
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 over twenty-six
2 years, Hawaii has been the only region in the world that
3 statutorily regulates the uses of its geographic names, such as
4 "Kona", "Maui", and "Ka'ū", on labels of its specialty
5 agricultural products but requires that only ten per cent of the
6 product originate in the geographic area indicated. The
7 legislature further finds that the low ten per cent requirement
8 directly damages and degrades the reputation of world-famous
9 Hawaii-grown coffees and damages the economic interests of
10 Hawaii coffee farmers. The legislature notes that a 2018
11 publication entitled "Strengthening sustainable food systems
12 through geographical indications: An analysis of economic
13 impacts" by the Food and Agriculture Organization of the United
14 Nations and the European Bank for Reconstruction and Development
15 concluded, among other things, that Kona coffee "does not enjoy
16 any strong protection of its name" from the State of Hawaii, and



1 as a result, downstream stakeholders, rather than farmers, "reap
2 the economic benefits of the fame of Kona".

3 The legislature also finds that more than ninety per cent
4 of Hawaii's coffee farms are located on the island of Hawaii.
5 In 2014, the Hawaii county council adopted Resolution No. 501-
6 14, entitled "Requesting the Hawaii Legislature to Adopt
7 Provisions for Truth-In-Labeling for Hawaii-Grown Coffees". The
8 council's request to the legislature was based on a number of
9 findings, including:

10 (1) Senate Concurrent Resolution No. 102, S.D. 1, H.D. 1,
11 regular session of 2007, which stated in part:

12 (A) Existing labeling requirements for Kona coffee
13 causes consumer fraud and degrades the "Kona
14 coffee" name; and

15 (B) Confusion as to the difference between Kona
16 coffee and Kona coffee blends caused *Consumer*
17 *Reports* magazine to rate Kona coffee as "second
18 rate";

19 (2) It is inherently deceptive and misleading to label
20 coffee as a geographically identified blend, such as



- 1 "Hamakua Blend", "Ka'ū Blend", or "Kona Blend", unless
2 at least a majority of the coffee is from that region;
- 3 (3) The label on the package of a ten per cent Hawaii
4 coffee blend does not advise consumers that ninety per
5 cent of the coffee in the package is imported,
6 foreign-grown, or may be a mixture of multiple
7 Hawaiian regions and foreign-grown coffee;
- 8 (4) Not identifying the origin of ninety per cent of a
9 coffee blend is inherently deceptive to consumers, who
10 are often erroneously led to believe that a package of
11 coffee blend contains a blend of coffees only from
12 farms in Kona or other regions in Hawaii, when in fact
13 a portion of the blended coffee could be foreign-grown
14 coffee;
- 15 (5) Blending cheaper commodity coffees from Vietnam,
16 Mexico, Panama, Africa, and other foreign countries to
17 fill ninety per cent of the coffee blend enriches the
18 mainland-based corporations that own the Hawaii
19 blending companies with immense excess profits,
20 without any benefit to Hawaii coffee farmers;



- 1 (6) The acknowledged blending of beans of various roasts
2 and origins by coffee roasters to create unique flavor
3 profiles is an acceptable practice and is different
4 from the deceptive labeling using misleading
5 geographic origin names of blends, which violates
6 basic principles of consumer protection and fair
7 marketing; and
- 8 (7) Immediate legislative action is necessary to protect
9 the reputation of Hawaii-grown coffees as premier,
10 specialty coffees from further degradation.

