

**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  
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**TESTIMONY OF SHARON HURD**  
**CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE**

**WEDNESDAY, MARCH 22, 2023**  
**2:00 PM**  
**CONFERENCE ROOM 329 AND VIDEOCONFERENCE**

**SENATE BILL NO. 745 SD1 HD1**  
**RELATING TO AGRICULTURE**

Chairperson Nakashima and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill 745 SD1 HD1. This measure extends the offense of false labeling of Hawaii-grown coffee to include roasted coffee. Imposes \$10,000 fine for each separate offense of false labeling of Hawaii-grown roasted coffee. Makes an appropriation for 1.0 FTE enforcement position. The Department of Agriculture (DOA) supports this measure.

DOA supports the appropriation of funds to hire one full time measurement standards specialist/inspector (approximate appropriation request of \$100,000) for the purpose of labeling and packaging enforcement and inspection. The inspector will help rebuild DOA's capability to address labeling enforcement challenges in various Hawaii products especially with roasted coffee. The inspector will take the lead in researching and utilizing new recognized testing measures to identify different products geographically such as Oritain technology (<https://oritain.com>), which can generate science-based data from specific coffee growing regions as a proof and confirmation of truth or false labeling. Thank you for the opportunity to testify on this measure.



# HAWAII COFFEE COMPANY™

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TO: Representative Mark Nakashima, Chair  
Representative Jackson Sayama, Vice Chair  
Committee on Consumer Protection & Commerce

FROM: Gerard Bastiaanse  
President- Hawaii Coffee Company

RE: **SB 745 SD1 HD1 Relating to Agriculture – In Support**  
Wednesday, March 22, 2023; 2:00 P.M.

Aloha Chair Nakashima, Vice Chair Sayama and members of the committee:

Hawaii Coffee Company is in strong support of SB 745 SD1 HD1, which extends the offense of false labeling of Hawaii-grown coffee to include roasted coffee, and imposes a \$10,000 fine for each separate offense of false labeling of Hawaii-grown coffee.

Our company complies with the FDA's strict food labeling laws, as well as Hawaii state labeling regulations. False labeling of Hawaii coffee products is a serious matter that harms both consumers as well as the coffee industry in Hawaii.

We ask for your favorable consideration in passing this measure. Thank you.

**SB-745-HD-1**

Submitted on: 3/20/2023 5:18:22 PM

Testimony for CPC on 3/22/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
bruce corker	Rancho Aloha Coffee Farm	Support	Written Testimony Only

Comments:

Chair Nakashima and Members of the Committee:

I am a coffee farmer in the North Kona District of Hawaii County and support the passage of SB745.

However, I recommend two amendments:

(1) **Instant and RTD Coffee:** It would clarify the intended scope of the bill to add to the list of covered products not only “roasted coffee”, but also “instant coffee” and “ready to drink coffee” to make clear that latter two products (which are made from roasted coffee) are also covered by the proposed law. [Ready to Drink (RTD) coffee is brewed coffee sold in cans or other containers and RTD coffee has often been deceptively labeled as brewed from Kona or other Hawaii-Grown roasted coffees.]

(2) **Enforcement in Other States:** The Hawaii Department of Agriculture has long taken the position that it does not have the authority to enforce Hawaii’s labeling laws against counterfeiters in other states. However, other states have developed systems for bringing enforcement actions against out of state marketers of counterfeit products using their state-protected names for agricultural products. Examples are the Idaho Potato Commission which pursues legal actions against marketers that sell counterfeit Idaho potatoes in other states; and similarly, Georgia brings legal actions against those selling counterfeit Vidalia Onions in other states. My suggestion is that the bill be expanded (1) to include \$20,000 appropriation for the HDOA to review the systems used by other states (including Idaho and Georgia) to bring legal action against those marketing counterfeit agricultural products in other parts of the country; and (2) that the HDOA report its findings and recommendations from those findings to the Legislature prior to the 2024 Session. Counterfeiting of Hawaii-grown agricultural crops affects not just coffee growers, but producers of many other Hawaii specialty crops such as macadamia nuts, cacao, tea, hemp and other more. Hawaii needs to follow the examples of other states to protect the "Hawaii Brand" and protect the interests of its specialty crop farmers.

