

MAR 03 2020

SENATE CONCURRENT RESOLUTION

REQUESTING THE DEPARTMENT OF AGRICULTURE, IN COLLABORATION WITH UNIVERSITY OF HAWAII ECONOMIC RESEARCH ORGANIZATION, TO CONDUCT AN ECONOMIC IMPACT STUDY TO ASSESS THE IMPACT OF POTENTIAL CHANGES TO COFFEE LABELING REQUIREMENTS ON THE LOCAL COFFEE INDUSTRY.

1 WHEREAS, Hawaii-grown coffee is widely recognized as one of
2 the distinctive products of our islands, and the production and
3 sale of coffee is a major industry in the State; and

4
5 WHEREAS, there are two main types of Hawaii-grown coffee:
6 pure and blends; and

7
8 WHEREAS, Act 289, Session Laws of Hawaii 1991, established
9 a standard for Kona coffee blends; specifically, this Act
10 established that a coffee blend must contain a minimum of ten
11 percent of Kona coffee, by weight, to be considered a Kona
12 blend; and

13
14 WHEREAS, the origin and percentage of the other coffees
15 contained in the package of blended coffee is not required to be
16 listed on the package label or advertisement; and

17
18 WHEREAS, a package of blended coffee could be labeled as
19 "Kona coffee", even though it may only contain ten percent of
20 Kona coffee and ninety percent of coffee grown in foreign
21 countries; and

22
23 WHEREAS, for over 25 years, Hawaii has been the only region
24 in the world that statutorily regulates the uses of its
25 geographic names, such as "Kona", "Maui", "Molokai", and "Ka'ū",
26 on labels of its specialty agricultural products with as little
27 as ten percent of the product originating from the geographic
28 area indicated; and

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1 WHEREAS, the Hawaii Legislature, through Senate Concurrent
2 Resolution No. 102, S.D. 1, H.D. 1 (2007), found that
3 "[e]xisting labeling requirements for Kona coffee causes
4 consumer fraud and confusion and degrades the 'Kona coffee'
5 name"; and
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7 WHEREAS, furthermore, coffee roasters from the continental
8 United States are not bound by any labeling requirements
9 relating to the use of Kona coffee or the "Kona coffee" name,
10 which adds to consumer confusion; and
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12 WHEREAS, there has been a continuous and contentious debate
13 on raising the minimum percentage of Kona coffee beans that
14 should be contained in a blend of Kona beans and other coffee
15 beans, which may be labeled as a "Kona coffee blend" or similar
16 terms; and
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18 WHEREAS, the local coffee industry remains divided on
19 changing the labeling requirements for Hawaii-grown coffee;
20 specifically, whether changing the State's labeling requirements
21 will have a serious economic impact on Hawaii's coffee farmers
22 and industry; and
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24 WHEREAS, it is critical that the integrity of Hawaii coffee
25 industry be maintained; and
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27 WHEREAS, an economic impact study performed by a neutral
28 entity should be completed to fully understand what economic
29 impacts, if any, will result from any changes to Hawaii's coffee
30 labeling requirements; now, therefore,
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32 BE IT RESOLVED by the Senate of the Thirtieth Legislature
33 of the State of Hawaii, Regular Session of 2020, the House of
34 Representatives concurring, that the Department of Agriculture,
35 in collaboration with the University of Hawaii Economic Research
36 Organization is requested to conduct a study to assess the
37 economic impact on the local coffee industry from potential
38 changes to Hawaii's coffee labeling laws; and
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40 BE IT FURTHER RESOLVED that the Department of Agriculture
41 shall consult with stakeholders in the coffee industry to



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1 establish the protocols to be used and factors to be addressed
2 in the study; and

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4 BE IT FURTHER RESOLVED that the Department of Agriculture
5 shall complete the study no later than January 1, 2021; and

6

7 BE IT FURTHER RESOLVED that the Department of Agriculture
8 shall submit a report of its findings and recommendations,
9 including any proposed legislation, to the Legislature, no later
10 than twenty days prior to the convening of the Regular Session
11 of 2021; and

12

13 BE IT FURTHER RESOLVED that certified copies of this
14 Concurrent Resolution be transmitted to the Board of the
15 Department of Agriculture, President of the University of
16 Hawaii, and Executive Director of the University of Hawaii
17 Economic Research Organization.

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OFFERED BY:

A handwritten signature in black ink, appearing to be 'D.K.A.', written over a horizontal line.