11 The purpose of this Act is to support Hawaii's coffee
12 growers by:

- 13 (1) Including Hawaii-grown green coffee, cherry coffee,
14 and parchment coffee in the coffee labeling
15 requirements;
- 16 (2) Requiring disclosure on the label of coffee blends of
17 the respective geographic and regional origins and per
18 cent by weight of the blended coffees;
- 19 (3) Making it a violation of the coffee labeling law to
20 use a geographic origin in labeling or advertising for
21 roasted coffee, instant coffee, Hawaii-grown green



1 coffee, cherry coffee, or parchment coffee blends that
2 contain less than a certain percentage of coffee by
3 weight from that geographic origin, phased in to a
4 minimum of fifty-one per cent;

5 (4) Prohibiting use of the term "All Hawaiian" in labeling
6 or advertising for roasted coffee, instant coffee,
7 Hawaii-grown green coffee, cherry coffee, or parchment
8 coffee not produced entirely from green coffee beans
9 grown and processed in Hawaii; and

10 (5) Appropriating funds for the department of agriculture
11 to administer the coffee labeling requirements
12 program.

13 SECTION 2. Section 486-120.6, Hawaii Revised Statutes, is
14 amended to read as follows:

15 "§486-120.6 Hawaii-grown roasted [~~or~~] coffee, instant
16 coffee[+], Hawaii-grown green coffee, cherry coffee, or
17 parchment coffee; labeling requirements. (a) In addition to all
18 other labeling requirements, the identity statement used for
19 labeling or advertising roasted [~~or~~] coffee, instant coffee,
20 Hawaii-grown green coffee, cherry coffee, or parchment coffee



1 produced in whole or in part from Hawaii-grown green coffee
2 beans shall meet the following requirements:

- 3 (1) For roasted [œ] coffee, instant coffee, Hawaii-grown
4 green coffee, cherry coffee, or parchment coffee that
5 contains one hundred per cent Hawaii-grown coffee by
6 weight the identity statement shall consist of either:
7 (A) The geographic origin of the Hawaii-grown coffee,
8 in coffee consisting of beans from only one
9 geographic origin, followed by the word "Coffee";
10 provided that the geographic origin may be
11 immediately preceded by the term "100%"; or
12 (B) The per cent coffee by weight of one of the
13 Hawaii-grown coffees, used in coffee consisting
14 of beans from several geographic origins,
15 followed by the geographic origin of the weight-
16 specified coffee and the terms "Coffee" and "All
17 Hawaiian";
- 18 (2) For roasted [œ] coffee, instant coffee, Hawaii-grown-
19 green coffee, cherry coffee, or parchment coffee
20 consisting of a blend of one or more Hawaii-grown
21 coffees and coffee not grown in Hawaii, the per cent



1 coffee by weight of one of the Hawaii-grown coffees
2 used in the blend, followed by the geographic origin
3 of the weight-specified coffee and the term "Coffee
4 Blend"; and

5 (3) Each word or character in the identity statement shall
6 be of the same type size and shall be contiguous. The
7 smallest letter or character of the identity statement
8 on packages of sixteen ounces or less net weight shall
9 be at least one and one-half times the type size
10 required under federal law for the statement of net
11 weight or three-sixteenths of an inch in height,
12 whichever is smaller. The smallest letter or
13 character of the identity statement on packages of
14 greater than sixteen ounces net weight shall be at
15 least one and one-half times the type size required
16 under federal law for the statement of net weight.
17 The identity statement shall be conspicuously
18 displayed without any intervening material in a
19 position above the statement of net weight. Upper and
20 lower case letters may be used interchangeably in the
21 identity statement.



1 (b) A listing of the geographic origins of the various
2 Hawaii-grown coffees and the regional origins of the various
3 coffees not grown in Hawaii that are included in a blend ~~[may]~~
4 shall be shown on the label. ~~[If used, this]~~ In place of
5 separate listings of regional origins of coffee not grown in
6 Hawaii in the blend, the list may include the words "Foreign-
7 Grown Coffee" preceded by the per cent of such coffee by weight
8 in the blend. This list shall consist of the term "Contains:",
9 followed by, in descending order of per cent by weight and
10 separated by commas, the respective geographic origin or
11 regional origin of the various coffees in the blend ~~[that the~~
12 ~~manufacturer chooses to list]~~. Each geographic origin or
13 regional origin ~~[may]~~ shall be preceded by the per cent of
14 coffee by weight represented by that geographic origin or
15 regional origin, expressed as a number followed by the per cent
16 sign. The type size used for this list shall not ~~[exceed]~~ be
17 less than half that of the identity statement. This list shall
18 appear below the identity statement ~~[, if included]~~ on the front
19 panel of the label.