Please amend and pass SB745.

Thank you,

Bruce Corker, Rancho Aloha Coffee Farm



**House Committee on Consumer Protection & Commerce**

**Hawai'i Alliance for Progressive Action (HAPA) Supports: SB745 SD1 HD1**

Wednesday, March 22nd, 2023 2:00 p.m. Conference Room 329

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

We support SB745 SD1 HD1 which extends the offense of false labeling of Hawai'i-grown coffee to include roasted coffee. Imposes \$10,000 fine for each separate offense of false labeling of Hawai'i-grown roasted coffee.

HAPA understands the importance of enforcing the integrity of the "Hawai'i Brand" and that there is a genuine need for stronger protections of this brand integrity.<sup>1</sup>

This bill closes an important loophole where counterfeiters have been escaping oversight. By granting HDOA the ability to verify the authenticity of a roasted coffee's origin, it opens the door for better enforcement and higher profits to farmers. The less counterfeit coffee in the marketplace, the greater the demand for real Hawaiian coffee.

We support extending the offense, and fine, of false labeling of Hawai'i-grown coffee to include roasted coffee.

Please support SB745 SD1 HD1.

Thank you for your consideration.

Respectfully,

A handwritten signature in black ink, appearing to read 'Anne Frederick', written in a cursive style.

Anne Frederick  
Executive Director

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<sup>1</sup> <https://www.sfgate.com/hawaii/article/hawaii-products-not-from-islands-17312415.php>



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March 22, 2023

HEARING BEFORE THE  
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

**TESTIMONY ON SB 745, SD1, HD1**  
RELATING TO AGRICULTURE

Conference Room 329 & Videoconference  
2:00 PM

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

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate and advance the social, economic, and educational interests of our diverse agricultural community.

**The Hawai'i Farm Bureau supports SB 745, SD1, HD1**, which extends the offense of false labeling of Hawai'i-grown coffee to include roasted coffee, imposes a \$10,000 fine for each separate offense of false labeling of Hawai'i-grown roasted coffee, and makes an appropriation for one enforcement position.

Hawai'i-grown coffee is recognized for its high quality and aromatic flavor. Hawai'i-grown coffee is held to a set of quality standards that makes it one of the most expensive coffees in the world. It is one of Hawai'i's signature crops.

The 2021-2022 USDA National Agriculture Statistics Service (NASS) of Hawai'i Agriculture estimated the value of Hawai'i-grown coffee at \$61.9 million and ranked as coffee fifth in the top twenty agricultural commodities in the State.

To protect the Hawai'i coffee industry from counterfeiting, the legislature in 2012, enacted Act 323, which established criminal penalties for Hawai'i-grown cherry, parchment, and green coffee that is falsely labeled with regard to the geographic origin. However, in addition to the geographic origin, stricter enforcement of the labeling restrictions based on the quality of the coffee being sold is critical to prevent further counterfeiting of Hawai'i's recognized high-quality coffee. Furthermore, the criminal penalties for false labeling should apply not only to cherry, parchment, and green coffee but also to roasted coffee.

Thank you for the opportunity to testify on this measure.



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Vincent Kimura  
Honolulu, O'ahu

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 SB745.**

We believe that it is time for Hawaii's coffee industry to have the same protections as the many other agricultural industries in the state. We understand that honest labeling in the coffee industry is widely regarded as important in maintaining trust among consumers, and this bill will help ensure that all coffee labeled as "Hawaii Grown" is actually grown in the islands. This level of transparency is necessary in order to protect the reputation of Hawaii's coffee industry.

Furthermore, we believe that the \$10,000 fine for each separate offense of false labeling is necessary in order to ensure that farmers are adequately protected and to discourage any future fraudulent labeling of Hawaii-grown coffee. The proposed appropriation of 1.0 FTE enforcement position to enforce the bill is also essential to make sure that the legal protections offered by SB745 Agriculture are enforced properly. Therefore, we strongly support this bill and urge the legislature to pass it in order to ensure the growth of Hawaii's coffee industry and adequate legal protection for the farmers.

Mahalo for the opportunity to testify.

Kaipo Kekona, President HFUU/HFUF