

**DAVID Y. IGE**  
Governor

**SHAN S. TSUTSUI**  
Lt. Governor



State of Hawaii  
**DEPARTMENT OF AGRICULTURE**  
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**SCOTT E. ENRIGHT**  
Chairperson, Board of Agriculture

**PHYLLIS SHIMABUKURO-GEISER**  
Deputy to the Chairperson

**TESTIMONY OF SCOTT E. ENRIGHT  
CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE HOUSE COMMITTEE AGRICULTURE**

March 18, 2016  
8:30 A.M.  
CONFERENCE ROOM 312

**HR56/HCR95**

**REQUESTING THE UNIVERSITY OF HAWAII ECONOMIC RESEARCH  
ORGANIZATION TO CONVENE A WORKING GROUP TO ESTABLISH THE  
PROTOCOL TO BE USED AND FACTORS TO BE ADDRESSED IN A STUDY OF  
THE ECONOMIC IMPACT ON THE KONA COFFEE INDUSTRY FROM POSSIBLE  
CHANGES TO COFFEE LABELING LAWS**

Chairperson Tsuji and Members of the Committee:

Thank for the opportunity to testify on HR56/HCR95, requesting the University of Hawaii Economic Research Organization to convene a working group to establish the protocol to be used and factors to be addressed in a study of the economic impact on the Kona coffee industry from possible changes to coffee labeling laws. The department offers comments.

Although the resolution proposes for a study on the economic impact on the Kona coffee industry, the department is concerned that the outcome will affect all other coffee industry members who are not included in the working group, such as representatives from the Kona Coffee Council, Hawaii Coffee Growers Association, Maui Coffee Association, and the Ka'u coffee industry.

The department previously published several reports on this issue:

- In 2006, Hawaii's Coffee Industry – Structural Change and Its Effects on Farm Operations
- In 2008, Interim Report on Hawaii-Grown Coffee Labeling and Inspection, and Economic Impact of Potential Changes to Minimum Content Requirements
- In 2009, Report on Hawaii-Grown Coffee Labeling and Inspection, and Economic Impact of Potential Changes to Minimum Content Requirements



The department suggests that the working group address other challenges, such as controlling coffee berry borer, and labor issues, which are plaguing the coffee industry.

Thank you for the opportunity to testify on this measure.

# Hawaii Coffee Association



Kauai Big Island Maui Molokai Oahu



PO Box 168, Kealahou, HI 96750

## **Testimony to the House Committee on Economic Development and Business.**

**Friday, March 18, 2016**

RE: **HR56** – House Concurrent Resolution

Chair Kawakami, Vice Chair Kong and Committee Members:

The Hawaii Coffee Association supports the intent of HR56/HCR95. A comprehensive and viable study of the labeling laws impact on our industry would be greatly useful to our industry.

However, we recommend that the focus of this resolution should encompass the entire coffee industry in the State of Hawaii and not be limited to coffee produced in a single region of the State.

We also believe that, in addition to evaluating protocols and procedures for studying the impact of labeling laws, we should also be considering the impacts of effective enforcement of coffee labeling laws in Hawaii.

Thank you for the opportunity to offer our comments on these resolutions.

Sincerely,

A handwritten signature in cursive script that reads "Steve Hicks".

Steve Hicks, President

**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, March 17, 2016 1:39 PM  
**To:** AGRtestimony  
**Cc:** testimony@coffeeofkona.com  
**Subject:** Submitted testimony for HR56 on Mar 18, 2016 08:30AM

**HR56**

Submitted on: 3/17/2016

Testimony for AGR on Mar 18, 2016 08:30AM in Conference Room 312

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Jacqueline Wikum	Lions Gate Kona Coffee Farms	Support	No

Comments: As a vertically integrated farm and small processor, Lions Gate Kona Coffee believes that this study will be a useful step towards finding common ground within the Hawaii Coffee industry. Kona Coffee faces many challenges. Our worldwide competition has gotten more savvy. We, as an entire industry, must understand the wide range of impacts that face our growers, our processors and our coffee sellers. We need to understand the true cost of Kona, and find ways to keep it sustainable for the over 800 growers that rely on coffee for their income. We at Lions Gate believe that an unbiased study is long overdue. For our heritage crop to survive into the next century, we must understand the market forces that we bear. Mahalo nui loa, Jacqueline Wikum Chief Financial Office Lions Gate Inc.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, March 17, 2016 4:30 PM  
**To:** AGRtestimony  
**Cc:** melaniebondera@gmail.com  
**Subject:** Submitted testimony for HR56 on Mar 18, 2016 08:30AM

**HR56**

Submitted on: 3/17/2016

Testimony for AGR on Mar 18, 2016 08:30AM in Conference Room 312

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Melanie Bondera	Kanalani Ohana Farm	Support	No

Comments: More economic data on how Kona Coffee impacts farmers, workers, processors and marketers is needed. The structure of the Kona coffee industry has shifted drastically in the last decade and policy needs to follow current economic realities.

