



1050 Bishop St. PMB 235 | Honolulu, HI 96813
P: 808-533-1292 | e: info@hawaiiifood.com

Executive Officers

Joe Carter, Coca-Cola Bottling of Hawaii, *Chair*
Charlie Gustafson, Tamura Super Market, *Vice Chair*
Eddie Asato, The Pint Size Corp., *Secretary/Treas.*
Lauren Zirbel, HFIA, *Executive Director*
John Schlif, Rainbow Sales and Marketing, *Advisor*
Stan Brown, Acosta Sales & Marketing, *Advisor*
Paul Kosasa, ABC Stores, *Advisor*
Derek Kurisu, KTA Superstores, *Advisor*
Beau Oshiro, C&S Wholesale Grocers, *Advisor*
Toby Taniguchi, KTA Superstores, *Advisor*

TO:
Committee on Agriculture
Rep. Mark J. Hashem, Chair
Rep. Amy A. Perruso, Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION
Lauren Zirbel, Executive Director

DATE: February 3, 2021
TIME: 10am
PLACE: Via Videoconference

RE: HB461

Position: Oppose

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, and distributors of food and beverage related products in the State of Hawaii.

We believe in encouraging and supporting local food and drink production. This law would make it harder for businesses selling Hawaii coffee to create labels that best suit their brand, and make it harder to promote local coffee to consumers. The existing coffee label regulations are clear and provide ample information to customers about what type of coffee they are getting.

Different ways of blending, roasting, and even brewing coffee create different products with different flavors and characteristics. Decisions about developing and marketing these different types of coffees should be left to coffee growers, blenders, roasters, brewers, and coffee drinkers. These are not the type of things that should be mandated by government bodies. For these reasons we ask that you hold this measure. Thank you for the opportunity to testify.

HB-461

Submitted on: 1/31/2021 1:14:32 PM

Testimony for AGR on 2/3/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Sandra Scarr	Individual	Support	No

Comments:

To the Committee on Agriculture,

As in previous years, I strongly support reform of the coffee blend legislation to assure consumer information, to protect the good names of Hawaii grown coffees, and to give farmers a fair price for their coffees.

HB-461

Submitted on: 1/31/2021 3:44:07 PM

Testimony for AGR on 2/3/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Harold M Hoogasian	Kona Perfect (Member of KCFA)	Support	No

Comments:

The 51% standard is long overdue and should be put in place as soon as possible. The misrepresentation of blenders and off island sellers compromises the integrity of the hard working growers and honest industry members.

HB-461

Submitted on: 1/31/2021 7:36:10 PM

Testimony for AGR on 2/3/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Cynthia Maryanoff	KCFA	Support	No

Comments:

"Testimony in strong support of HB461"

Dear HAWAI'I House Agriculture Committee

:

We submit this written testimony **in STRONG SUPPORT of HB461**

On behalf of the more than 300 members of the **Kona Coffee Farmers Association**, we are submitting this written testimony. We have two working Kona coffee farms [Honalo Farm and Cynthiana Farm]. **We produce KONA typica coffee, an heirloom variety of *Coffea arabica*, a long-established and traditional coffee of Hawai'i.**

The new law does not require much information about the remaining 49% which could be inexpensive **Robusta coffee**, from the plant *Coffea canephora* estimated to account for more than 40% of the world supply of coffee. The current bill is a good start, requiring 51% Kona coffee, does not require 49% to be identified as *Arabica* or much less expensive *Robusta*.

Please note that agricultural products from all over the world are, and have been, protected by laws that control their identity as to place of origin and unique characteristics. Some notable examples include wines, cheeses, olive oils, specialty vinegars, spices, and condiments. Coffee produced in Kona and other notable Hawaiian appellations deserve to be treated in the same manner. The Kona brand must have its integrity protected to command high respect in the coffee world.

Our reasons for **strong support of HB461**:

1. **Misleading labeling is fraudulent** – consumers should be able to know what they are actually paying for.
2. **Use of the name without requiring the content exploits the region and deprives farmers of income. Further, not even identifying the 49% as *Arabica* or not is also misleading. *Our legislature has /continues to support farmers in their fight against Coffee Borer Beetles [THANKYOU VERY MUCH] so please move forward with support of SB128 and also against leaf rust SB129.***
3. **Low quality coffee is being sold under a prestigious name and results in lowering standards and damaging the brand. Possible blending with *Robusta* coffee also damages the brand.**

The blenders, many owned by large companies, strongly oppose this change because they are making a fortune selling inexpensive coffee that may not even be *Arabica* as "Kona" or "Ka'u" to unsuspecting customers.

