

MAR 03 2020

SENATE 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

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

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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

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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

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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

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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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30 WHEREAS, the Hawaii Legislature, through Senate Concurrent
31 Resolution No. 102, S.D. 1, H.D. 1 (2007), found that
32 "[e]xisting labeling requirements for Kona coffee causes



1 consumer fraud and confusion and degrades the 'Kona coffee'
2 name"; and

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4 WHEREAS, furthermore, coffee roasters from the continental
5 United States are not bound by any labeling requirements
6 relating to the use of Kona coffee or the "Kona coffee" name,
7 which adds to consumer confusion; and

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9 WHEREAS, there has been a continuous and contentious debate
10 on raising the minimum percentage of Kona coffee beans that
11 should be contained in a blend of Kona beans and other coffee
12 beans, which may be labeled as a "Kona coffee blend" or similar
13 terms; and

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15 WHEREAS, the local coffee industry remains divided on
16 changing the labeling requirements for Hawaii-grown coffee;
17 specifically, whether changing the State's labeling requirements
18 will have a serious economic impact on Hawaii's coffee farmers
19 and industry; and

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21 WHEREAS, it is critical that the integrity of Hawaii coffee
22 industry be maintained; and

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24 WHEREAS, an economic impact study performed by a neutral
25 entity should be completed to fully understand what economic
26 impacts, if any, will result from any changes to Hawaii's coffee
27 labeling requirements; now, therefore,

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29 BE IT RESOLVED by the Senate of the Thirtieth Legislature
30 of the State of Hawaii, Regular Session of 2020, that the
31 Department of Agriculture, in collaboration with the University
32 of Hawaii Economic Research Organization is requested to conduct
33 a study to assess the economic impact on the local coffee
34 industry from potential changes to Hawaii's coffee labeling
35 laws; and

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37 BE IT FURTHER RESOLVED that the Department of Agriculture
38 shall consult with stakeholders in the coffee industry to
39 establish the protocols to be used and factors to be addressed
40 in the study; and

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1 BE IT FURTHER RESOLVED that the Department of Agriculture
2 shall complete the study no later than January 1, 2021; and
3

4 BE IT FURTHER RESOLVED that the Department of Agriculture
5 shall submit a report of its findings and recommendations,
6 including any proposed legislation, to the Legislature, no later
7 than twenty days prior to the convening of the Regular Session
8 of 2021; and
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10 BE IT FURTHER RESOLVED that certified copies of this
11 Resolution be transmitted to the Board of the Department of
12 Agriculture, President of the University of Hawaii, and
13 Executive Director of the University of Hawaii Economic Research
14 Organization.
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OFFERED BY: _____

A handwritten signature in black ink, consisting of the letters 'D', 'K', and 'A' in a stylized, cursive font, written over a horizontal line.