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## HOUSE RESOLUTION

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REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO PROVIDE AN ECONOMIC ANALYSIS OF THE IMPACT OF CHANGES TO HAWAII'S KONA COFFEE MINIMUM CONTENT LAWS, AND REQUESTING THE DEPARTMENT OF THE ATTORNEY GENERAL TO STUDY WAYS TO IMPROVE ENFORCEMENT OF THOSE LAWS.

1 WHEREAS, there is strong support for changing Hawaii's Kona  
2 coffee minimum content laws, in particular, for increasing from  
3 ten to at least fifty per cent the required percentage of Kona-  
4 grown coffee that entitles a coffee to be called "Kona" coffee;  
5 and  
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7 WHEREAS, the Legislature is aware that support among  
8 persons and entities within Hawaii's coffee industry for  
9 increasing the minimum content requirement to fifty per cent is  
10 not unanimous; and  
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12 WHEREAS, the Legislature believes that in order to minimize  
13 disruption in this important local industry, it is important to  
14 proceed with caution, and only after obtaining important facts  
15 on the possible economic impacts that such a change would have  
16 on Kona coffee farmers, processors, retailers, and consumers,  
17 not to mention upon other coffee growing regions in the State  
18 such as Ka'u and Kauai; and  
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20 WHEREAS, the statutory responsibilities of the Department  
21 of Business, Economic Development, and Tourism include, among  
22 others, to "provide economic research and analysis"; and  
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24 WHEREAS, many in the Kona coffee industry have expressed  
25 frustration at the apparent lack of enforcement of the minimum  
26 content law, which is intended to protect the State's Kona  
27 coffee industry; and  
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29 WHEREAS, at least one national fast-food chain has  
30 advertised that it serves "brisk Kona coffee", while other  
31 retailers claim through outdoor signs and other advertising  
32 media that they sell "Kona coffee"--under circumstances that



1 make it highly unlikely that the coffee being sold or served is  
2 one hundred per cent Kona coffee; and  
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4 WHEREAS, however, the Legislature is also not insensitive  
5 to the fact that state laws, in order to be enforceable, cannot  
6 run afoul of constitutional protections afforded to commercial  
7 speech; now, therefore,  
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9 BE IT RESOLVED by the House of Representatives of the  
10 Twenty-fourth Legislature of the State of Hawaii, Regular Session  
11 of 2007, Senate concurring, that the Department of Business,  
12 Economic Development, and Tourism is requested to submit a  
13 report to the Legislature on the coffee industry in Hawaii that  
14 includes the following:  
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- 16 (1) A description of the coffee industry in Hawaii, with  
17 particular emphasis on the Kona coffee industry, and  
18 the roles played by each segment of the industry, such  
19 as the farmers, processors, retailers, and others;  
20  
21 (2) A description of how the respective segments of the  
22 Kona coffee have fared under the present law  
23 establishing a minimum content requirement of ten per  
24 cent in order for coffee to be called "Kona coffee";  
25  
26 (3) A thorough economic analysis of the probable impact of  
27 increasing the minimum content requirement to fifty  
28 per cent upon:  
29  
30 (A) Each segment of the Kona coffee industry; and  
31  
32 (B) Each segment of the coffee industry in the rest  
33 of the State, such as in Ka'u and on islands  
34 other than the island of Hawaii; and  
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36 BE IT FURTHER RESOLVED that the Department of the Attorney  
37 General is requested to review existing statutes and rules  
38 relating to the enforcement of the Kona coffee minimum content  
39 requirements, including present enforcement programs and efforts  
40 presently carried out by the Department of Agriculture; and  
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42 BE IT FURTHER RESOLVED that the Department of the Attorney  
43 General is requested to report to the Legislature on:  
44



- (1) Identifying all statutes and rules that can presently be applied to address the enforcement of violations of the Kona coffee minimum content requirements, including claims made in labeling, and advertising claims in both local and national media;
- (2) Modifications that can be made to criminal or civil enforcement statutes in terms of promoting ease of enforcement and effectiveness of deterrence against violations of the State's Kona coffee laws;
- (3) Specific provisions and procedures, if any, that need to be enacted to enable the State or aggrieved persons to take action against persons or entities who make advertising claims in local or national media that violate Kona coffee minimum content requirements;
- (4) Other recommendations in terms of personnel or other resources needed by the Department of Agriculture and other appropriate state agencies in order to more aggressively and effectively enforce Kona coffee minimum content requirements; and

BE IT FURTHER RESOLVED that, upon request, the Department of Agriculture is requested to cooperate with and assist the Department of Business, Economic Development, and Tourism and the Department of the Attorney General, as necessary, in their response to this Resolution in conducting their studies; and

BE IT FURTHER RESOLVED that the Department of Business, Economic Development, and Tourism and the Department of the Attorney General are requested to seek input from as many stakeholders as possible; and

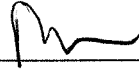
BE IT FURTHER RESOLVED that the Department of Business, Economic Development, and Tourism and the Department of the Attorney General are requested to submit separate reports of their findings, recommendations, and any proposed legislation to the Legislature not later than twenty days prior to the convening of the Regular Session of 2008; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Governor, the Director of Business, Economic Development, and Tourism, the



1 Attorney General, and the Chairperson of the Board of  
2 Agriculture.  
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OFFERED BY: \_\_\_\_\_



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