

Honolulu, Hawaii

FEB 14 2023

RE: S.B. No. 746

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Sir:

Your Committee on Agriculture and Environment, to which was referred S.B. No. 746 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Expand coffee labeling and advertising requirements to include ready-to-drink coffee beverages and inner packages and inner wrapping labels;
- (2) Require disclosure on the label of coffee blends of the respective geographic and regional origins and percent by weight of the blended coffees; and
- (3) Prohibit use of the term "All Hawaiian" in labeling or advertising for roasted coffee or instant coffee not produced entirely from green coffee beans grown and processed in Hawaii.

Your Committee received testimony in support of this measure from one member of the Hawai'i County Council; Kanalani Ohana Farm; Life of the Land; Hawaiian Macadamia Nut Orchards; Adaptations, Inc.; Ka Ohana O Na Pua; Cassandra Farms; Hawaii Tea Society; Maui Farmers Union United; Hana Macadamia; Hawai'i Farmers Union United; Hawai'i Alliance for Progressive Action; Kona-Kohala Chamber of Commerce; Kona Coffee Farmers Association; Cyanotech



Corporation; Pohaku Coffee, LLC; Hawai'i Farm Bureau; and thirty-eight individuals. Your Committee received comments on this measure from the Department of Agriculture.

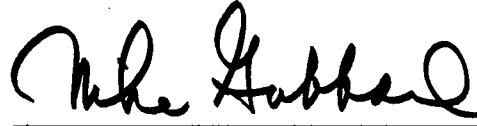
Your Committee finds that Hawaii's coffee is renowned for its high quality and flavor, and many of the coffees produced in the State have won multiple global coffee competitions. Your Committee further finds that this success has led some market competitors to exploit this reputation for profit by selling coffee blends that contain up to ninety percent cheap and low quality coffee from foreign countries. This measure will protect the reputation of Hawaii's coffee and support Hawaii's coffee farmers by expanding labeling requirements, requiring disclosure on labels of coffee bean geographic and regional origins, and prohibiting the use of the term "All Hawaiian" on coffee products that are not one hundred percent made up of green coffee beans that were grown and processed in Hawaii.

Your Committee acknowledges the testimony received from the Department of Agriculture, which recommends an appropriation for one full-time (1.0 FTE) measurements standards inspector for the purpose of labeling, packaging enforcement, and inspection. The inspector is necessary to help rebuild the Department of Agriculture's labeling enforcement capability and address labeling enforcement challenges in various Hawaii products, including inspecting and verifying the percentage of Hawaii coffee and coffee of other origins contained in roasted coffee, instant coffee, and ready-to-drink coffee beverages. Should your Committee on Ways and Means choose to deliberate on this measure, we respectfully request that it considers the Department's recommendation.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 746 and recommends that it pass Second Reading and be referred to your Committee on Commerce and Consumer Protection.



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



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MIKE GABBARD, Chair