Hawai'i needs to step up and protect the brand integrity of its premier *Arabica* coffee brands that are grown throughout the islands. Thank you for your positive consideration and passage of **HB461**

Sincerely,

Bruce and Cynthia Maryanoff

cmaryanoff@comcast.net

Co-CEOs, Absolute Palate LLC

31 January 2021

:

We submit this written testimony **in STRONG SUPPORT of HB461**

On behalf of the more than 300 members of the **Kona Coffee Farmers Association**, we are submitting this written testimony. We have two working Kona coffee farms [Honalo Farm and Cynthiana Farm]. **We produce KONA typica coffee, an heirloom variety of *Coffea arabica*, a long-established and traditional coffee of Hawai'i.**

The new law does not require much information about the remaining 49% which could be inexpensive **Robusta coffee**, from the plant *Coffea canephora* estimated to account for more than 40% of the world supply of coffee. The current bill is a good start, requiring 51% Kona coffee, does not require 49% to be identified as *Arabica* or much less expensive *Robusta*.

Please note that agricultural products from all over the world are, and have been, protected by laws that control their identity as to place of origin and unique characteristics. Some notable examples include wines, cheeses, olive oils, specialty vinegars, spices, and condiments. Coffee produced in Kona and other notable Hawaiian appellations deserve to be treated in the same manner. The Kona brand must have its integrity protected to command high respect in the coffee world.

Our reasons for **strong support of HB461**:

1. **Misleading labeling is fraudulent** – consumers should be able to know what they are actually paying for.
2. **Use of the name without requiring the content exploits the region and deprives farmers of income. Further, not even identifying the 49% as *Arabica* or not is also misleading. *Our legislature has /continues to support farmers in their fight against Coffee Borer Beetles [THANKYOU VERY MUCH] so please move forward with support of HB461.***
3. **Low quality coffee is being sold under a prestigious name and results in lowering standards and damaging the brand. Possible blending with *Robusta* coffee also damages the brand.**

The blenders, many owned by large companies, strongly oppose this change because they are making a fortune selling inexpensive coffee that may not even be *Arabica* as "Kona" or "Ka'u" to unsuspecting customers.

Hawai'i needs to step up and protect the brand integrity of its premier *Arabica* coffee brands that are grown throughout the islands. Thank you for your positive consideration and passage of **HB461**

Sincerely,

Bruce and Cynthia Maryanoff

cmaryanoff@comcast.net

Co-CEOs, Absolute Palate LLC

31 January 2021

HB-461

Submitted on: 1/31/2021 7:47:28 PM

Testimony for AGR on 2/3/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Travis Usinger	Individual	Support	No

Comments:

Aloha,

It is important to recognize the economic value of our coffee farmers in Hawaii. Fraudulent claims of "Hawaiian Blend" coffee which contains 10 percent coffee grown in Hawaii is misleading and damaging to the farmers that work so hard to create a genuine agricultural product. Approving this bill will help to bring more money into the state of Hawaii and prevent misleading claims from commercial enterprises which import coffee from other countries and present it as grown in Hawaii. I am strongly in favor of promoting this bill.

Best,

Travis

HB-461

Submitted on: 2/1/2021 7:11:02 AM

Testimony for AGR on 2/3/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Franz	Individual	Support	No

Comments:

This is a crucial bill, providing more clarity and protecting the Kona Coffee name

HB-461

Submitted on: 2/1/2021 12:39:26 PM

Testimony for AGR on 2/3/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
John Koontz	Konaloha Farms	Support	No

Comments:

As a small coffee farmer, with four acres in south Kona, I am still amazed that the powers that be continue to allow the name "KONA" to be used on adulterated blends using 10% Kona beans. Please tighten these restrictions and help preserve the esteemed name which Kona has worked so long to establish. I have no objection to the selling of a blend containing 10% Kona beans, but to call it a "Kona blend" is blasphemy. Don't compromise with our good heritage. Support truth in advertising! Mahalo! .

HAWAII COFFEE COMPANY™

1555 Kalani Street
Honolulu, Hawaii 96817
Ph: 808-847-3600
Fax: 808-847-7900
www.hicoffeeco.com



TO: Representative Mark Hashem, Chair
Representative Amy Perruso, Vice Chair
Members of the Committee on Agriculture

FROM: Gerard Bastiaanse
President- Hawaii Coffee Company

RE: **HB 461 Relating to Coffee Labeling – In Opposition**
February 3, 2021; 10:00 a.m.; Conference room 325

The Hawaii Coffee Company is in opposition to HB 461, which expands the coffee labeling and advertising requirement to include ready-to-drink coffee beverages and inner packaging or wrapping labels and requires coffee blend labels to disclose geographic and regional origins with the percent by weight of each origin, while gradually increasing the minimum percentage of coffee by weight required to be able to use a geographic origin on a label or advertisement.

