LATE \*Testimony submitted late may not be considered by the Committee for decision making purposes.

JOSH GREEN, M.D.

Governor

SYLVIA LUKE Lt. Governor



SHARON HURD Chairperson, Board of Agriculture

> **MORRIS M. ATTA** Deputy to the Chairperson

State of Hawai'i DEPARTMENT OF AGRICULTURE KA 'OIHANA MAHI'AI 1428 South King Street Honolulu, Hawai'i 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613

# TESTIMONY OF SHARON HURD CHAIRPERSON, BOARD OF AGRICULTURE

# BEFORE THE HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

FEBRUARY 28, 2023 2:00 PM CONFERENCE ROOM 329 AND VIDEOCONFERENCE

> HOUSE BILL NO. 259 RELATING TO CONSUMER PROTECTION

Chairperson Nakashima and Members of the Committee:

Thank you for the opportunity to testify on House Bill 259. This measure prohibits using geographic origins of coffee in labeling or advertising for roasted or instant coffee that contains less than a certain percentage of coffee by weight from that geographic origin, phased in to a minimum of fifty-one per cent after 7/1/2025. 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 Department of Agriculture (DOA) supports the intent of this measure and offers comments.

DOA supports this measure but currently lacks the funding and budget allocation to execute its responsibilities and would require a one full time measurement standards specialist/inspector (approximate appropriation request of \$100,000) for the purpose of labeling and packaging enforcement and inspection. The specialist/inspector will help rebuild DOA's labeling enforcement capability that was lost during the RIF and to address labeling enforcement challenges in various Hawaii products including roasted coffee, instant coffee, or ready-to-drink coffee beverages. The inspector will take the lead in researching and utilizing new recognized testing measures to identify different



products geographically such as Oritain technology (<u>https://oritain.com</u>), which can generate science-based data from specific growing regions as a proof and confirmation of truth or false labeling and advertising.

Thank you for the opportunity to testify on this measure.

**Dr. Holeka Goro Inaba** Council Member, District 8, N. Kona



*Office:* (808) 323-4280 *Email:* holeka.inaba@hawaiicounty.gov

# HAWAI'I COUNTY COUNCIL

County of Hawai'i West Hawai'i Civic Center, Bldg. A 74-5044 Ane Keohokalole Hwy. Kailua-Kona, Hawai'i 96740

February 27, 2023

Committee on Consumer Protection Representative Mark M. Nakashima, Chair Representative Jackson D. Sayama, Vice Chair

> Re: Support for HB259 Relating to Consumer Protection Hearing: February 28, 2023 at 2:00 p.m.

Aloha Representatives,

On behalf of myself and constituents of Council District 8 in North Kona, I am expressing strong support for HB259 relating to Consumer Protection.

This measure would prohibit using geographic origins of coffee in labeling or advertising for roasted or instant coffee that contains less than a certain percentage of coffee by weight from that geographic origin, phased in to a minimum of fifty-one percent after July 1, 2025. It would also prohibit the 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.

We strongly support and defend the value, integrity and reputation of Kona's premier origin product. Thank you for your consideration.

Sincerely,

Alka Com Anche

DR. HOLEKA GORO INABA, Council Member District 8, North Kona

HGI.wpb

**REBECCA VILLEGAS** Council Member

District 7, Central Kona



Phone: (808) 323-4267 Fax: (808) 329-4786 Email:Rebecca.villegas@hawaiicounty.gov

# HAWAI'I COUNTY COUNCIL

County of Hawaiʻi West Hawaiʻi Civic Center, Bldg. A 74-5044 Ane Keohokalole Hwy. Kailua-Kona, Hawai'i 96740

TESTIMONY OF REBECCA VILLEGAS COUNCIL MEMBER, HAWAI'I COUNTY COUNCIL ON HB 259, RELATING TO CONSUMER PROTECTION; COFFEE LABELING Committee on Consumer Protection and Commerce Tuesday, February 28, 2023 at 2:00 p.m.

Chairperson Nakashima and Members of the Committee:

Thank you for the opportunity to testify in support of HB 259. My testimony is submitted in my individual capacity as a menber of the Hawai'i County Council.

The purpose of this measure is to support Hawai'i's coffee growers by requiring disclosure on the label of coffee blends by regional origins and percentage by weight of blended coffees, making it a violation of coffee labelling law to use geographic origin in labeling or advertising for roasted or instant coffee blends that contain less than fifty-one percent by weight from that geographic origin. More than ninety percent of Hawai'i's coffee farms are located on the island of Hawai'i. Existing labeling requirements for Kona coffee causes consumer fraud and degrades the "Kona Coffee" name. The label on the package of ten percent Hawai'i coffee blend does not advise consumers that ninety percent of the coffee is imported, foreign grown, or may be a mixture of multiple Hawaiian regions and foreign grown coffee. Legislative action is necessary to protect the reputation of Hawai'i grown coffee, as the ten percent requirement directly damages and degrades the economic interest of Hawai'i coffee framers.