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Wednesday, March 16, 2016 3:03 PM  
**To:** AGRtestimony  
**Cc:** dylanarm@hawaii.edu  
**Subject:** \*Submitted testimony for HR56 on Mar 18, 2016 08:30AM\*

**HR56**

Submitted on: 3/16/2016

Testimony for AGR on Mar 18, 2016 08:30AM in Conference Room 312

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Dylan Armstrong	Individual	Support	No

Comments:

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Wednesday, March 16, 2016 4:34 PM  
**To:** AGRtestimony  
**Cc:** rkaiwi@hicoffeeco.com  
**Subject:** Submitted testimony for HR56 on Mar 18, 2016 08:30AM

**HR56**

Submitted on: 3/16/2016

Testimony for AGR on Mar 18, 2016 08:30AM in Conference Room 312

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Roger Kaiwi	Individual	Oppose	Yes

Comments: Aloha , I strongly oppose HR56. The coffee industry needs to put all efforts in a positive direction to help Kona Coffee Farmers , such as Botanigard for CBB control , and helo with our current labor issues. Roger Kaiwi

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Wednesday, March 16, 2016 7:38 PM  
**To:** AGRtestimony  
**Cc:** casedavids@gmail.com  
**Subject:** Submitted testimony for HR56 on Mar 18, 2016 08:30AM

**HR56**

Submitted on: 3/16/2016

Testimony for AGR on Mar 18, 2016 08:30AM in Conference Room 312

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
David S. Case	Individual	Support	No

Comments: This seems like an objective and professional way to design this long overdue analysis.

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, March 17, 2016 12:05 PM  
**To:** AGRtestimony  
**Cc:** randy@olsontrust.com  
**Subject:** \*Submitted testimony for HR56 on Mar 18, 2016 08:30AM\*

**HR56**

Submitted on: 3/17/2016

Testimony for AGR on Mar 18, 2016 08:30AM in Conference Room 312

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Randall J. Stevens	Individual	Oppose	No

Comments:

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e-mail [info@hfbf.org](mailto:info@hfbf.org); [www.hfbf.org](http://www.hfbf.org)

March 18, 2016

HEARING BEFORE THE  
HOUSE COMMITTEE ON AGRICULTURE

**TESTIMONY ON HR 56/HCR 95**

REQUESTING THE UNIVERSITY OF HAWAII ECONOMIC RESEARCH  
ORGANIZATION TO CONVENE A WORKING GROUP TO ESTABLISH THE  
PROTOCOL TO BE USED AND FACTORS TO BE ADDRESSED IN A STUDY OF  
THE ECONOMIC IMPACT ON THE KONA COFFEE INDUSTRY FROM POSSIBLE  
CHANGES TO COFFEE LABELING LAWS

Room 312  
8:30 AM

Aloha Chair Tsuji, Vice Chair Onishi, and Members of the Committee:

I am Randy Cabral, President of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,900 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interest of our diverse agricultural community.

**HFB supports the intent of HR56/HCR95**, which requests that the University of Hawaii Economic Research Organizations convene a working group to establish the protocol to be used and factors to be addressed in a study of the economic impact of the Kona Coffee Industry from possible changes to coffee labeling laws.

A credible, unbiased study that examines the impacts of labeling laws on the Hawaii Coffee industry could prove to be a valuable resource for farmers, industry professionals, and lawmakers. Engaging all the pertinent stakeholders is certainly an important first step.

HFB believes the scope of the measure is too narrow in that it only addresses the Kona origin. HFB believes the focus of the study should be a statewide initiative that addresses all origins within the state of Hawaii. Furthermore, it is our preference that, to the extent possible, counterfeiting and false labeling of Hawaii-grown products beyond our shores also be addressed.

Thank you for the opportunity to offer our comments on these resolutions.