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# A BILL FOR AN ACT

RELATING TO LABELING REQUIREMENTS.

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

1           SECTION 1. The legislature finds that 'ōkolehao is a  
2 traditional Hawaiian distilled spirit with deep historical and  
3 cultural significance. 'Ōkolehao traces its origins to the early  
4 contact period in Hawai'i and was historically produced from  
5 fermented kī (Cordyline fruticosa) root, commonly known as ti  
6 plant or ti-leaf, a plant of profound cultural importance used  
7 for food, medicine, ceremony, and material culture in Native  
8 Hawaiian society. The legislature further finds that 'ōkolehao  
9 was widely recognized in the nineteenth and early twentieth  
10 centuries as a distinctive spirit of Hawai'i, celebrated  
11 internationally and produced exclusively in the islands. Over  
12 time, however, the absence of clear standards and labeling  
13 protections has allowed the 'ōkolehao name to be misused,  
14 undermining consumer confidence and diluting the cultural  
15 integrity and economic potential of this historic Hawaiian  
16 product.



1           The legislature also finds that the Alcohol and Tobacco Tax  
2 and Trade Bureau of the United States Department of the Treasury  
3 regulates the labeling of distilled spirits in interstate  
4 commerce, including standards of identity that define the class  
5 and type designations used on distilled spirits labels. The  
6 Alcohol and Tobacco Tax and Trade Bureau has been asked to  
7 establish a federal standard of identity for 'ōkolehao to clarify  
8 minimum production requirements and prevent consumer confusion  
9 in domestic and foreign markets. The legislature believes that  
10 the establishment of a state-level standard and labeling  
11 requirements will support and complement ongoing efforts to  
12 define 'ōkolehao as a distinctive product of Hawai'i.

13           The legislature additionally finds that other regionally  
14 distinctive food and beverage products, such as tequila,  
15 bourbon, and champagne, have demonstrated that clear standards,  
16 authentic branding, and place-based visitor experiences can  
17 drive strong economic outcomes for local communities by  
18 supporting agricultural production, creating jobs, and  
19 attracting higher-spending visitors.

20           The legislature further finds that Kentucky's distilling  
21 industry has become a major driver of Kentucky's economy, with



1 reports estimating billions of dollars in annual economic output  
2 and millions of visitor experiences related to distillery  
3 tourism. The legislature notes that Napa Valley's visitor  
4 economy demonstrates how a distinctive, place-based beverage  
5 identity can position a rural region as an international  
6 destination, supporting billions of dollars in visitor spending,  
7 generating local tax revenue, and sustaining thousands of jobs.  
8 Establishing similar protections for 'ōkolehao will help restore  
9 its rightful place in the State's cultural and agricultural  
10 landscape while creating an authentic visitor experience that  
11 strengthens the State's brand as a destination rooted in  
12 culture, place, and local production.

13 The legislature recognizes that kī cultivation and 'ōkolehao  
14 distillation present opportunities to support Hawai'i farmers,  
15 promote value-added agriculture, and strengthen rural economies,  
16 while ensuring that consumers receive a product that is  
17 truthfully labeled and rooted in Hawai'i.

18 Accordingly, the purpose of this Act is to protect 'ōkolehao  
19 as a distinctive product of Hawai'i by establishing labeling  
20 requirements for 'ōkolehao products.



1 SECTION 2. Chapter 486, Hawaii Revised Statutes, is  
2 amended by adding a new section to part V to be appropriately  
3 designated and to read as follows:

4 "§486- Okolehao; labeling requirements. (a) No label  
5 on a consumer package that contains or includes a distilled  
6 spirit shall use:

7 (1) The words "ōkolehao", "okolehao", "Hawaiian  
8 ‘ōkolehao", or any variation of these terms; or

9 (2) Hawaiian imagery, place names, or motifs that would  
10 mislead a reasonable person into believing the  
11 consumer package contains or includes a distilled  
12 spirit that contains or includes ‘ōkolehao,  
13 unless the distilled spirit meets the definition of ‘ōkolehao.

14 (b) Any nonconsumer package of ‘ōkolehao introduced into  
15 intrastate or interstate commerce shall bear a label clearly  
16 stating that the product is "Hawai‘i-distilled ‘ōkolehao made  
17 with Hawai‘i-grown kī".

18 (c) The department may establish and administer a  
19 voluntary certification mark program to verify compliance with  
20 this section.



1        (d) The department may bring an action for injunctive  
2 relief to compel compliance with this section.

3        (e) Any person who violates this section shall be subject  
4 to penalties under section 486-32.

5        (f) For the purposes of this section:

6        "Ökolehao" means a distilled spirit that:

- 7        (1) Is distilled from a fermented mash, at least fifty-one  
8        per cent of which is derived from ki root (Cordyline  
9        fruticosa), also known as the ti plant or ti-leaf,  
10       grown in the State;
- 11       (2) Is distilled and bottled in the State;
- 12       (3) Is distilled at less than ninety-five per cent alcohol  
13       by volume (one hundred ninety degrees proof);
- 14       (4) Is bottled at no less than forty per cent alcohol by  
15       volume (eighty degrees proof);
- 16       (5) May contain flavoring or coloring materials, including  
17       those added through barrel aging; provided that the  
18       flavoring or coloring materials comply with federal  
19       standards;



1       (6) Is distilled from agricultural products, at least  
2           fifty-one per cent of which were cultivated and  
3           harvested within the State; and

4       (7) Of the kī root used in the production, at least:

5           (A) Beginning on the effective date of this Act,  
6           fifty-one per cent;

7           (B) Beginning January 1, 2030, seventy-five per cent;  
8           and

9           (C) Beginning January 1, 2035, one hundred per cent,  
10          is grown in the State."

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

14       SECTION 4. New statutory material is underscored.

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



**Report Title:**

'Ōkolehao; Distilled Spirits; Labeling Requirements

**Description:**

Establishes labeling requirements for 'ōkolehao products.  
Effective 7/1/3000. (HD2)

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