For these reasons stated above, I urge the Committee on Consumer Protection and Commerce to support this measure. Should you have any questions, please feel free to contact me at, (808) 323-4267

Mahalo for your consideration.

Rebecca Villegas Council Member, Hawaiʻi County Council

Hawai'i County is an Equal Opportunity Provider and Employer.

# HAWAII COFFEE COMPANY

1555 Kalani Street Honolulu, Hawaii 96817 Ph: 808-847-3600 Fax: 808-847-7900 www.hicoffeeco.com



- TO: Representative Mark Nakashima, Chair Representative Jackson Sayama, Vice Chair Committee on Consumer Protection & Commerce
- FROM: Gerard Bastiaanse President- Hawaii Coffee Company
- RE: HB 259 Relating to Consumer Protection In Opposition Tuesday, February 28, 2023; 2:00 p.m.; Conference Room 329

Aloha Chair Nakashima, Vice Chair Sayama and Members of the Committee:

Hawaii Coffee Company is in opposition to HB 259, which would increase blend requirements for Kona coffee sold from a 10% Kona bean requirement up to a 51% requirement on July 1, 2025 and continuing thereafter.

Act 222, SLH 2022 appropriated funds to the Hawaii Department of Agriculture (HDOA) to conduct an independent study to assess the economic impact of Hawaii's coffee labeling laws on local coffee farmers and the local coffee industry. It is our understanding Governor Green recently released those funds and HDOA is in the process of developing an RFP for this study, which will be due to the Legislature prior to the convening of the 2024 legislative session. It is prudent to wait for the study to be completed before any action is taken.

Hawaii Coffee Company offers a range of coffee, from 10% Kona blend to 100% Kona coffee as well as similar consumer coffee blend options from other Hawaii coffee growing regions. All product labels clearly reflect whether the coffee is a blend of Kona coffee or 100% Kona coffee to ensure that customers are fully informed of the composition of the coffee product. Based on available market information, we believe Hawaii Coffee Company sells significantly more volume of 100% Kona coffee to consumers in Hawaii than any other company. In a typical year, well over half of the Kona coffee purchased by Hawaii Coffee Company from Kona farmers goes into 100% Kona products.

We believe it is important to offer consumers a range of coffee products from 10% Kona blend to 100% Kona coffee for several reasons.

*First*, <u>**HB 259**</u>, which on its face, purports to prohibit the use of federally registered trademarks that incorporate geographic designations of origin (such as Hawaii, Kona, or Ka'u) in conjunction with coffee products that contains some but not a given percentage of coffee from the designated regions <u>would be preempted and rendered unenforceable by the Lanham Act</u>.

A trademark can be any word, phrase, symbol, design, or a combination of these things that identifies the source of goods or services. Hawaii Coffee Company is the owner of a number of well-known and widely recognized federal and state trademarks ("HCC Marks"). Hawaii Coffee Company has spent significant time, energy, and expense promoting the HCC Marks and the HCC Marks have accrued considerable value and goodwill to Hawaii Coffee Company as a result thereof. Hawaii Coffee Company's claims of ownership in the HCC Marks are based upon long existing and clearly delineated common law and statutory rights. These rights constitute legally protectable property.

In particular, as to the HCC Marks for which Hawaii Coffee Company holds federal registrations, it is well-established that the federal trademark laws are designed to promote and encourage uniform trademark use, and to discourage activities which would result in confusion among purchasers. Local trademark display regulations which require alterations of federally registered marks for local use conflict with federal law and underlying public policy. <u>To the extent that the proposed legislation purports to require alteration of one of Hawaii Coffee Company's federal registered marks, federal trademark law would preempt the Hawaii law.</u>

*Second*, Kona coffee has a distinctive taste and, therefore, the amount of Kona coffee in a blend can change the taste of the coffee. Some consumers prefer the milder taste of the lighter blends, while others prefer the robust taste of a higher-percentage blend. Thus, providing a range of coffee products, all of which are accurately labeled, allows consumers to make an informed decision and to choose their coffee product based on their taste preferences.

*Third*, Kona coffee commands a premium price. The greater the percentage of Kona coffee included in a blend, generally, the higher the cost. The more affordable 10% Kona blend coffee is served at restaurants as well as purchased in traditional grocery or similar retailers. Eliminating 10% blends will force consumers and our restaurant partners to either select another affordable alternative roasted on the mainland or abroad, by a mainland or foreign company, which includes no Hawaiian coffee, or to pay a five times higher price for a 100% Kona coffee product. Offering a range of coffee products allows consumers to choose taking into account affordability and their own budget. This also ensures that consumers can continue to support our local economy.

