Kona District of Hawaii County, I **STRONGLY SUPPORT SB2955** and its provisions to bring fair labeling standards to the marketing of Hawaii-grown coffee. Fair labeling will provide protections for the economic interests of Hawaii's coffee farmers and will protect consumers from deceptive misuse of Hawaii origin names on packages that contain little or no Hawaii-grown coffee.

Additionally, I request that the content and intent of HB1886 (introduced in the House this session) be added to SB2955 in order to bring Hawaii further into line with modern fair marketing standards. For almost 3 decades Hawaii has been the only state in the U.S. (and the only region anywhere in the world) to authorize by law the use of its geographic place names ("Kona", "Ka'u", "Maui", "Kauai") on labels of an agricultural product—90% of which was not grown in the named region by local farmers. It is long past time for the State of Hawaii to support its farmers, rather than the economic interests of mainland-owned companies selling deceptively labeled "Hawaii Coffee Blends". Hawaii needs to provide Hawaii farmers with the same types of protections that Idaho provides for its Idaho potato farmers, that California provides to its wine grape growers, and that Vermont provides to its maple sugar producers.

Please strengthen and pass SB2955.

Thank you,

Bruce Corker, Rancho Aloha, Holualoa, Hawaii County

Submitted on: 3/9/2020 2:12:32 PM

Testimony for AGR on 3/11/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Chet Gardiner	Kona Coffee Farmers Association - Board Member and Vice President	Support	No

Comments:

In addition to being a long-time connoisseur of fine coffee, I am a coffee farmer from the Kona region of the Big Island of Hawai'i. I am also the Vice President and a member of the Board of Directors of our Kona Coffee Farmers Association.

This is an issue of honesty in advertising.

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 basic survival for hundreds of Coffee farms in our region as well as a matter of pride.

It is a serious oversight that seriously damaging loopholes exist in current labeling requirements that allow the Kona name to be used on products that may contain no content from Kona at all.

I urge passage of SB2955 to close that loophole.

I also request that SB2955 be amended to include the "content and intent" of HB1886 for a requirement of 51% minimum of genuine Hawaii-grown coffee in "Hawaii Coffee Blends".

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





March 10, 2020

Aloha Chair Creagan and Committee Members,

As the current President of the non-profit organization which requires voting membership to be only made up of Kona coffee farmers, it is with great pleasure that this letter is in support of SB 2995 regarding Ready to Drink Hawaii coffee products.

Membership of our farmer representative group has made me feel comfortable stating that we fully support SB2995, as we have stated in the past in terms of applying existing State laws and Department of Agriculture Rules to coffee in all forms, including products that are ready for consumer use when they carry labels identifying them as Hawaiian products. The same rules can and should apply to all coffee products.

That said, it is with esteemed pleasure that my request also includes full support of attaching, as an amendment to this piece of legislation, the content and intent of HB 1886 as has previously moved through the House.

My intention is to be present at the hearing tomorrow, so please ask questions of me as is necessary to help us all move this important effort forward for full legislative consideration.

Sincerely,

Colehour Bondera, President Kona Coffee Farmers Association





PO Box 168, Kealakekua, HI 96750 808-929-9550



HOUSE COMMITTEE ON AGRICULTURE

Wednesday, March 11, 2020 9:00 AM Conference Room 312

RE: Testimony on SB2955

Aloha Chair Creagan, Vice Chair DeCoite and members of the Committee,

I am Chris Manfredi, President of Hawaii Coffee Association.

The Hawaii Coffee Association's (HCA) mission is to represent all sectors of the Hawaiian coffee industry, including growers, millers, wholesalers, roasters and retailers located throughout the State of Hawaii. The HCA's primary objective is to increase awareness and consumption of Hawaiian coffees. A major component of HCA's work is the continuing education of members and consumers.

The Hawaii Coffee Association supports the intent of this measure but we need clarity before lending our support. We oppose it in its current form.

Our primary concern relates to applicability of the new legislation.

"Ready-to-drink coffee beverage" means a prepackaged beverage that consists of or includes coffee and that is sold in a prepared form that can be immediately consumed upon purchase."

We feel his definition is lacking. "Prepackaged" needs to be defined as well as "prepared".

Technically, this law would be applied to a cup of coffee presented in a paper cup with a lid, that is presented by someone other than the customer- for example a barista in a coffee shop. These products are technically "prepared" and "prepackaged".

We hope that amendments can be made that would address our above concerns.

Additionally, we respectfully request that this measure be amended to include roasted coffee in the existing false-labeling statute HRS 708-871.5.

Specifically, we ask that subsection 1 of HRS 708-871.5 be amended to read:

(1) A person commits the offense of false labeling of Hawaii-grown coffee if the person knowingly transports, distributes, advertises, sells, or possesses with the intent to sell Hawaii-grown green coffee, cherry coffee, [0+] parchment coffee, or roasted coffee that is falsely labeled with regard to the geographic origin of the Hawaii-grown coffee.

When this statute was originally enacted eight years ago, Hawaii's Department of Agriculture did not feel it had the capacity to enforce this law if applied to roasted coffee, and the bill was limited to green bean. Since then, advancements in technology have come to the fore that would make the tools necessary to enforce this law readily available.

The above-mentioned amendment is from SB 895 that passed this committee in the last session on 3/15/19.

Thank you for the opportunity to testify on this measure.

<u>SB-2955</u> Submitted on: 3/10/2020 6:42:34 AM

Testimony for AGR on 3/11/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Cecelia Smith	Individual	Support	No

Comments:

I request that SB2955 be amended to include the "content and intent" of HB1886 for a requirement of 51% minimum of genuine Hawaii-grown coffee in "Hawaii Coffee Blends".

Mahalo Cecelia Smith Kona coffee grower 30+ years

Submitted on: 3/9/2020 1:50:00 PM

Testimony for AGR on 3/11/2020 9:00:00 AM

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

Comments:

Aloha,

I am a coffee grower in Kona. Please support SB2955 to require that ready to drink coffee beverages have the same labeling requirements as roasted coffee. Also please support an amendment to include the content and intent of HB1886, to require a minimum of 51% authentic Hawaiian-grown coffee in products labeled as Hawaiian coffee blends. This legislation is desperately needed to put a stop to fraudulent mislabeling and to protect the good name and reputation of Hawaii's heritage coffees. Honest labelling will benefit consumers, Hawaii's coffee farmers and the State's agriculture sector in general, for now and for future generations.

Thank you.

<u>SB-2955</u> Submitted on: 3/9/2020 10:16:03 AM

Testimony for AGR on 3/11/2020 9:00:00 AM

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

Comments:

To the Committee:

I support amending SB 2955 with the content and intent of HB 1886. The intent of HB 1886 is the most important issue for Hawaii coffee farmers.

Please pass the amended bill out of the Agriculture Committee.

Aloha,

Sandra Scarr