

JAN 21 2022

---

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



1 result, downstream stakeholders, rather than farmers, "reap the  
2 economic benefits of the fame of Kona".

3 The legislature also finds that more than ninety per cent  
4 of Hawaii's coffee farms are located on the island of Hawaii.  
5 In 2014, the Hawaii county council adopted Resolution No. 501-  
6 14, entitled "Requesting the Hawaii Legislature to Adopt  
7 Provisions for Truth-In-Labeling for Hawaii-Grown Coffees". The  
8 council's request to the legislature was based on a number of  
9 findings, including:

10 (1) Senate Concurrent Resolution No. 102, S.D. 1, H.D. 1,  
11 regular session of 2007, which 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", "Ka'ū 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 to  
17 fill ninety per cent of the coffee blend enriches the  
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 legislature further finds that the Hawaii county  
12           council recently adopted Resolution No. 223-21, again urging the  
13           legislature to amend coffee labeling requirements for blends of  
14           geographically named Hawaii-grown coffee, based on additional  
15           findings that non-Hawaii-grown blends often result in a product  
16           of lesser quality, and according to a recent study, this has  
17           caused Kona coffee farmers to lose \$14.4 million in revenue per  
18           year as of 2010. This amounts to an annual loss of more than  
19           \$20,000 for the average Kona coffee farm.

20           Therefore, the purpose of this Act is to support Hawaii's  
21           coffee growers by:



- 1           (1) Requiring disclosure on the label of coffee blends of  
2           the respective geographic and regional origins and per  
3           cent by weight of the blended coffees;
- 4           (2) Making it a violation of the coffee labeling law to  
5           use a geographic origin in labeling or advertising for  
6           roasted or instant coffee blends that contain less  
7           than a designated percentage of coffee by weight from  
8           that geographic origin, phased in to a minimum of  
9           fifty-one per cent by January 1, 2025; and
- 10          (3) Prohibiting use of the term "All Hawaiian" in labeling  
11          or advertising for roasted coffee or instant coffee  
12          not produced entirely from green coffee beans grown  
13          and processed in Hawaii.

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

16           "(b) A listing of the geographic origins of the various  
17 Hawaii-grown coffees and the regional origins of the various  
18 coffees not grown in Hawaii that are included in a blend [~~may~~]  
19 shall be shown on the label. [~~If used, this~~] This list shall  
20 consist of the term "Contains:", followed by, in descending  
21 order of per cent by weight and separated by commas, the



1 respective geographic origin or regional origin of the various  
2 coffees in the blend [~~that the manufacturer chooses to list~~].  
3 Each geographic origin or regional origin [~~may~~] shall be  
4 preceded by the per cent of coffee by weight represented by that  
5 geographic origin or regional origin, expressed as a number  
6 followed by the per cent sign. In place of separate listings of  
7 regional origins of coffee not grown in Hawaii in the blend, the  
8 list may include the words "Foreign-Grown Coffee" proceeded by  
9 the per cent of coffee by weight in the blend. The type size  
10 used for this list shall not [~~exceed~~] be less than half that of  
11 the identity statement. This list shall appear below the  
12 identity statement [~~, if included~~] on the front panel of the  
13 label.

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

15 (1) Use the identity statement specified in subsection

16 (a) (1) (A) or similar terms in labeling or advertising  
17 unless the package of roasted or instant coffee  
18 contains one hundred per cent coffee from that one  
19 geographic origin;

20 (2) Use a geographic origin in labeling or advertising,

21 including in conjunction with a coffee style or in any



1 other manner, if [~~the roasted or instant coffee~~  
2 ~~contains less than ten per cent coffee by weight from~~  
3 ~~that geographic origin,]~~;

4 (A) During the period from January 1, 2023, through  
5 December 31, 2023, the roasted or instant coffee  
6 contains less than twenty per cent coffee by  
7 weight from that geographic origin;

8 (B) During the period from January 1, 2024, through  
9 December 31, 2024, the roasted or instant coffee  
10 contains less than thirty per cent coffee by  
11 weight from that geographic origin; and

12 (C) On or after January 1, 2025, the roasted or  
13 instant coffee contains less than fifty-one per  
14 cent coffee by weight from that geographic  
15 origin;

16 (3) Use a geographic origin in labeling or advertising  
17 roasted or instant coffee, including advertising in  
18 conjunction with a coffee style or in any other  
19 manner, without disclosing the percentage of coffee  
20 used from that geographic origin as described in  
21 subsection (a) (1) (B) and (a) (2);



- 1           (4) Use a geographic origin in labeling or advertising  
2           roasted or instant coffee, including in conjunction  
3           with a coffee style or in any other manner, if the  
4           green coffee beans used in that roasted or instant  
5           coffee do not meet the grade standard requirements of  
6           rules adopted under chapter 147;
- 7           (5) Misrepresent, on a label or in advertising of a  
8           roasted or instant coffee, the per cent coffee by  
9           weight of any coffee from a geographic origin or  
10          regional origin[?] as defined in this chapter;
- 11          (6) Use the term "All Hawaiian" on a label or in  
12          advertising of a roasted or instant coffee if the  
13          roasted or instant coffee is not produced entirely  
14          from green coffee beans [~~produced in geographic~~  
15          ~~origins defined in this chapter;~~] grown and processed  
16          in Hawaii;
- 17          (7) Use a geographic origin on the front label panel of a  
18          package of roasted or instant coffee other than in the  
19          trademark or in the identity statement as authorized  
20          in subsection (a) (1) and (2) unless one hundred per





1 cent of the roasted or instant coffee contained in the  
2 package is from that geographic origin;

3 (8) Use more than one trademark on a package of roasted or  
4 instant coffee unless one hundred per cent of the  
5 roasted or instant coffee contained in the package is  
6 from that geographic origin specified by the  
7 trademark;

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

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

20 SECTION 3. Statutory material to be repealed is bracketed  
21 and stricken. New statutory material is underscored.



1 SECTION 4. This Act shall take effect on July 1, 2022.

2

INTRODUCED BY:

Jana Acasis



# S.B. NO. 2408

**Report Title:**

Coffee Labeling; Blended Coffee; Percent of Coffee By Weight

**Description:**

Requires coffee blend labels to disclose geographic and regional origins and per cent 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 a designated percentage of coffee by weight from that geographic origin, phased in to a minimum of fifty-one per cent by 1/1/2025. Prohibits use of the term "All Hawaiian" in labeling or advertising for roasted or instant coffee not produced entirely from green coffee beans grown and processed in Hawaii.

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