*Fourth*, including a range of coffee products will allow us to continue to support our local farmers and to reduce food waste. By eliminating all 10% coffee blends, the overall demand for Kona coffee purchased from farmers by Hawaii Coffee Company, and other roasters, will significantly decline and will have corresponding negative impact on the coffee cherry price. This reduction in the price Kona farmers receive for their coffee may challenge the commercial viability of many multi-generational farms. If the demand for coffee products falls, coffee farmers may be left with unsold and unused coffee cherry that without a buyer will go to waste. This waste would be unfortunate as it could be avoided by maintaining the ability to allow for a range of coffee products.

*Fifth*, HB 259 will reduce the volume of coffee purchased, roasted and packaged by Hawaii Coffee Company at our facility in Kalihi. As a result, the number of employees we currently

employ would not be sustainable and a reduction in workforce would occur. This would also have an adverse impact on the local suppliers we work with and the revenues to the State. Local businesses have been struggling through the pandemic and if this bill passes, it will increase financial hardships.

For these reasons, we ask you to hold this measure. Thank you for the opportunity to submit testimony.

#### HB-259 Submitted on: 2/26/2023 7:22:58 PM Testimony for CPC on 2/28/2023 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Suzanne Shriner	Lions Gate Farms	Support	Remotely Via Zoom

Comments:

Please protect our Hawaii origin products.

My family has three generations who farm coffee and we support ourselves on 100% Kona. Your support makes a difference for over 1,500 Hawaii coffee farmers.

Suzanne Shriner President: Lions Gate Farms President Emeritus: Kona Coffee Farmers Association



Phone: 927-0709 henry.lifeoftheland@gmail.com

COMMITTEE ON CONSUMER PROTECTION & COMMERCE Rep. Mark M. Nakashima, Chair Rep. Jackson D. Sayama, Vice Chair

DATE: Tuesday, February 28, 2023 TIME: 2:00 PM PLACE: VIA VIDEOCONFERENCE & Conference Room 329

HB 25 COFFEE LABELING

# STRONG SUPPORT

Aloha Chair Nakashima, Vice Chair Sayama, and Committee Members

Life of the Land is Hawai`i's own energy, environmental and community action group advocating for the people and `aina for 52 years. Our mission is to preserve and protect the life of the land through sound energy and land use policies and to promote open government through research, education, advocacy and, when necessary, litigation.

As a graduate student studying economics, I became fascinated with agricultural futures. I first examined the international coffee industry and coffee commodity trading on international exchanges. Hawaii law allows coffee to be identified as Kona coffee even if 90% of the coffee is cheap imports. The proposed "truth-in-advertising" bill is long overdue.

Mahalo,

Henry Curtis, Executive Director

#### HB-259 Submitted on: 2/26/2023 4:22:58 PM Testimony for CPC on 2/28/2023 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Bruce Corker	Rancho Aloha Coffee Farm	Support	Remotely Via Zoom

Comments:

Chair Nakashima and Members of the Committee:

I am a Hawaii County coffee farmer and **strongly support HB259** as a step in the right direction toward Truth-In-Labeling for Hawaii-Grown agricultural products and for the protection of consumers.

For more than 30 years Hawaii has been the **only region anywhere in the world** to authorize by law the use of regional names on an agricultural product label with only 10% genuine content.

The State of Hawaii needs to protect the integrity of its specialty agricultural crops in the same way that Idaho protects Idaho Potatoes, Vermont protects Vermont Maple Syrup, California protects its wines, and France protects Champagne from deceptive labeling.

Equally important, Hawaii should be concerned about protecting the reservoir of goodwill it enjoys in other parts of the world. Failure of the State to follow basic principles of Truth-In-Labeling for the "Hawaii Brand" undermines that reservoir of goodwill. Wherever they are in the world, consumers do not like to be misled by deceptive labeling.

Please pass HB259.

Thank you,

Bruce Corker

Rancho Aloha

Holualoa, Hawaii County

#### **Testimony of Jeffrey Clark**

#### Ka'u Coffee Mill

#### February 28, 2023

#### HB-259 Relating to Coffee Labelling

Aloha Chair Mark Nakashima, Vice-Chair Jackson Sayama, and members of the Consumer Protection and Commerce committee,

My name is Jeffrey Clark and I am the Chief Operating Officer for the Edmund C Olson Trust which owns and operates the Ka'u Coffee Mill. Ka'u Coffee Mill grows, processes and roasts 100% Ka'u-grown coffee and purchases coffee from 50 small farmers in the Ka'u district. Our farm grows coffee on 100 acres near Pahala on Wood Valley Road.

I am in full support of HB-259.

As a grower, processor, roaster and retailer of 100% Kau Coffee, I can see the devastating result of blended coffees on the Hawaii-grown coffee industry. Blended coffees, using as little as 10% of Hawaiian coffee, create a real problem for local farmers. Blended coffees do not provide the consumer with the proper taste profile and mislead the consumer about the region's flavor qualities. Blended coffees also depress the price of 100% Hawaii-grown coffees as well. Products need to be properly labelled to inform the consumer not only of the percentage of Hawaii-grown coffee, but also of the percentage by origin of foreign grown coffee. Under the current law, blenders do not have to disclose the origin of foreign grown coffee and most only indicate the Hawaii-grown percentage which misleads consumers.

