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## A BILL FOR AN ACT

RELATING TO COFFEE LABELING.

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

1           SECTION 1. The legislature finds that for more than  
2 twenty-three years Hawaii has been the only region in the world  
3 that statutorily authorizes the uses of its geographic names,  
4 such as "Kona", "Maui", and "Ka'u", on labels of its specialty  
5 agricultural products and requires that only ten per cent of the  
6 product originate in the geographic area. The legislature  
7 further finds that the low ten per cent requirement directly  
8 damages and degrades the reputation of the world famous Hawaii-  
9 grown coffees.

10           More than ninety per cent of Hawaii's coffee farms are  
11 located on the island of Hawaii. The Hawaii county council  
12 unanimously adopted Resolution No. 501-14, entitled "REQUESTING  
13 THE HAWAII LEGISLATURE TO ADOPT PROVISIONS FOR TRUTH-IN-LABELING  
14 FOR HAWAII-GROWN COFFEE". The council's request to the  
15 legislature was based on a number of reasons, including:



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1           (1) Senate Concurrent Resolution No. 102, S.D. 1, H.D. 1,  
2           adopted during the 2007 regular session, which stated  
3           in part:

4           (A) Existing labeling requirements for Kona coffee  
5           causes consumer fraud and degrades the "Kona  
6           coffee" name; and

7           (B) Confusion as to the difference between Kona  
8           coffee and Kona coffee blends caused *Consumer*  
9           *Reports* magazine to rate Kona coffee as "second  
10          rate";

11          (2) It is inherently deceptive and misleading to label  
12          coffee as a geographically identified blend, such as  
13          "Hamakua Blend", "Ka'u Blend", and "Kona Blend",  
14          unless at least a majority of the coffee is from that  
15          region;

16          (3) The label on the package of a ten per cent Hawaii  
17          coffee blend does not advise consumers that ninety per  
18          cent of the coffee in the package is imported,  
19          foreign-grown, or may be a mixture of multiple  
20          Hawaiian regions and foreign-grown coffee;



- 1 (4) Not identifying the origin of ninety per cent of a  
2 coffee blend is inherently deceptive to consumers, who  
3 are often erroneously lead to believe that a package  
4 of coffee blend contains a blend of coffees only from  
5 farms in Kona or other regions in Hawaii, when in fact  
6 a portion of the blended coffee could be foreign-grown  
7 coffee;
- 8 (5) Blending cheaper commodity coffees from Vietnam,  
9 Mexico, Panama, Africa, and other foreign countries,  
10 to fill ninety per cent of the coffee blend, enriches  
11 corporations based in the continental United States,  
12 who own the Hawaii blending companies, with immense  
13 excess profits, without any benefit to Hawaii coffee  
14 farmers;
- 15 (6) The blending of various roasts and origins by coffee  
16 roasters to create unique flavor profiles is an  
17 acceptable practice, as opposed to deceptive labeling  
18 of blends by using misleading geographic origin names  
19 which violates basic principles of consumer protection  
20 and fair marketing; and



1 (7) Immediate legislative action is necessary to protect  
2 the reputation of Hawaii-grown coffees as premier,  
3 specialty coffees from further degradation.

4 The purpose of this Act is to:

5 (1) Require the label of coffee blends to disclose the  
6 regional origins and per cent by weight of the blended  
7 coffees; and

8 (2) Make it a violation of the coffee labeling law to use  
9 a geographic origin in labeling or advertising, when  
10 the roasted or instant coffee contains less than  
11 fifty-one per cent coffee by weight from that  
12 geographic origin.

13 SECTION 2. Section 486-120.6, Hawaii Revised Statutes, is  
14 amended by amending subsections (b) and (c) to read as follows:

15 "(b) A listing of the geographic origins of the various  
16 Hawaii-grown coffees and the regional origins of the various  
17 coffees not grown in Hawaii that are included in a blend ~~[may]~~  
18 shall be shown on the label. [~~If used, this~~] This list shall  
19 consist of the term "Contains:", followed by, in descending  
20 order of per cent by weight and separated by commas, the  
21 respective geographic origin or regional origin of the various



1 coffees in the blend [~~that the manufacturer chooses to list~~].  
2 Each geographic origin or regional origin [~~may~~] shall be  
3 preceded by the per cent of coffee by weight represented by that  
4 geographic origin or regional origin, expressed as a number  
5 followed by the per cent sign. The type size used for this list  
6 shall not [~~exceed~~] be less than half that of the identity  
7 statement. This list shall appear below the identity  
8 statement[~~, if included~~] on the front panel of the label.

9 (c) It shall be a violation of this section to:

10 (1) Use the identity statement specified in subsection

11 (a) (1) (A) or similar terms in labeling or advertising  
12 unless the package of roasted or instant coffee  
13 contains one hundred per cent coffee from that one  
14 geographic origin;

15 (2) Use a geographic origin in labeling or advertising,  
16 including in conjunction with a coffee style or in any  
17 other manner, if the roasted or instant coffee  
18 contains less than [~~ten~~] fifty-one per cent coffee by  
19 weight from that geographic origin;

20 (3) Use a geographic origin in advertising roasted or  
21 instant coffee, including advertising in conjunction



1 with a coffee style or in any other manner, without  
2 disclosing the percentage of coffee used from that  
3 geographic origin as described in subsection (a)(1)(B)  
4 and (a)(2);

5 (4) Use a geographic origin in labeling or advertising  
6 roasted or instant coffee, including in conjunction  
7 with a coffee style or in any other manner, if the  
8 green coffee beans used in that roasted or instant  
9 coffee do not meet the grade standard requirements of  
10 rules adopted under chapter 147;

11 (5) Misrepresent, on a label or in advertising of a  
12 roasted or instant coffee, the per cent coffee by  
13 weight of any coffee from a geographic origin or  
14 regional origin;

15 (6) Use the term "All Hawaiian" on a label or in  
16 advertising of a roasted or instant coffee if the  
17 roasted or instant coffee is not produced entirely  
18 from green coffee beans produced in geographic origins  
19 defined in this chapter;

20 (7) Use a geographic origin on the front label panel of a  
21 package of roasted or instant coffee other than in the



- 1 trademark or in the identity statement as authorized  
2 in subsection (a)(1) and (2) unless one hundred per  
3 cent of the roasted or instant coffee contained in the  
4 package is from that geographic origin;
- 5 (8) Use more than one trademark on a package of roasted or  
6 instant coffee unless one hundred per cent of the  
7 roasted or instant coffee contained in the package is  
8 from that geographic origin specified by the  
9 trademark;
- 10 (9) Use a trademark that begins with the name of a  
11 geographic origin on a package of roasted or instant  
12 coffee unless one hundred per cent of the roasted or  
13 instant coffee contained in the package comes from  
14 that geographic origin or the trademark ends with  
15 words that indicate a business entity; or
- 16 (10) Print the identity statement required by subsection  
17 (a) in a smaller font than that used for a trademark  
18 that includes the name of a geographic origin pursuant  
19 to paragraph (7) and in a location other than the  
20 front label panel of a package of roasted or instant  
21 coffee."



1 SECTION 3. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3 SECTION 4. This Act shall take effect on July 1, 2016.

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**Report Title:**

Coffee Labeling; Blended Coffee

**Description:**

Requires coffee blend label to disclose regional origins and per cent by weight of the blended coffees. Prohibits using geographic origins of coffee in labeling or advertising, when roasted or instant coffee contains less than 51 per cent coffee by weight from that geographic origin.

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