
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 thirty
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 this 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. The legislature notes that a 2018
11 publication entitled "Strengthening Sustainable Food Systems
12 Through Geographical Indications: An Analysis of Economic
13 Impacts" by the Food and Agriculture Organization of the United
14 Nations and the European Bank for Reconstruction and Development
15 concluded, among other things, that Kona coffee "does not enjoy
16 any strong protection of its name" from the State of Hawaii, and



1 as a result, downstream stakeholders, rather than farmers, "reap
2 the 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 several
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 that:

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) The fact that it is inherently deceptive and
20 misleading to label coffee as a geographically
21 identified blend, such as "Hamakua Blend", "Ka'ū



1 Blend", or "Kona Blend", unless at least a majority of
2 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, is
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 the
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 also notes that ready-to-drink coffee
12 beverages and inner wrapping labels given, but not sold, to
13 customers are not subject to the current statutory requirements
14 for fair trade coffee labeling and advertising. These
15 requirements only apply to roasted coffee and instant coffee.

16 The legislature finds that these labeling and advertising
17 requirements were primarily intended to resolve any consumer
18 confusion and allow consumers to "make an enlightened choice",
19 as stated in Act 289, Session Laws of Hawaii 1991. These
20 statutory requirements ensure truthful representation of a



1 coffee product's geographical origin, which protects consumers
2 from fraud and deception in coffee labeling and advertising.

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

- 5 (1) Expanding the coffee labeling and advertising
6 requirements to include ready-to-drink coffee
7 beverages and the inner packages and inner wrapping
8 labels of roasted coffee, instant coffee, and ready-
9 to-drink coffee beverages given to customers;
- 10 (2) Specifying that the coffee labeling and advertising
11 requirements apply if the applicable products are
12 produced in whole or in part from Hawaii-grown and
13 Hawaii-processed green coffee beans;
- 14 (3) Requiring disclosure on the label of coffee blends of
15 the respective geographic and regional origins and per
16 cent by weight of the blended coffees; and
- 17 (4) Prohibiting use of the term "All Hawaiian" in labeling
18 or advertising for roasted coffee, instant coffee, or
19 ready-to-drink coffee beverages not produced entirely
20 from green coffee beans grown and processed in Hawaii.



1 SECTION 2. Section 486-120.6, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "§486-120.6 Hawaii-grown [~~roasted or instant~~] and Hawaii-
4 processed coffee; labeling or advertising requirements. (a) In
5 addition to all other labeling requirements, the identity
6 statement used for labeling or advertising roasted [~~or~~] coffee,
7 instant coffee, or ready-to-drink coffee beverages produced in
8 whole or in part from Hawaii-grown and Hawaii-processed green
9 coffee beans shall meet the following requirements:

10 (1) For roasted [~~or~~] coffee, instant coffee, or ready-to-
11 drink coffee beverages that [~~contains~~] contain one
12 hundred per cent Hawaii-grown and Hawaii-processed
13 coffee by weight, the identity statement shall consist
14 of either:

15 (A) The geographic origin of the Hawaii-grown and
16 Hawaii-processed coffee, in coffee consisting of
17 beans from only one geographic origin, followed
18 by the word "Coffee"; provided that the
19 geographic origin may be immediately preceded by
20 the term "100%"; or



- 1 (B) The per cent coffee by weight of one of the
2 Hawaii-grown and Hawaii-processed coffees, used
3 in coffee consisting of beans from several
4 geographic origins, followed by the geographic
5 origin of the weight-specified coffee and the
6 terms "Coffee" and "All Hawaiian";
- 7 (2) For roasted [~~or~~] coffee, instant coffee, or ready-to-
8 drink coffee beverages consisting of a blend of one or
9 more Hawaii-grown and Hawaii-processed coffees and
10 coffee not grown or processed in Hawaii, the per cent
11 coffee by weight of one of the Hawaii-grown and
12 Hawaii-processed coffees used in the blend, followed
13 by the geographic origin of the weight-specified
14 coffee and the term "Coffee Blend"; and
- 15 (3) Each word or character in the identity statement shall
16 be of the same type size and shall be contiguous. The
17 smallest letter or character of the identity statement
18 on packages of sixteen ounces or less net weight shall
19 be at least one and one-half times the type size
20 required under federal law for the statement of net
21 weight or three-sixteenths of an inch in height,



1 whichever is smaller. The smallest letter or
2 character of the identity statement on packages of
3 greater than sixteen ounces net weight shall be at
4 least one and one-half times the type size required
5 under federal law for the statement of net weight.
6 The identity statement shall be conspicuously
7 displayed without any intervening material in a
8 position above the statement of net weight. Upper and
9 lower case letters may be used interchangeably in the
10 identity statement.