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



- 1 (1) Use the identity statement specified in subsection
2 (a) (1) (A) or similar terms in labeling or advertising
3 unless the package of roasted [~~or~~] coffee, instant
4 coffee, Hawaii-grown green coffee, cherry coffee, or
5 parchment coffee contains one hundred per cent coffee
6 from that one geographic origin;
- 7 (2) Use a geographic origin in labeling or advertising,
8 including in conjunction with a coffee style or in any
9 other manner, if [~~the roasted or instant coffee~~
10 ~~contains less than ten per cent coffee by weight from~~
11 ~~that geographic origin,]~~ :
- 12 (A) During the period from July 1, 2020, through June
13 30, 2021, the roasted coffee, instant coffee,
14 Hawaii-grown green coffee, cherry coffee, or
15 parchment coffee contains less than twenty per
16 cent coffee by weight from that geographic
17 origin;
- 18 (B) During the period from July 1, 2021, through June
19 30, 2022, the roasted coffee, instant coffee,
20 Hawaii-grown green coffee, cherry coffee, or
21 parchment coffee contains less than thirty per



- 1 cent coffee by weight from that geographic
2 origin; and
- 3 (C) On or after July 1, 2022, the roasted coffee,
4 instant coffee, Hawaii-grown green coffee, cherry
5 coffee, or parchment coffee contains less than
6 fifty-one per cent coffee by weight from that
7 geographic origin;
- 8 (3) Use a geographic origin in labeling or advertising
9 roasted [~~œ~~] coffee, instant coffee, Hawaii-grown
10 green coffee, cherry coffee, or parchment coffee,
11 including advertising in conjunction with a coffee
12 style or in any other manner, without disclosing the
13 percentage of coffee used from that geographic origin
14 as described in subsection (a) (1) (B) and (a) (2);
- 15 (4) Use a geographic origin in labeling or advertising
16 roasted [~~œ~~] coffee, instant coffee, Hawaii-grown
17 green coffee, cherry coffee, or parchment coffee,
18 including in conjunction with a coffee style or in any
19 other manner, if the green coffee beans used in that
20 roasted [~~œ~~] coffee, instant coffee, Hawaii-grown
21 green coffee, cherry coffee, or parchment coffee do



- 1 not meet the grade standard requirements of rules
2 adopted under chapter 147;
- 3 (5) Misrepresent, on a label or in advertising of a
4 roasted [øx] coffee, instant coffee, Hawaii-grown
5 green coffee, cherry coffee, or parchment coffee the
6 per cent coffee by weight of any coffee from a
7 geographic origin or regional origin[+] as defined in
8 this section;
- 9 (6) Use the term "All Hawaiian" on a label or in
10 advertising of a roasted [øx] coffee, instant coffee,
11 Hawaii-grown green coffee, cherry coffee, or parchment
12 coffee if the roasted [øx] coffee, instant coffee,
13 Hawaii-grown green coffee, cherry coffee, or parchment
14 coffee is not produced entirely from green coffee
15 beans [~~produced in geographic origins defined in this~~
16 ~~chapter;~~] grown and processed in Hawaii;
- 17 (7) Use a geographic origin on the front label panel of a
18 package of roasted [øx] coffee, instant coffee,
19 Hawaii-grown green coffee, cherry coffee, or parchment
20 coffee other than in the trademark or in the identity
21 statement as authorized in subsection (a)(1) and (2)