The coffee industry in Hawaii started over 100 years ago by farmers and today, it represents one of the largest crops grown in the state of Hawaii. Hawaiian farmers have built a reputation for growing high quality, specialty coffees that command premium prices. Blenders have taken advantage of this reputation by minimally blending Hawaii-grown coffee with lesser cost and quality coffees grown elsewhere.

I urge you to stand with coffee farmers to protect their high-quality reputation.

Sincerely,

Jeffrey Clark Chief Operating Officer, Edmund C Olson Trust No 2 / Ka'u Coffee Mill



To Chair Nakashima, Vice Chair Sayama And the Consumer Protection and Commerce Committee Hawaii State 32<sup>nd</sup> Legislature Honolulu, Hawaii 96813

February 27, 2023

Re: House Bill (HB) 259 "Relating to Consumer Protection"

Cyanotech Corporation **supports** HB 259 and adopting Truth-In-Labeling for Hawaii Grown Coffees to protect the reputation of Hawaii-grown coffees as premier, to protect the Hawaii Brand, and to protect consumers from purchasing misleading coffee blends.

As a grower of microalgae for dietary supplements on the island of Hawaii, we are proud of and know the value of labeling and advertising Hawaii grown products. We are a publicly held company, which employs close to 100 people, and generates close to \$30 million in annual revenue. Part of our success comes from the fact that we are located in a unique geographical region that enables us to grow high quality products. Competitors that falsely claim Hawaii origin are not only misleading consumers but minimizing the consumer's experience of products made from the region and degrading the reputation of Hawaii grown products.

Therefore, we further support this legislation that will phase in the requirement for a minimum of 51% Hawaii grown coffee for Hawaii blends.

We understand that the Kona Coffee Farmers have lobbied for many years to achieve transparency and Truth-In-Labeling. They produce something special from the islands and we hope that the legislature will protect it, similar to the "Idaho Potato" or "Napa Wine". We appreciate your consideration and hope that you pass HB 259 this year.

Sincerely with Aloha,

Jen Johansen Vice President of Quality, Regulatory & Government Affairs Cyanotech Corporation jjohansen@cyanotech.com 808-334-9407

# HB-259 Submitted on: 2/26/2023 7:32:28 PM Testimony for CPC on 2/28/2023 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Carolyn Witcover	Kona Coffee Farmers Association	Support	Written Testimony Only

Comments:

I support a phased-in increase to a minimum of 51% for Hawaii coffee blends, as well as other measures which will protect consumers and advance the interests of farmers.



300 Kuulei Rd. Unit A #281 \* Kailua, HI 96734 \* Phone/Fax (808) 262-0682 E-Mail

February 28, 2023

# <u>COMMITTEE ON COMMERCE AND CONSUMER PROTECTION</u> Rep. Mark M. Nakashima, Chair Rep. Jackson D. Sayama, Vice Chair

# HB 259 RELATING TO COMSUMER PROTECTION

Hawaii's Thousand Friends, a non-profit organization dedicated to ensuing that growth is reasonable and responsible and that planning, and land use decisions protect natural and cultural resources and human health and are implemented in conformity with the law, supports HB 259 that prohibits using geographic origins of coffee in labeling or advertising for roasted or instant coffee that contains less than a certain percentage of coffee by weight from that geographic origin, that will help protect the Hawaii coffee brand by ensuring truth-in-labeling of Hawaii coffee.

Farmers, who produce high-quality coffee in a local region, deserve the right to defend their area brand by requiring that coffee sold under a local regional name contains at least 51% of coffee grown from that region. Allowing anything less neither supports nor appreciates Hawaii's coffee farmers and the value of their product.

We urge you support Hawaii's coffee farmers and pass HB 259.

#### HB-259 Submitted on: 2/27/2023 12:45:28 PM Testimony for CPC on 2/28/2023 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Colehour Bondera	Kanalani Ohana Farm	Support	Written Testimony Only

Comments:

Aloha Chair & Committee Members:

Please accept my full support for this legislation.

As a long-time farmer who sells primarily directly to consumers, it is every day that I deal with truth in labeling desires and needs and the State of Hawaii must lead to ensure that consumers are not being mislead.

Senate legislation is parallel to this Bill, and I am thrilled that the legislature seeks to speak for the needs of our farmers and for all of the consumers of Hawaiis' premeir crop -- coffee!

As a founding member and long-time Board member of the Kona Coffee Farmers Association, it is with great history and respect that our groups' needs are met.

As a long-time organic farmer, I am very familiar with consumer perception issues and ask that Hawaii does not postpone being transparent and take responsibility for truth in labeling.

