MAR 1 4 2007

SENATE CONCURRENT RESOLUTION

REQUESTING THE DEPARTMENT OF AGRICULTURE TO ADOPT ADMINISTRATIVE RULES TO ESTABLISH UNIFORM INSPECTION, CERTIFICATION, AND AUDIT REQUIREMENTS FOR ALL COFFEE GROWN IN HAWAII.

WHEREAS, coffee requires a specific combination of sun, soil, and water, and is successfully grown in only a limited number of locations around the world; and

WHEREAS, the Kona weather pattern of bright, sunny mornings, humid rainy afternoons, and mild nights create favorable coffee growing conditions; and

WHEREAS, the Kona coffee name only applies to coffee beans grown in North and South Kona, thus, coffee that is grown elsewhere in Hawaii cannot be called "Kona coffee"; and

WHEREAS, all coffee beans grown in Hawaii are regulated by the Department of Agriculture under chapter 147, Hawaii Revised Statutes, for quality and assurance; and

WHEREAS, under section 147-7, Hawaii Revised Statutes, all Hawaii-grown green coffee beans (coffee beans that are milled and ready for roasting) need to be inspected and certified by the Department of Agriculture for grade and origin unless otherwise specified by rules adopted by the Department; and

WHEREAS, title 4, chapter 143, Hawaii Administrative Rules, establishes standards for coffee, including labeling requirements, grade standards, inspection requirements, and a coffee quality verification program; and

WHEREAS, under section 4-143-2, Hawaii Administrative Rules, the inspection and certification of green coffee for origin, grade, or both are required by the Department of Agriculture, except for a few exceptions; and

WHEREAS, under section 4-143-10, Hawaii Administrative Rules, dry millers may participate in a coffee quality verification program, which is a self-certification program that authorizes dry millers to certify green coffee and issue a coffee quality verification program certificate; and

WHEREAS, a participating dry miller in this program must, among other requirements, process at least five thousand pounds of green coffee per week for three consecutive weeks during a twelve month period, and establish a satisfactory record of milling and grading of coffee beans; and

WHEREAS, additionally, the Department of Agriculture must follow a coffee quality verification program audit scheme consisting of three levels of audits depending on production output; and

WHEREAS, the audit scheme ensures that a consistent level of quality is maintained for all green coffee beans grown in Hawaii because poor quality coffee degrades the "Kona coffee" or "Hawaii Seal of Quality" names; and

WHEREAS, the inspection and certification requirements under section 147-7, Hawaii Revised Statutes, and title 4, chapter 143, Hawaii Administrative Rules, apply to green coffee beans, and not roasted coffee beans; and

WHEREAS, roasted coffee beans are considered processed foods under part IV, chapter 147, Hawaii Revised Statutes; and

WHEREAS, although roasted coffee beans must also be inspected for grade or origin, it does not follow the same inspection and certification processes as green coffee beans; and

WHEREAS, uniform inspection and certification requirements for all coffee beans grown in Hawaii, whether green or roasted, will ensure a better and higher quality and assurance for all Hawaii-grown coffee; now, therefore,

BE IT RESOLVED by the Senate of the Twenty-fourth Legislature of the State of Hawaii, Regular Session of 2007, the House of Representatives concurring, that the Department of Agriculture is requested to adopt uniform administrative rules 2007-1235 SCR SMA-1.doc



relating to all coffee beans grown in Hawaii, whether green or roasted beans, to establish uniform inspection and certification requirements to ensure better and higher quality and assurance for all Hawaii-grown coffee; and

BE IT FURTHER RESOLVED that the Department of Agriculture adopt administrative rules to establish audit requirements for all coffee mills and roasters in Hawaii so that a uniform level of quality and assurance can be maintained and monitored; and

BE IT FURTHER RESOLVED that the Department of Agriculture cooperate and coordinate with the Kona Coffee Council and form a special committee to establish a suitable certification and audit plan to appropriately meet the needs of small coffee farmers; and

BE IT FURTHER RESOLVED that the Department of Agriculture submit a written report to the Legislature of its findings and recommendations, and any proposed legislation and rules, no later than twenty days prior to the convening of the 2008 Regular Session; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Chairperson of the Board of Agriculture; the Dean of the College of Tropical Agriculture and Human Resources, University of Hawaii; the President of the Hawaii Farm Bureau Federation; the President of the Hawaii Coffee Association; the President of the Kona Coffee Council; the President of the Kona Coffee Farmers Association; and any other statewide coffee organizations.

OFFERED BY:

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