

JAN 22 2008

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 there has been
2 increased discussion on changing Hawaii's Kona coffee blend
3 laws, in particular, increasing from ten to seventy-five per
4 cent the required percentage of Kona-grown coffee that entitles
5 a coffee to be called "Kona" coffee.

6 In addition, there is support for strengthening the
7 labeling laws to inform consumers properly about coffee's origin
8 and requiring a certification for Kona coffee to ensure a high
9 quality of Kona coffee. The legislature further finds that
10 there is a need to have an objective, reasoned examination of
11 these issues.

12 As Hawaii is the only coffee growing region in the United
13 States, recent years have also seen an increase in other Hawaii
14 regional coffees, and more information is needed to support and
15 promote the coffee industry.

16 The purpose of this Act is to direct the legislative
17 reference bureau to undertake a study to evaluate possible



1 impacts on farmers, processors, retailers, and consumers if
2 certain changes are made to the current Hawaii Kona coffee blend
3 laws, identify strategies to strengthen labeling laws, and
4 provide recommendations on supporting and cultivating regional
5 specialty coffee in Hawaii.

6 SECTION 2. (a) The legislative reference bureau shall
7 conduct a study of the possible impacts of changes to current
8 Hawaii Kona coffee blend laws, including:

9 (1) Increasing the required percentage of Kona-grown
10 coffee that entitles a coffee to be labeled "Kona
11 coffee", including, but not limited to, a seventy-five
12 per cent requirement;

13 (2) Adapting the labeling standards accordingly;

14 (3) Requiring state certification for Kona coffee grown
15 and sold in the north and south Kona districts to
16 confirm the coffee's Kona origin; and

17 (4) Determining what measures and standards would be
18 necessary to support the development and growth of
19 other Hawaii regional coffees, similar to initiatives
20 taken to protect and promote Kona coffee.

21 (b) The study shall include an analysis of pertinent
22 issues, including:



- 1 (1) A description of the current economic situation
2 concerning Kona coffee as it pertains to farmers,
3 processors, and retailers;
- 4 (2) Identifying existing concerns or issues regarding the
5 current ten per cent Kona coffee minimum blend
6 requirement;
- 7 (3) An evaluation of the possible economic impact of
8 raising the current ten per cent Kona coffee minimum
9 blend requirement to a higher requirement, including,
10 but not limited to, seventy-five per cent. This shall
11 include the possible economic impact on:
12 (A) Farmers;
13 (B) Processors; and
14 (C) Retailers;
- 15 (4) An evaluation of anticipated consumer reaction, taking
16 into account a likely increase in the price of Kona
17 coffee;
- 18 (5) An evaluation of how to strengthen the State's "truth-
19 in-labeling" laws, as provided in section 486-120.6,
20 Hawaii Revised Statutes, to further enhance consumer
21 awareness of blended Kona coffee; provided that the
22 evaluation shall particularly take into account what



1 people in Hawaii's coffee industry perceive as a
2 statutory omission that allows a double identity
3 statement regarding the coffee, and shall propose
4 solutions to achieve a more accurate description of
5 all ingredients in the ingredient statement on the
6 coffee package;

7 (6) An examination of how to achieve national recognition
8 for Kona coffee and deter the illegal use of the term
9 "Kona Coffee" in connection with coffee products in
10 Hawaii and on the continental United States that do
11 not meet Hawaii's standards established for Kona
12 coffee;

13 (7) An evaluation of whether to institute state
14 certification for Kona coffee grown and sold in the
15 south Kona district and the north Kona district to
16 confirm the coffee's Kona origin, and if so, how best
17 to accomplish it; and

18 (8) A determination of what measures and standards would
19 be necessary to support the development and growth of
20 other Hawaii regional coffees, similar to initiatives
21 taken to protect and promote Kona coffee.



1 The legislative reference bureau shall seek input from as
 2 many stakeholders as possible, including the Hawaii Coffee
 3 Association, the Kona Coffee Council, the Kona County farm
 4 bureau, the Hawaii Farm Bureau, and the University of Hawaii.

5 The department of agriculture, department of business,
 6 economic development, and tourism, and the department of the
 7 attorney general, upon request, shall assist the legislative
 8 reference bureau in conducting this study.

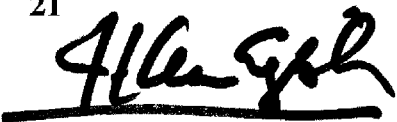
9 SECTION 3. The legislative reference bureau shall submit a
 10 report of its findings, recommendations, and any proposed
 11 legislation to the legislature at least twenty days prior to the
 12 convening of the regular session of 2009.

13 SECTION 4. There is appropriated out of the general
 14 revenues of the State of Hawaii the sum of \$, or so
 15 much thereof as may be necessary for fiscal year 2008-2009, to
 16 fund the study by the legislative reference bureau required by
 17 this Act.

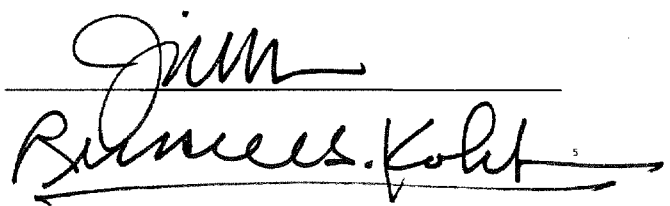
18 The sum appropriated shall be expended by the legislative
 19 reference bureau for the purposes of this Act.

20 SECTION 5. This Act shall take effect on July 1, 2008.

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INTRODUCED BY:




Report Title:

Kona Coffee; Study; Appropriation

Description:

Appropriates funds for a study by the legislative reference bureau on the effect of regulations of Kona coffee blends.