Hawaii Coffee Company complies with the FDA's strict food labeling laws, which require ingredients to be listed in order of usage, by volume. This bill would prohibit Hawaii Coffee Company from efficiently managing our coffee stock and blend formulas.

Hawaii Coffee Company offers a range of coffee, from 10% Kona blend to 100% Kona coffee. Although the majority are Kona blends, we do sell blends with 10% or more from other Hawaii locations outside Kona. The labels reflect whether it is a blend or 100% so customers are informed and have a choice. The more affordable 10% Kona blend coffee is served at restaurants as well as purchased in traditional grocery or similar retailers. Eliminating 10% blends will force consumers and our restaurant partners to select another affordable alternative roasted on the mainland, by a mainland-based company, which includes no Hawaiian coffee or be prepared to pay a five times higher price.

By eliminating all 10% coffee blends, the overall demand for Kona coffee purchased from farmers by Hawaii Coffee Company, and other roasters, will significantly decline and will have a corresponding negative impact on the coffee cherry price. This reduction in the price Kona farmers receive for their coffee may challenge the commercial viability of many multi-generational farms.

We are unclear of the references in the bill to “inner package” or “inner wrapping”. Also, we question the arbitrary percentages on page 10 of the bill. An economic impact study should be done before passing legislation.

HB 461 will reduce the volume of coffee purchased, roasted and packaged by Hawaii Coffee Company at our facility in Kalihi. As a result, the number of employees we currently employ would not be sustainable and a reduction in workforce would occur. This would also have an adverse impact on the local suppliers we work with and the revenues to the State. Local businesses have been struggling through the pandemic and if this bill were to pass, it will increase financial hardships.

For these reasons, we ask that you hold this measure. Thank you.

HB-461

Submitted on: 2/1/2021 10:07:46 AM

Testimony for AGR on 2/3/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Cecelia Smith	Individual	Support	No

Comments:

I want to request that in order to use the word Kona on a bag of Kona *Blend*, the amount of Kona in the bag should be 51% **please. Where it stands now at 10% is simply nasty.** As a 33 year farmer of Kona coffee, I whole heartedly urge you to raise the minimum amount of real Kona to 51%. Mahalo plenty and with aloha, Cecelia Smith

HB-461

Submitted on: 2/1/2021 4:05:59 PM

Testimony for AGR on 2/3/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
David Gridley	Maui Coffee Association	Oppose	No

Comments:

The Maui Coffee Association Opposes HB 461 in it's current form. It deviates from the position the Maui Coffee industry has taken for the last 2 years. See Attached.

HB-461

Submitted on: 2/1/2021 4:51:12 PM

Testimony for AGR on 2/3/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Mark Wessels	Individual	Support	No

Comments:

As a Kona coffee farmer in Captain Cook, Hawaii, I strongly support and encourage Hawaii lawmakers to pass HB461 to require that any coffee labelled as Kona Blend must contain at least 51% coffee from the Kona district. The current regulation that requires only 10% of the coffee in a Kona Blend to come from Kona is very detrimental to the quality & prestige of the reputation of Kona coffee. It is therefore also very economically harmful to Kona coffee farmers. Real Kona coffee is one of the rarest coffees in the world. It is also one of the most expensive coffees in the world due to the very high cost of production here in Hawaii. Allowing a 'Kona Blend' to contain only 10% Kona coffee degrades the value Kona coffee. Please protect the name and therefore the quality of Kona coffee by passing HB5461.

Mark Wessels Domain Kona coffee

HB-461

Submitted on: 2/1/2021 6:27:28 PM

Testimony for AGR on 2/3/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Bruce Corker	Rancho Aloha	Support	No

Comments:

Chair Hashem, Vice Chair Perruso and Members of the Committee:

I am a coffee farmer in the North Kona District of Hawaii County, and I am a member of the Board of Directors of the Kona Coffee Farmers Association. I stongly support the enactment of HB461.

For almost three decades Hawaii has been the only state in the US and the only region **any where in the world** to authorize by statute the use of its geographic names in the labeling of one of its specialty agriculture products with only 10% genuine content. Hawaii needs to begin supporting its farmers in the same way that other states protect theirs—for example, Idaho potato farmers, Vermont maple syrup producers, California wine grape growers.

