

Honolulu, Hawaii

APR 05 2012

RE: H.B. No. 280
H.D. 1
S.D. 2

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 280, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose and intent of this measure is to address economic challenges facing the state coffee certification program while preserving the integrity of Hawaii's coffee industry.

Specifically, the measure effectuates this purpose by:

- (1) Repealing the requirement that all Hawaii-grown green coffee beans be inspected and certified by the Department of Agriculture for grade and origin unless otherwise provided by department rules, and instead authorizing the department to adopt administrative rules relating to the inspection and certification of the geographic origin of Hawaii-grown green coffee beans;
- (2) Prohibiting the shipment of Hawaii-grown green coffee beans outside the area of their geographic origin unless the packaging has been marked with or contains a certification of geographic origin approved by the Department of Agriculture; and



- (3) Establishing a class C felony for falsely labeling Hawaii-grown green coffee with regard to the geographic origin of the coffee.

Your Committee received written comments in support of this measure from one individual.

Your Committee finds that state budgetary cutbacks in recent years have hindered the Department of Agriculture's ability to effectively execute the coffee certification program. This has resulted in lengthy inspection delays that damage customer relations within the coffee industry and limit cash flows to pay growers and processors in a timely manner.

This measure adjusts the Department of Agriculture's powers and responsibilities to allow the department to more effectively regulate the coffee industry in the face of financial constraints. At the same time, this measure also provides stronger criminal penalties to help deter the distribution of Hawaii-grown green coffee that is falsely labeled as to geographic origin.

Your Committee has amended this measure by:

- (1) Moving the new offense for false labeling of Hawaii-grown green coffee from Chapter 710, Hawaii Revised Statutes, relating to offenses against public administration, to Chapter 708, Hawaii Revised Statutes, relating to offenses against property rights; and
- (2) Replacing references to the "certification" of Hawaii-grown green coffee with references to the "documentation" of the same.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 280, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 280, H.D. 1, S.D. 2.



Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

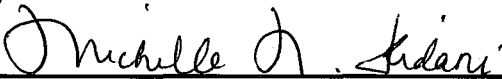
David Y. Ige

DAVID Y. IGE, Chair



The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
HB280 HDI SDI	AGL, WAM	3-29-12		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	/			
KIDANI, Michelle N. (VC)	/			
CHUN OAKLAND, Suzanne	/			
DELA CRUZ, Donovan M.	/			
ENGLISH, J. Kalani	/			
ESPERO, Will	/			
FUKUNAGA, Carol				/
KIM, Donna Mercado	/			
KAHELE, Gilbert	/			
KOUCHI, Ronald D.	/			
RYAN, Pohai				/
TOKUDA, Jill N.	/			
WAKAI, Glenn	/			
SLOM, Sam	/			
TOTAL	12	0	0	2
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

*Only one measure per Record of Votes