11 (b) A listing of the geographic origins of the various
12 Hawaii-grown and Hawaii-processed coffees and the regional
13 origins of the various coffees not grown or processed in Hawaii
14 that are included in a blend [~~may~~] shall be shown on the label.
15 [~~If used, this~~] This list shall consist of the term "Contains:",
16 followed by, in descending order of per cent coffee by weight
17 and separated by commas, the respective geographic origin or
18 regional origin of the various coffees in the blend [~~that the~~
19 ~~manufacturer chooses to list~~]. Each geographic origin or
20 regional origin [~~may~~] shall be preceded by the per cent [~~of~~]
21 coffee by weight represented by that geographic origin or



1 regional origin, expressed as a number followed by the per cent
2 sign. In place of separate listings of regional origins of
3 coffee not grown or processed in Hawaii in the blend, the list
4 may include the words "Foreign-grown Coffee", preceded by the
5 per cent coffee by weight in the blend. The type size used for
6 this list shall [~~not exceed~~] be no less than half that of the
7 identity statement. This list shall appear below the identity
8 statement[~~, if included~~] on the front panel of the label.

9 (c) The requirements of subsections (a) and (b) shall
10 apply to the labeling of any inner package or inner wrapping of
11 the roasted coffee, instant coffee, or ready-to-drink coffee
12 beverages that includes any geographic origin of Hawaii-grown
13 and Hawaii-processed coffee, regardless of whether the inner
14 package or inner wrapping is intended to be individually sold.

15 [~~(e)~~] (d) It shall be a violation of this section to:

16 (1) Use the identity statement specified in subsection
17 (a)(1)(A) or similar terms in labeling or advertising
18 unless the package of roasted [~~or~~] coffee, instant
19 coffee, or ready-to-drink coffee beverage contains one
20 hundred per cent coffee by weight from that one
21 geographic origin;



- 1 (2) Use a geographic origin in labeling or advertising,
2 including in conjunction with a coffee style or in any
3 other manner, if the roasted [~~or~~] coffee, instant
4 coffee, or ready-to-drink coffee beverage contains
5 less than ten per cent coffee by weight from that
6 geographic origin;
- 7 (3) Use a geographic origin in labeling or advertising
8 roasted [~~or~~] coffee, instant coffee, or ready-to-drink
9 coffee beverages, including advertising in conjunction
10 with a coffee style or in any other manner, without
11 disclosing the [~~percentage of~~] per cent coffee by
12 weight used from that geographic origin as described
13 in subsection (a) (1) (B) and (a) (2);
- 14 (4) Use a geographic origin in labeling or advertising
15 roasted [~~or~~] coffee, instant coffee, or ready-to-drink
16 coffee beverages, including in conjunction with a
17 coffee style or in any other manner, if the green
18 coffee beans used in that roasted [~~or~~] coffee, instant
19 coffee, or ready-to-drink coffee beverage do not meet
20 the grade standard requirements of rules adopted under
21 chapter 147;



- 1 (5) Misrepresent, on a label or in advertising of a
2 roasted [~~or~~] coffee, instant coffee, or ready-to-drink
3 coffee beverage, the per cent coffee by weight of any
4 coffee from a geographic origin or regional origin;
- 5 (6) Use the term "All Hawaiian" on a label or in
6 advertising of a roasted [~~or~~] coffee, instant coffee,
7 or ready-to-drink coffee beverage if [~~the~~] that
8 roasted [~~or~~] coffee, instant coffee, or ready-to-drink
9 coffee beverage is not produced entirely from green
10 coffee beans [~~produced in geographic origins defined~~
11 ~~in this chapter;~~] grown and processed in Hawaii;
- 12 (7) Use a geographic origin on the front label panel of a
13 package of roasted [~~or~~] coffee, instant coffee, or
14 ready-to-drink coffee beverage 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~~] coffee, instant coffee
18 [~~contained in the package is~~], or ready-to-drink
19 coffee beverage contains one hundred per cent coffee
20 by weight from that geographic origin;



