

JAN 19 2024

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# A BILL FOR AN ACT

RELATING TO CONSUMER PROTECTION.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that coffee is an  
2 important agricultural crop of the State and a highly valued  
3 commodity in Hawaii. Despite the premium value of Hawaii-grown  
4 coffee, the State has not protected the integrity of the names  
5 of coffee origin regions, such as "Kona", "Kau", or "Kauai".  
6 Instead, existing law allows coffee blends that contain only  
7 very small amounts of coffee beans from these distinctive  
8 regions to use the name of those regions on product packaging, a  
9 practice that deceives consumers and harms coffee growers.

10           The legislature further finds that Hawaii requires that,  
11 for coffee products, only ten per cent of the coffee must  
12 originate in the geographic area indicated for that product to  
13 use the geographic origin name on its label. Other  
14 jurisdictions typically require that one hundred per cent of the  
15 coffee must originate in the geographic area to protect the  
16 value, integrity, and reputation of that product and its  
17 associated geographic origin name.



1           The legislature notes that a 2018 publication entitled  
2 "Strengthening Sustainable Food Systems Through Geographical  
3 Indications: An Analysis of Economic Impacts" by the Food and  
4 Agriculture Organization of the United Nations and the European  
5 Bank for Reconstruction and Development concluded, among other  
6 things, that Kona coffee "does not enjoy any strong protection  
7 of its name" from the State and, as a result, downstream  
8 stakeholders, rather than farmers, "reap the economic benefits  
9 of the fame of Kona".

10           The legislature additionally finds that despite existing  
11 labeling laws that include specific requirements for font sizes  
12 and disclosure of blend percentages, the simple inclusion of a  
13 geographic origin name on a product effectively misleads  
14 consumers into believing that the product is representative of  
15 the specialty product of that region, even though, for example,  
16 in a coffee blend that is ten per cent Kona coffee, the flavor  
17 of the Kona coffee is undetectable at such low concentrations.  
18 Consumers are then deceived into paying a premium for a "Hawaii"  
19 product that does not represent the name on its label.  
20 Therefore, a change to the law is needed to protect consumers by  
21 ensuring that minimum blend amounts allowed for coffee products



1 that bear geographic origin names constitute a majority of the  
2 product from that geographic origin and are sufficient to ensure  
3 that the product reflects the quality and character of the  
4 region.

5 The purpose of this Act is to:

6 (1) Make it a violation of the coffee labeling law to use  
7 a geographic origin in labeling or advertising for  
8 roasted coffee, instant coffee, or ready-to-drink  
9 coffee beverage blends that contain less than a  
10 certain percentage of coffee by weight from that  
11 geographic origin, phased in to one hundred per cent;  
12 and

13 (2) Authorize retailers who, by June 30, 2024, purchase  
14 roasted coffee, instant coffee, or ready-to-drink  
15 coffee beverage blends that use a geographic origin in  
16 labeling or advertising containing less than twenty  
17 per cent Hawaii-grown coffee by weight, to sell-off  
18 their coffee inventory that does not comply with  
19 labeling requirements until December 31, 2024.

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



1           "§486-120.6 Hawaii-grown and Hawaii-processed coffee;  
2 **labeling or advertising requirements.** (a) In addition to all  
3 other labeling requirements, the identity statement used for  
4 labeling or advertising roasted coffee, instant coffee, or  
5 ready-to-drink coffee beverages produced in whole or in part  
6 from Hawaii-grown and Hawaii-processed green coffee beans shall  
7 meet the following requirements:

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

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

18           (B) The per cent coffee by weight of one of the  
19 Hawaii-grown and Hawaii-processed coffees, used  
20 in coffee consisting of beans from several  
21 geographic origins, followed by the geographic



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



1 under federal law for the statement of net weight.  
2 The identity statement shall be conspicuously  
3 displayed without any intervening material in a  
4 position above the statement of net weight. Upper and  
5 lower case letters may be used interchangeably in the  
6 identity statement.

7 (b) A listing of the geographic origins of the various  
8 Hawaii-grown and Hawaii-processed coffees and the regional  
9 origins of the various coffees not grown or processed in Hawaii  
10 that are included in a blend shall be shown on the label. This  
11 list shall consist of the term "Contains:", followed by, in  
12 descending order of per cent coffee by weight and separated by  
13 commas, the respective geographic origin or regional origin of  
14 the various coffees in the blend. Each geographic origin or  
15 regional origin shall be preceded by the per cent coffee by  
16 weight represented by that geographic origin or regional origin,  
17 expressed as a number followed by the per cent sign. In place  
18 of separate listings of regional origins of coffee not grown or  
19 processed in Hawaii in the blend, the list may include the words  
20 "Foreign-grown Coffee", preceded by the per cent coffee by  
21 weight in the blend. The type size used for this list shall be



1 no less than half that of the identity statement. This list  
2 shall appear below the identity statement on the front panel of  
3 the label.

