

JAN 21 2021

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# 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, Hawai'i 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. However, the statute requires that only  
6 ten per cent of the product originate in the geographic area  
7 indicated. The legislature further finds that the low ten per  
8 cent requirement directly damages and degrades the reputation of  
9 world-famous Hawai'i-grown coffees and damages the economic  
10 interests of Hawai'i coffee farmers.

11           The 2018 publication entitled "Strengthening sustainable  
12 food systems through geographical indications: An analysis of  
13 economic impacts" by the Food and Agriculture Organization of  
14 the United Nations and the European Bank for Reconstruction and  
15 Development concluded, among other things, that Kona coffee with  
16 its "unique typicality and a market with a major high-added-  
17 value demand does not enjoy any strong protection of its name"



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1 from the State of Hawai'i, and as a result, downstream  
2 stakeholders, rather than farmers, "reap the economic benefits  
3 of the fame of Kona."

4 More than ninety per cent of Hawai'i's coffee farms are  
5 located on the island of Hawai'i. In 2014, the Hawai'i county  
6 council unanimously adopted Resolution No. 501-14, entitled  
7 "Requesting The Hawaii Legislature To Adopt Provisions For  
8 Truth-In-Labeling For Hawaii-Grown Coffee". The council's  
9 request to the legislature was based on several reasons,  
10 including:

11 (1) Senate Concurrent Resolution No. 102, S.D. 1, H.D. 1,  
12 adopted during the regular session of 2007, which  
13 stated in part:

14 (A) Existing labeling requirements for Kona coffee  
15 causes consumer fraud and degrades the "Kona  
16 coffee" name; and

17 (B) Confusion as to the difference between Kona  
18 coffee and Kona coffee blends caused *Consumer*  
19 *Reports* magazine to rate Kona coffee as "second  
20 rate";



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- 1           (2) It is inherently deceptive and misleading to label  
2           coffee as a geographically identified blend, such as  
3           "Hamakua Blend", "Ka'ū Blend", or "Kona Blend", unless  
4           at least a majority (fifty-one percent) of the coffee  
5           is from that region;
- 6           (3) The label on the package of a ten per cent Hawai'i  
7           coffee blend does not advise consumers that ninety per  
8           cent of the coffee in the package is imported,  
9           foreign-grown, or may be a mixture of multiple  
10          Hawaiian regions and foreign-grown coffee;
- 11          (4) Not identifying the origin of ninety per cent of a  
12          coffee blend is inherently deceptive to consumers, who  
13          are often erroneously led to believe that a package of  
14          coffee blend contains a blend of coffees only from  
15          farms in Kona or other regions in Hawai'i, when in fact  
16          a portion of the blended coffee could be foreign-grown  
17          coffee;
- 18          (5) Blending cheaper commodity coffees from Vietnam,  
19          Mexico, Panama, Africa, and other foreign countries,  
20          to fill ninety per cent of the coffee blend, enriches  
21          mainland-based corporations that own the Hawai'i



1 blending companies with immense excess profits,  
2 without any benefit to Hawai'i coffee farmers;  
3 (6) The acknowledged blending of beans of various roasts  
4 and origins by coffee roasters to create unique flavor  
5 profiles is an acceptable practice and is different  
6 from the deceptive labeling using misleading  
7 geographic origin names of blends, which violates  
8 basic principles of consumer protection and fair  
9 marketing; and

10 (7) Immediate legislative action is necessary to protect  
11 the reputation of Hawai'i-grown coffees as premier,  
12 specialty coffees from further degradation.

13 The purpose of this Act is to support Hawai'i's coffee  
14 growers by:

15 (1) Requiring disclosure on the label of coffee blends of  
16 the respective regional origins and per cent by weight  
17 of the blended coffees; and

18 (2) Making it a violation of the coffee labeling law to  
19 use a geographic origin in labeling or advertising for  
20 roasted or instant coffee blends that contain less



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1           than fifty-one per cent coffee by weight from that  
2           geographic origin.