Thanks in advance for your support,

Colehour Bondera

#### KANALANI OHANA FARM

Honaunau, HI

colemel2@gmail.com

Officers Kaipo Kekona State President

Anabella Bruch Vice-President

Maureen Datta Secretary

Reba Lopez Treasurer

#### Chapter Presidents

Madeline Ross Kohala, Hawai'i

Odysseus Yacalis East Hawai'i

Puna, Hawai'i

Andrea Drayer Ka'ū, Hawai'i

Chantal Chung Kona, Hawai'i

Fawn Helekahi-Burns Hana, Maui

> Reba Lopez Haleakala, Maui

Kaiea Medeiros Mauna Kahalawai, Maui

> Kaipo Kekona Lahaina, Maui

Rufina Kaauwai Molokai

Negus Manna Lāna'i

Brynn Foster North Shore, Oʻahu

Christian Zuckerman Wai'anae, Oʻahu

Ted Radovich Waimanalo, Oʻahu

Vincent Kimura Honolulu, Oʻahu

> Ray Maki Kauai



Aloha Chair Nakashima, Vice Chair Sayama, and Members of the House Consumer Protection & Commerce Committee,

The Hawaii Farmers Union United (HFUU) is a 501(c)(5) agricultural advocacy nonprofit representing a network of over 2,500 family farmers and their supporters across the Hawaiian Islands. **HFUU supports HB259.** 

HB259 will protect not only the coffee farmers in Hawaii for coffee but also the coffee consumers. By guaranteeing the minimum percentage of coffee by weight from a specific geographic origin, consumers will be able to make informed decisions when shopping for coffees, resulting in no false expectations that could lead to disappointed customers. By not allowing misleading labeling of coffee containing less than the specified percentage, HB259 will ensure that consumers get exactly what they are paying for. By establishing this minimum percentage and governing the use of the term "All Hawaiian" in labeling and advertising, the bill will support transparency and ensure consumers get the most out of their purchases.

Mahalo for the opportunity to testify.

Kaipo Kekona, President HFUU/HFUF

Kend S.K. Repue

To the Hawaii House Representatives Regarding HB-259

I am in full support of HB-259.

As a grower, processor, roaster and retailer of 100% Kau Coffee, I find it deplorable that the State of Hawaii has time and time again bowed down to the Hotel and Hospitality industries in regards to this issue.

As the signature agricultural product produced in this state, why don't the coffee farmers and our product have the same protection from the State of Hawaii as ei. Idaho potatoes, Vermont Maple Syrup, California Almonds? I don't think I could taste 10% of Vermont Maple Syrup and I certainly would not buy a watered down version of any product. If I was duped into buying such a product under false labeling practices I would never buy or trust any product coming out of that geographical region again...

At the end of the day, it is the blood, sweat and tears of the coffee farmer that has built the Hawaii coffee industry, not the blender or the hotels that push 10% blends on unsuspecting visitors. Who is reaping the economic benefit of such practices? I assure you it is not the hard-working farmers who produce some of the world's finest coffee.

Sincerely,

Louis V. Daniele III

General Manager, Kau Coffee Mill

#### HB-259 Submitted on: 2/27/2023 12:17:38 PM Testimony for CPC on 2/28/2023 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Karen Winslow	Maui Farmers Union	Support	Written Testimony Only

Comments:

I am submitting testimony supporting this bill that will maintain not only truth in advertising, but quality of product based on a guarantee of 51% Hawaiian Grown coffee beans. This protects both the consumer and the producer. A win-win!

#### HB-259 Submitted on: 2/27/2023 11:45:21 AM Testimony for CPC on 2/28/2023 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Bruce Maryanoff	KCFA	Support	Written Testimony Only

Comments:

Dear Representatives,

Please represent Kona small farm coffee growers and support HB-259 requiring 51% minimum genuine context in Hawaii coffee blends and identification on the label of the origin of imported coffee in the blend.

My wife and I own two small Kona coffee farms. Our special interest is premium, single-estate 100% Kona coffee. Our company grows, processes, roasts, and sells high-quality, single-estate 100% Kona coffee, with a focus on artisanal, premium brands to satisfy the interests of coffee connoisseurs. Our coffee fruit (cherry) comes from Cynthiana Farm (ca. 900 trees) in South Kona and Honalo Farm (ca. 3000 trees) in North Kona. The trees are dry-farmed (i.e., not irrigated). We have state-of-the-art coffee processing and roasting facilities at Honalo Farm, our corporate headquarters, and offer brands that represent the flavor profiles of specific terroirs. We exclusively custom-roast in small batches with a fluidized-bed air roaster. Our flagship brand is designated "Private Reserve", which is available from both farms. We thank you for your past support, especially with the CBB and CLF problems.

#### We work hard! We are proud of our 100% KONA coffee products.

We find it offensive to see coffee labeled "Kona coffee" and in small print CONTAINS 10% KONA COFFEE and no notation of what the 90% is.

We are members of the Kona Coffee Farmers Association.

Please support HB-259 requiring 51% minimum genuine context in Hawaii coffee blends and identification on the label of the origin of imported coffee in the blend.