- 1 unless one hundred per cent of the roasted [œ] coffee, instant coffee, Hawaii-grown green coffee,
2 cherry coffee, or parchment coffee contained in the
3 package is from that geographic origin;
4
- 5 (8) Use more than one trademark on a package of roasted
6 [œ] coffee, instant coffee, Hawaii-grown green
7 coffee, cherry coffee, or parchment coffee unless one
8 hundred per cent of the roasted [œ] coffee, instant
9 coffee, Hawaii-grown green coffee, cherry coffee, or
10 parchment coffee contained in the package is from that
11 geographic origin specified by the trademark;
- 12 (9) Use a trademark that begins with the name of a
13 geographic origin on a package of roasted [œ] coffee,
14 instant coffee, Hawaii-grown green coffee, cherry
15 coffee, or parchment coffee unless one hundred per
16 cent of the roasted [œ] coffee, instant coffee,
17 Hawaii-grown green coffee, cherry coffee, or parchment
18 coffee contained in the package comes from that
19 geographic origin or the trademark ends with words
20 that indicate a business entity; or



1 (10) Print the identity statement required by subsection
2 (a) in a smaller font than that used for a trademark
3 that includes the name of a geographic origin pursuant
4 to paragraph (7) and in a location other than the
5 front label panel of a package of roasted or instant
6 coffee.

7 (d) Roasters, manufacturers, or other persons who package
8 roasted ~~[e]~~ coffee, instant coffee, Hawaii-grown green coffee,
9 cherry coffee, or parchment coffee covered by this section shall
10 maintain, for a period of two years, records on the volume and
11 geographic origin or regional origin of coffees purchased and
12 sold and any other records required by the department for the
13 purpose of enforcing this section. Authorized employees of the
14 department shall have access to these records during normal
15 business hours.

16 (e) For the purpose of this section:

17 "Geographic origin" means the geographic regions in which
18 Hawaii-grown green coffee beans are produced, as defined in
19 rules adopted under chapter 147; provided that the term
20 "Hawaiian" may be substituted for the geographic origin
21 "Hawaii".



1 "Per cent coffee by weight" means the percentage calculated
2 by dividing the weight in pounds of roasted green coffee beans
3 of one geographic or regional origin used in a production run of
4 roasted ~~[øø]~~ coffee, instant coffee, Hawaii-grown green coffee,
5 cherry coffee, or parchment coffee, by the total weight in
6 pounds of the roasted green coffee beans used in that production
7 run of roasted ~~[øø]~~ coffee, instant coffee, Hawaii-grown green
8 coffee, cherry coffee, or parchment coffee, and multiplying the
9 quotient by one hundred."

10 SECTION 3. There is appropriated out of the general
11 revenues of the State of Hawaii the sum of \$ or so
12 much thereof as may be necessary for fiscal year 2020-2021 for
13 the coffee labeling requirements program.

14 The sum appropriated shall be expended by the department of
15 agriculture for the purposes of this Act.

16 SECTION 4. Statutory material to be repealed is bracketed
17 and stricken. New statutory material is underscored.

18 SECTION 5. This Act shall take effect on July 1, 2150.



Report Title:

Coffee Labeling; Blended Coffee; Geographic Origins; Regional Origins; Percent of Coffee By Weight; Appropriation

Description:

Includes Hawaii-grown green coffee, cherry coffee, and parchment coffee in the coffee labeling requirements. Requires coffee blend labels to disclose geographic origins and regional origins and per cent by weight of the blended coffees. Prohibits using geographic origins of coffee in labeling or advertising for roasted coffee, instant coffee, Hawaii-grown green coffee, cherry coffee, or parchment coffee that contains less than a certain percentage of coffee by weight from that geographic origin, phased in to a minimum of 51 per cent on or after 7/1/2022. Prohibits use of the term "All Hawaiian" in labeling or advertising for roasted coffee, instant coffee, Hawaii-grown green coffee, cherry coffee, or parchment coffee not produced entirely from green coffee beans grown and processed in Hawaii. Appropriates funds. Effective 7/1/2150. (HD1)

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