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

10 (d) It shall be a violation of this section to:

11 (1) Use the identity statement specified in subsection

12 (a)(1)(A) or similar terms in labeling or advertising  
13 unless the package of roasted coffee, instant coffee,  
14 or ready-to-drink coffee beverage contains one hundred  
15 per cent coffee by weight from that one geographic  
16 origin;

17 (2) Use a geographic origin in labeling or advertising,  
18 including in conjunction with a coffee style or in any  
19 other manner, if [~~the roasted coffee, instant coffee,~~  
20 ~~or ready-to-drink coffee beverage contains less than~~



1 ~~ten per cent coffee by weight from that geographic~~  
2 ~~origin;]~~:

3 (A) During the period from July 1, 2024, through  
4 June 30, 2025, the roasted coffee, instant  
5 coffee, or ready-to-drink coffee beverage  
6 contains less than twenty-five per cent coffee by  
7 weight from that geographic origin;

8 (B) During the period from July 1, 2025, through  
9 June 30, 2026, the roasted coffee, instant  
10 coffee, or ready-to-drink coffee beverage  
11 contains less than fifty per cent coffee by  
12 weight from that geographic origin;

13 (C) During the period from July 1, 2026, through  
14 June 30, 2027, the roasted coffee, instant  
15 coffee, or ready-to-drink coffee beverage  
16 contains less than seventy-five per cent coffee  
17 by weight from that geographic origin; and

18 (D) On or after July 1, 2027, roasted coffee, instant  
19 coffee, or ready-to-drink coffee beverage less  
20 than one hundred per cent coffee by weight from  
21 that geographic origin;



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



1 ready-to-drink coffee beverage if that roasted coffee,  
2 instant coffee, or ready-to-drink coffee beverage is  
3 not produced entirely from green coffee beans grown  
4 and processed in Hawaii;

5 (7) Use a geographic origin on the front label panel of a  
6 package of roasted coffee, instant coffee, or ready-  
7 to-drink coffee beverage other than in the trademark  
8 or in the identity statement as authorized in  
9 subsection (a)(1) and (2) unless the roasted coffee,  
10 instant coffee, or ready-to-drink coffee beverage  
11 contains one hundred per cent coffee by weight from  
12 that geographic origin;

13 (8) Use more than one trademark on a package of roasted  
14 coffee, instant coffee, or ready-to-drink coffee  
15 beverage unless the roasted coffee, instant coffee, or  
16 ready-to-drink coffee beverage contains one hundred  
17 per cent coffee by weight from that geographic origin  
18 specified by the trademark;

19 (9) Use a trademark that begins with the name of a  
20 geographic origin on a package of roasted coffee,  
21 instant coffee, or ready-to-drink coffee beverage



1 unless the roasted coffee, instant coffee, or ready-  
2 to-drink coffee beverage contains one hundred per cent  
3 coffee by weight from that geographic origin or the  
4 trademark ends with words that indicate a business  
5 entity; or

6 (10) Print the identity statement required by subsection  
7 (a) in a smaller font than that used for a trademark  
8 that includes the name of a geographic origin pursuant  
9 to paragraph (7) and in a location other than the  
10 front label panel of a package of roasted coffee,  
11 instant coffee, or ready-to-drink coffee beverage.

12 (e) It shall not be a violation of this section for  
13 retailers who, by June 30, 2024, purchase roasted coffee,  
14 instant coffee, or ready-to-drink coffee beverages that:

15 (1) Uses a geographic origin in label or advertising;

16 (2) Contains less than twenty per cent Hawaii-grown coffee  
17 by weight; and

18 (3) Comply with the labeling requirements of subsection  
19 (a)(2), but does not comply with the labeling  
20 requirements of subsections (b) and (e),



1 to sell-off the inventory through and including December 31,  
2 2024.

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

11 [~~f~~] (g) As used in this section:

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

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



1 coffee beans used in that production run of roasted coffee,  
2 instant coffee, or ready-to-drink coffee beverages, and  
3 multiplying the quotient by one hundred.

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

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

11 SECTION 4. This Act shall take effect on July 1, 2024.

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INTRODUCED BY:

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# S.B. NO. 2481

**Report Title:**

Consumer Protection; Coffee Labeling; Geographic Origins;  
Prohibitions

**Description:**

Establishes a timeline by which roasted coffee, instant coffee, and ready-to-drink coffee beverages that use a geographic origin in labeling or advertising are required to contain a certain per cent 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.*