Sincerely

Bruce E Maryanoff

#### HB-259 Submitted on: 2/27/2023 8:20:33 AM Testimony for CPC on 2/28/2023 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Chet Gardiner	Cassandra Farms	Support	Written Testimony Only

Comments:

I urge a YES vote on HB259 - Relating to Consumer Protection.

This is a matter of truth in advertising as well as the future health of the families who work the hundreds of small farms in Hawai'i.

The sale of inferior, bland, watery tasting "blends" seriously harms the "Kona", "Maui" and "Ka'u" Coffee's names and reputation and as a result is a serious impediment to growing the pool of customers for the world's best coffee.

Since 100% Hawai'ian Varietal Coffee requires a significant amount of labor, the sale of inferior blends at fire-sale prices makes it that much harder for small family farms to recoup their expenses let alone realize a decent profit from their hard labor and passion for growing coffee.

The authorities who support other important crops and products such as Idaho Potatoes, Vidalia Onions, Vermont Maple Syrup and Champagne won't allow theirs names to be used to label products that don't contain 100% of the advertised product.

What's wrong with Hawai'i? Why can't one of our MOST important and visible high-value products be protected as vigorously as Onions and Potatoes?

Some folks are going to try to tell you that they can't stay in business without being allowed to market an inferior product using the "Kona" name and other misleading labeling to fool consumer. If that's true maybe they reexamine their business models.

I urge you to vote for fairness and honesty for consumers and Hawai'i's farmers.

Thank your for your consideration.

Chet Gardiner Cassandra Farms, Honomalino, HI

#### <u>HB-259</u>

Submitted on: 2/27/2023 2:33:34 PM Testimony for CPC on 2/28/2023 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Nancy Redfeather	Ka Ohana O Na Pua	Support	Written Testimony Only

Comments:

Consumers, coffee farmers, and the level of goodwill toward the State of Hawaii will all benefit from Truth-in-Labeling. The year has come for his bill to pass, and for the 800 + small, medium and klarge coffee farms across the state rceive the support they deserve and need in order to stay in business. Threats to the coffee industry are unprecedented. Please give this Bill your consideration. Mahalo!

Also, Please add spell check to your Testimony box dit would encourage testifying. Mahalo!!

Nancy Redfeather - Honalo

#### <u>HB-259</u> Submitted on: 2/26/2023 10:19:00 AM Testimony for CPC on 2/28/2023 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
George M. Peavy	Individual	Support	Written Testimony Only

Comments:

I am a resident of South Kona where we maintain a coffee farm, providing local employment and supporting the local economy with our operations. The success of our business, its continued operations, and it contributions to the local community and the State of Hawaii is highly dependent upon production of a quality product for which there is a high demand.

Kona Coffee is a highly desirable regional brand, and other regions in Hawaii are increasing in their brand recognition. Regional branding is an important component of successful marketing of agricultural products, and is highly protected for many commodities in many states. It should be protected for the coffee industry in Hawaii.

Consumers have a right to know what is in a coffee blend and have an expectation of truthful product labeling.

I urge you to stand up for the farmers of Hawaii, for the importance of regional branding for Hawaii agricultural products, and for the rights of consumers to have a full and honest disclosure of the content of the product that they are asked to purchase, by supporting this legislation.

#### HB-259 Submitted on: 2/26/2023 12:52:37 PM Testimony for CPC on 2/28/2023 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
lynne matusow	Individual	Support	Written Testimony Only

Comments:

I read labels. I purchase products based on the ingredients. I want to know the true amount of Hawaii grown coffee in the coffee I buy. I buy 100% Kona coffee. Priced at a premium and well worth every kala. Please pass this bill. Every year something along these lines is introduced and every year it dies. 2023 should be the year of truth in advertising for Hawaii coffee.

# Before the House Committee on Consumer Protection and Commerce Testimony of Bruce Silverglade in Support of HB 259 February 28, 2023

I am Bruce Silverglade, former legal director of the Washington, DC – based Center for Science in the Public Interest (CSPI) writing in support of passage of HB 259. This bill is an essential consumer protection measure needed to prevent deception in the marketplace.

This testimony is submitted in my personal capacity; I served as Director of Legal Affairs of CSPI from 1981 to 2010. (I now reside full-time in the State of Hawaii and consult on food and agriculture federal regulatory issues).

During my tenure at CSPI, I helped lead the fight for the enactment of the Nutrition Labeling and Education Act, including *inter alia*, provisions ensuring that the State of Vermont could maintain special labeling provisions regarding maple syrup and provisions requiring the percentage of real juice to be declared on the labels of diluted juice beverages.

I am also the author of *Food Labeling Chaos* (2010) <u>https://www.cspinet.org/sites/default/files/attachment/food\_labeling\_chaos\_re</u> <u>port.pdf</u>. Chapter IX of this publication details the need for the type of requirements that would be mandated by HB 259.