3           SECTION 2. Section 486-120.6, Hawaii Revised Statutes, is  
4 amended by amending subsections (b) and (c) to read as follows:

5           "(b) A listing of the geographic origins of the various  
6 Hawaii-grown coffees and the regional origins of the various  
7 coffees not grown in Hawaii that are included in a blend may be  
8 shown on the label. [~~if used, this~~] This list shall consist of  
9 the term "contains:", followed by, in descending order of per  
10 cent by weight and separated by commas, the respective  
11 geographic origin or regional origin of the various coffees in  
12 the blend [~~that the manufacturer chooses to list~~]. Each  
13 geographic origin or regional origin [~~may~~] shall be preceded by  
14 the per cent of coffee by weight represented by that geographic  
15 origin or regional origin, expressed as a number followed by the  
16 per cent sign. The type size used for this list shall not  
17 [~~exceed~~] be less than half that of the identity statement. This  
18 list shall appear below the identity statement [~~, if included~~] on  
19 the front panel of the label.

20           (c) It shall be a violation of this section to:



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- 1           (1) Use the identity statement specified in subsection  
2           (a) (1) (A) or similar terms in labeling or advertising  
3           unless the package of roasted or instant coffee  
4           contains one hundred per cent coffee from that one  
5           geographic origin;
- 6           (2) Use a geographic origin in labeling or advertising,  
7           including in conjunction with a coffee style or in any  
8           other manner, if the roasted or instant coffee  
9           contains less than [~~ten~~] fifty-one per cent coffee by  
10          weight from that geographic origin;
- 11          (3) Use a geographic origin in labeling or advertising  
12          roasted or instant coffee, including advertising in  
13          conjunction with a coffee style or in any other  
14          manner, without disclosing the percentage of coffee  
15          used from that geographic origin as described in  
16          subsection (a) (1) (B) and (a) (2);
- 17          (4) Use a geographic origin in labeling or advertising  
18          roasted or instant coffee, including in conjunction  
19          with a coffee style or in any other manner, if the  
20          green coffee beans used in that roasted or instant



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1 coffee do not meet the grade standard requirements of  
2 rules adopted under chapter 147;

3 (5) Misrepresent, on a label or in advertising of a  
4 roasted or instant coffee, the per cent coffee by  
5 weight of any coffee from a geographic origin or  
6 regional origin[+] as defined in this chapter;

7 (6) Use the term "All Hawaiian" on a label or in  
8 advertising of a roasted or instant coffee if the  
9 roasted or instant coffee is not produced entirely  
10 from green coffee beans [~~produced in geographic~~  
11 ~~origins defined in this chapter;~~] grown and processed  
12 in Hawaii;

13 (7) Use a geographic origin on the front label panel of a  
14 package of roasted or instant coffee other than in the  
15 trademark or in the identity statement as authorized  
16 in subsection (a) (1) and (2) unless one hundred per  
17 cent of the roasted or instant coffee contained in the  
18 package is from that geographic origin;

19 (8) Use more than one trademark on a package of roasted or  
20 instant coffee unless one hundred per cent of the  
21 roasted or instant coffee contained in the package is



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1 from that geographic origin specified by the  
2 trademark;

3 (9) Use a trademark that begins with the name of a  
4 geographic origin on a package of roasted or instant  
5 coffee unless one hundred per cent of the roasted or  
6 instant coffee contained in the package comes from  
7 that geographic origin or the trademark ends with  
8 words that indicate a business entity; or

9 (10) Print the identity statement required by subsection  
10 (a) in a smaller font than that used for a trademark  
11 that includes the name of a geographic origin pursuant  
12 to paragraph (7) and in a location other than the  
13 front label panel of a package of roasted or instant  
14 coffee."

15 SECTION 3. Statutory material to be repealed is bracketed  
16 and stricken. New statutory material is underscored.

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

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INTRODUCED BY: DKA



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**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.*