- 1 (8) Use more than one trademark on a package of roasted
2 ~~[or]~~ coffee, instant coffee, or ready-to-drink coffee
3 beverage unless ~~[one hundred per cent of]~~ the roasted
4 ~~[or]~~ coffee, instant coffee [contained in the package
5 ~~is]~~, or ready-to-drink coffee beverage contains one
6 hundred per cent coffee by weight from that geographic
7 origin specified by the trademark;
- 8 (9) Use a trademark that begins with the name of a
9 geographic origin on a package of roasted ~~[or]~~ coffee,
10 instant coffee, or ready-to-drink coffee beverage
11 unless ~~[one hundred per cent of]~~ the roasted ~~[or]~~
12 coffee, instant coffee [contained in the package
13 ~~comes]~~, or ready-to-drink coffee beverage contains one
14 hundred per cent coffee by weight from that geographic
15 origin or the trademark ends with words that indicate
16 a business entity; or
- 17 (10) Print the identity statement required by subsection
18 (a) in a smaller font than that used for a trademark
19 that includes the name of a geographic origin pursuant
20 to paragraph (7) and in a location other than the



1 front label panel of a package of roasted ~~[☐]~~ coffee,
2 instant coffee~~[-]~~, or ready-to-drink coffee beverage.

3 ~~[(d)]~~ (e) Roasters, manufacturers, or other persons who
4 package roasted ~~[☐]~~ coffee, instant coffee, or ready-to-drink
5 coffee beverages covered by this section shall maintain, for a
6 period of two years, records on the volume and geographic origin
7 or regional origin of coffees purchased ~~[and]~~, sold, and used
8 and any other records required by the department for the purpose
9 of enforcing this section. Authorized employees of the
10 department shall have access to these records during normal
11 business hours.

12 ~~[(e) For the purpose of]~~ (f) As used in this section:

13 "Geographic origin" means the geographic regions in which
14 Hawaii-grown green coffee beans are produced, as defined in
15 rules adopted under chapter 147; provided that the term
16 "Hawaiian" may be substituted for the geographic origin
17 "Hawaii".

18 "Per cent coffee by weight" means the percentage calculated
19 by dividing the weight in pounds of roasted green coffee beans
20 of one geographic or regional origin used in a production run of
21 roasted ~~[☐]~~ coffee, instant coffee, or ready-to-drink coffee



1 beverages by the total weight in pounds of the roasted green
2 coffee beans used in that production run of roasted ~~[or]~~ coffee,
3 instant coffee, or ready-to-drink coffee beverages, and
4 multiplying the quotient by one hundred.

5 "Ready-to-drink coffee beverage" means a prepackaged
6 beverage that consists of or includes coffee and is sold in a
7 prepared form that can be immediately consumed upon purchase.
8 "Ready-to-drink coffee beverage" does not include made-to-order
9 beverages."

10 SECTION 3. Statutory material to be repealed is bracketed
11 and stricken. New statutory material is underscored.

12 SECTION 4. This Act shall take effect on June 30, 3000.



Report Title:

Coffee Labeling; Advertising; Requirements; Coffee Blends;
Hawaii-grown Coffee; Hawaii-processed Coffee; Ready-to-Drink
Coffee Beverages

Description:

Expands the coffee labeling and advertising requirements to include ready-to-drink coffee beverages and the inner packages and inner wrapping labels of roasted coffee, instant coffee, and ready-to-drink coffee beverages. Specifies that the coffee labeling and advertising requirements apply if the applicable products are produced in whole or in part from Hawaii-grown and Hawaii-processed green coffee beans. Requires disclosure on the label of coffee blends of the respective geographic and regional origins and per cent by weight of the blended coffees. Prohibits 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. Effective 6/30/3000. (HD2)

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