At the present time, coffee blenders in Hawaii are engaging in what food regulatory lawyers call "economic adulteration," i.e. diluting a premium product (Kona coffee) with inferior coffee varieties. Such practices have long plagued segments of the food industry since the days that unscrupulous businesses would sell water-down milk, <u>https://docstudio.org/2018/11/25/no-use-crying-over-spilt-</u>

milk/#:~:text=How%20watered%20down%20milk%20showcased,were%20mi shandling%20their%20milk%20supplies.

HB 259 would help correct this problem by prohibiting the use of geographical origins on coffee labeling and advertising for roasted or instant coffee that contains less than a set percentage of coffee by weight from that geographical origin phased in to a minimum of 51% after July 1, 2025.

This measure is essential to protect consumers -- ranging from Hawaii residents to unsuspecting visitors to the islands. The goodwill generated from this requirement to prevent non-misleading labeling will benefit the State of Hawaii, protect the general public, and ensure fair treatment of coffee farmers.

Some parties opposed to the bill say it will be difficult to enforce given the lack of technological capacity in the State to test blended coffees to determine their authenticity. The U.S. Food and Drug Administration (FDA) faced an analogous challenge when it promulgated regulations requiring the amount of "added," as opposed to naturally occurring, sugars to be listed on the Nutrition Facts label. It was argued that testing methods could not distinguish between naturally occurring and added sugars in a product like apple sauce.

The U.S. FDA solved the problem by requiring food processors to keep and maintain records as to the amounts of added sugars they were using, see FDA Guidance Statement, Section III (4) - Compliance Issues:

https://www.fda.gov/media/117402/download#:~:text=We%20require%20that %2C%20when%20a,as%20part%20of%20a%20package.

The same type of record keeping requirement could be instituted for food manufacturers engaged in coffee blending. The State could require records to be kept and made available for inspection. This approach would help ensure that the bill is enforceable. The passage of HB 259 represents a vital step to protect consumers from being misled and will help ensure a level competitive playing field in the coffee industry.

I urge the committee to ensure that this bill is enacted. Thank you for consideration of my views.

Bruce Silverglade 3920 Wyllie Road, Unit 12 Princeville, HI 96722

# HB-259 Submitted on: 2/26/2023 5:55:00 PM Testimony for CPC on 2/28/2023 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Franz Weber	Individual	Support	Written Testimony Only

Comments:

This is in the interest of all coffee farmers as well as consumers

### HB-259 Submitted on: 2/27/2023 8:46:30 AM Testimony for CPC on 2/28/2023 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
R A Culbertson	Individual	Support	Written Testimony Only

Comments:

Aloha Representatives,

I, and fellow neighbors of the Hamakua region, on the Big Island urge your passage of this very plain and fair-minded legislation providing Truth-in Labeling for Hawaii coffee blends.

Mahalo nui loa!

R A Culbertson

Honokaa

### HB-259 Submitted on: 2/27/2023 9:40:52 AM Testimony for CPC on 2/28/2023 2:00:00 PM

Submitted By	Organization	<b>Testifier</b> Position	Testify
Erika Zemby	Individual	Support	Written Testimony Only

Comments:

As a small farmer and a new member of the Kona Coffee Farmers Association Board of Directors, I **strongly support HB259**. It is imperative for our farmers that this bill passes. Thank you for your vote and support.

HB-259 Submitted on: 2/27/2023 9:42:59 AM Testimony for CPC on 2/28/2023 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Noa LIncoln	Individual	Support	Written Testimony Only

Comments:

I strongly support HB259

### HB-259 Submitted on: 2/27/2023 10:05:18 AM Testimony for CPC on 2/28/2023 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Christian KOrt	Individual	Support	Written Testimony Only

Comments:

I support having "kona" and "Hawaiian" coffe labels minimum 51% and also belive it should be 100%.

Hawaiian products should be made and sold with pride to represent our islands and not just a money plan for big farms and the state tax revenues.

thank you

Christian Kokrt

Halelo Farms

#### HB-259 Submitted on: 2/27/2023 10:28:05 AM Testimony for CPC on 2/28/2023 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Emily Emmons	Individual	Support	Written Testimony Only

Comments:

I am in strong support of HB259 which contains a phased-in minimum of 51% genuine Hawaii-Grown coffee for Hawaii coffee blends and other provisions to protect consumers from deception. People travel from all over the world to experience all things Hawaii, and yet we do very little to protect that brand. It is extremely important that the State values and protects the Hawaii grown produce, including, coffee.

# <u>HB-259</u> Submitted on: 2/27/2023 10:56:28 AM Testimony for CPC on 2/28/2023 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Robert ZUckerman	Individual	Support	Written Testimony Only

Comments:

I am totally in support of this bill that protects consumer rights from deceptive marketing and labeling.

HB-259 Submitted on: 2/27/2023 11:03:40 AM Testimony for CPC on 2/28/2023 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Sunny Savage	Individual	Support	Written Testimony Only

Comments:

In strong support!

