
A BILL FOR AN ACT

RELATING TO AGRICULTURE.

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

1 SECTION 1. The legislature finds that coffee is the
2 State's second most lucrative agricultural crop, valued by the
3 United States Department of Agriculture at up to \$64,300,000
4 annually, with additional upstream and downstream impacts that
5 include employment, land preservation, and tourism.

6 The legislature further finds that Hawaii-grown coffee is
7 among the highest priced coffee sold anywhere in the world,
8 largely due to the high cost of production and its reputation
9 for outstanding quality. As such, the State's coffee industry
10 is susceptible to fraud when less expensive coffees are falsely
11 labeled as originating from Hawaii. Currently, state law
12 imposes penalties for the false labeling (counterfeiting) of
13 Hawaii-grown coffee in cherry and parchment form, but the fraud
14 of coffee counterfeiting has been almost exclusively committed
15 in roasted coffee products. Coffee counterfeiting undermines
16 Hawaii's coffee farmers by misrepresenting an increase in
17 supply, thereby creating downward price pressure and value



1 depreciation in the marketplace. Additionally, further harm
2 occurs when inferior products are introduced into the supply
3 chain, thereby undermining Hawaii's hard-fought brand identity
4 for high quality crops.

5 Accordingly, the purpose of this Act is to deter coffee
6 counterfeiting by extending the offense of false labeling of
7 Hawaii-grown coffee to include roasted coffee.

8 SECTION 2. Section 708-871.5, Hawaii Revised Statutes, is
9 amended to read as follows:

10 "[+]§708-871.5[+] **False labeling of Hawaii-grown coffee.**

11 (1) A person commits the offense of false labeling of
12 Hawaii-grown coffee if the person knowingly transports,
13 distributes, advertises, sells, or possesses with the intent to
14 sell Hawaii-grown green coffee, cherry coffee, [~~or~~] parchment
15 coffee, or roasted coffee that is falsely labeled with regard to
16 the geographic origin of the Hawaii-grown coffee.

17 (2) For purposes of this section:

18 "Cherry coffee" means the unprocessed fruit of the coffee
19 plant.

20 "Geographic origin" means the geographic areas designated
21 as follows:



- 1 (a) Hamakua is the Hamakua district on the island of
2 Hawaii, as designated by the State of Hawaii tax map;
- 3 (b) Hawaii is the State of Hawaii;
- 4 (c) Kau is the Kau district on the island of Hawaii, as
5 designated by the State of Hawaii tax map;
- 6 (d) Kauai is the island of Kauai;
- 7 (e) Kona is the north Kona and south Kona districts on the
8 island of Hawaii, as designated by the State of Hawaii
9 tax map;
- 10 (f) Maui is the island of Maui;
- 11 (g) Molokai is the island of Molokai; and
- 12 (h) Oahu is the island of Oahu.
- 13 "Green coffee" means the agricultural commodity comprised
14 of green coffee beans.
- 15 "Parchment coffee" means the dried product that remains
16 when coffee cherries are processed by removing the coffee seeds
17 from the pulp.
- 18 "Roasted coffee" means a product that results from heating
19 the cherry coffee seeds to augment aroma and flavor.
- 20 (3) False labeling of Hawaii-grown coffee is a class C
21 felony."



1 SECTION 3. This Act does not affect rights and duties that
2 matured, penalties that were incurred, and proceedings that were
3 begun before its effective date.

4 SECTION 4. Statutory material to be repealed is bracketed
5 and stricken. New statutory material is underscored.

6 SECTION 5. This Act shall take effect on July 1, 3000.



Report Title:

Roasted Coffee; Hawaii-grown coffee; False Labeling

Description:

Extends the offense of false labeling of Hawaii-grown coffee to include roasted coffee. Effective 7/1/3000. (HD2)

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