# HB-259 Submitted on: 2/27/2023 11:07:35 AM Testimony for CPC on 2/28/2023 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Patricia L. Gardner	Individual	Support	Written Testimony Only

Comments:

I support HB 259 Truth in Labeling! Help Hawaii businesses stand in Truth for the products they produce, so people around the world can trust goods that are made in Hawaii!

HB-259 Submitted on: 2/27/2023 11:20:58 AM Testimony for CPC on 2/28/2023 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Shannon Rudolph	Individual	Support	Written Testimony Only

Comments:

SUPPORT

#### HB-259 Submitted on: 2/27/2023 11:40:01 AM Testimony for CPC on 2/28/2023 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Cynthia Maryanoff	Individual	Support	Written Testimony Only

Comments:

Dear Representatives,

Please represent Kona small farm coffee growers and support HB-259 requiring 51% minimum genuine context in Hawaii coffee blends and identification on the label of the origin of imported coffee in the blend.

My husband and I own two small Kona coffee farms. Our special interest is premium, singleestate 100% Kona coffee. Our company grows, processes, roasts, and sells high-quality, singleestate 100% Kona coffee, with a focus on artisanal, premium brands to satisfy the interests of coffee connoisseurs. Our coffee fruit (cherry) comes from Cynthiana Farm (ca. 900 trees) in South Kona and Honalo Farm (ca. 3000 trees) in North Kona. The trees are dry-farmed (i.e., not irrigated). We have state-of-the-art coffee processing and roasting facilities at Honalo Farm, our corporate headquarters, and offer brands that represent the flavor profiles of specific terroirs. We exclusively custom-roast in small batches with a fluidized-bed air roaster. Our flagship brand is designated "Private Reserve", which is available from both farms. We thank you for your past support, especially with the CBB and CLF problems.

#### We work hard! We are proud of our 100% KONA coffee products.

We find it offensive to see coffee labeled "Kona coffee" and in small print CONTAINS 10% KONA COFFEE and no notation of what the 90% is.

We are member of the Kona Coffee Farmers Association.

Please support HB-259 requiring 51% minimum genuine context in Hawaii coffee blends and identification on the label of the origin of imported coffee in the blend.

Sincerely

Cynthia A Maryanoff

### HB-259 Submitted on: 2/27/2023 11:43:28 AM Testimony for CPC on 2/28/2023 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Nathan Trump	Individual	Support	Written Testimony Only

Comments:

I'm a farmer on the Big Island with significant concerns about the future viability of our agribusinesses. We need better labeling regulations to ensure our agricultural products are not misrepresented.

I support this bill.

#### HB-259 Submitted on: 2/27/2023 11:44:39 AM Testimony for CPC on 2/28/2023 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Tamara Swift	Individual	Support	Written Testimony Only

Comments:

HB259 contains a phased-in minimum of 51% genuine Hawaii-Grown coffee for Hawaii coffee blends and other provisions to protect consumers from deception. The bill was introduced by Kona's House Reps. Kahaloa, Kapela, Lowen, and others. Consumers, coffee farmers, and the level of goodwill toward the State of Hawaii will all benefit from Truth-in-Labeling. Strongly support.

#### HB-259 Submitted on: 2/27/2023 12:19:35 PM Testimony for CPC on 2/28/2023 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Kaipo Kekona	Individual	Support	Written Testimony Only

Comments:

Aloha mai Kakou,

My name is Kaipo Kekona I am the State President of Hawaii Farmer's Union United. Hiwever I am testifying today on behalf of my self as an individual.

I am a native hawaiian farmer born and raised in Hawaii. I have a family of 6, our four children my wife and I have been in the Farming industry for 15 years. We have been committed to the **contributing mission** of Hawai'i's diversified economy and pursuit of food security and sustainability the Pandemic has shown us just hiw much of a food security crisis we are in.

Although this bill speaks directly toward Coffee I believe this is a necessary step in the right direction. Truth should be a determining foundation in all decision making. There shouldn't be space provided to alter or manipulate the truth.

If the use of our place names are by far the selling point. Then we have a responsibility to secure these in the best of Hawai'i's interests. Not only economically speaking but environmentally as well. This is apart of the big picture to the **contributing mission**.

In closing, I ask that you not only support and move this bill forward, but take action within your capacity to identify opportunities in Hawaii to secure **Truth** in the better interest of our economy and environment.

Mahalo nui,

Kaipo Kekona.

# <u>HB-259</u> Submitted on: 2/27/2023 1:59:02 PM Testimony for CPC on 2/28/2023 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Barbara Barry	Individual	Support	Written Testimony Only

Comments:

Aloha,

I strongly support HB 259

Let's protect consumers of Hawaiian grown coffee as well as the farmers who grow and go to all the work that's needed to make their special coffee drinkable. Mahalo, LATE \*Testimony submitted late may not be considered by the Committee for decision making purposes.

# <u>HB-259</u>

Submitted on: 2/27/2023 7:10:04 PM Testimony for CPC on 2/28/2023 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Dennis F Lokmer	Individual	Support	Written Testimony Only

Comments:

I urge strong support for this bill. DFL