Please review the study published by San Francisco-based resource economist Marvin Feldman -- <https://www.konacoffeefarmers.org/wp-content/uploads/2012/03/Economic-Efforts-of-Blending-Kona.pdf>

The Feldman study indicates that the marketers of "10% Kona blends" earn as much as \$14.4 million a year in "economic rents" (that is, excess profits) that are sent to mainland owners. And the study indicates that Kona's coffee farmers (and Hawaii's economy) lose an equal amount of income, or more, because of these deceptively labelled products.

Dividing \$14.4 million by the roughly 700 Kona coffee farms indicates that the average Kona coffee farm (less than 5 acres in size) looses about \$20,000 each year because of this misuse of the "Kona" name on packages containing 90% unidentified, imported foreign coffee.

Please protect the economic interests of Hawaii's coffee farmers. Please enact HB461 into law.

Respectfully submitted,

Bruce Corker

Holualoa, Hawaii County



Lions Gate, Inc
PO Box 761
Honaunau, HI 96726

Phone: 808-989-4883
Fax: 866-475-8602
sales@coffeeofkona.com
www.coffeeofkona.com

RE: SUPPORT for HB461
RELATING TO COFFEE LABELING

Aloha Chair and Committee Members,

The ten-percent minimum blend law has long been a drag on Hawaii's flagship crop. Consumers who buy a Kona Blend often think they are getting a blend of different Kona coffees when in reality, they are drinking 90% foreign beans. It dilutes and reduces the reputation of our coffee in the global specialty marketplace. If there is a place in the market for blends, it is at or above the 51% level, where Kona, Ka'u, Maui, Molokai or Kauai can rightly take the top percentage on the bag.

The blenders will continue to argue that we should "study" this issue. They will testify that coffee prices will crash should they stop buying Kona for blends. But this is not economic reality. COVID destroyed the local sale of blends due to a lack of tourists, yet cherry prices to the farmers are at their highest point ever. This year has been a "market study".

Over the last two decades the market for Hawaii coffee has changed drastically and many growers now sell out their entire crop online. The worldwide demand for Kona far exceeds supply and the value of our crop is at record highs. Selling 100% Hawaiian coffee direct-to market has made small farms financially viable.

To maintain these record prices, it's vital that the State protect our distinctive brand from those who wish to use the name simply for profit. We must protect our origin products.

Blenders will disingenuously argue that selling 10% blends allow more consumers to "taste" Kona. But our market is not the tourist market, nor is it blends sold by the cup at fast food restaurants.. Such pricing comes at the expense of a sustainable living for our Hawaii growers.

My family has three generations who farm coffee and we support ourselves on 100% Kona. Your support makes a difference for over 1,000 Hawaii coffee farmers.

Mahalo nui loa!

A handwritten signature in black ink, appearing to read "Suzanne".

Suzanne Shriner
President: Lions Gate Farms

HB-461

Submitted on: 2/1/2021 8:38:14 PM

Testimony for AGR on 2/3/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jim Monk	Monk's Delight Kona Coffee	Support	No

Comments:

Hello - My name is Jim Monk and I am a coffee farmer in the Kona District of Hawaii. I support HB461 and request you pass this important bill for the benefit of Hawaii, consumers and coffee farmers. During this last pandemic year, sales of 100% pure Kona coffee have continued unabated while the blenders have suffered a loss of sales because their main target market, innocent, unknowing tourists, have not been here to buy their adulterated coffee. Please help our state, our consumers and our farmers to do better by properly labeling our coffees. Thank you.



HAWAII TEAMSTERS & ALLIED WORKERS LOCAL 996

Affiliated with the International Brotherhood of Teamsters

Local996@hawaiiiteamsters.com

1817 Hart Street
Honolulu, HI 96819-3205

Telephone: (808) 847-6633
Fax: (808) 842-4575

Testimony to the House Committee on Agriculture

February 3, 2021; 10:00 a.m.; Conference room 325

Representative Mark Hashem, Chair Representative Amy Perruso, Vice Chair
Members of the Committee on Agriculture

RE: **HB 461** – Relating to Coffee Labeling

The Hawaii Teamsters and Allied Workers, Local 996 stands **OPPOSED** to HB 461
with these comments.

For generations, Teamster members at the Hawaii Coffee Co. have provided quality coffee products at an affordable price to residents, tourists, hotels, restaurants, and convenient stores etc. the Hawaii Coffee Co. also provides work for our Teamster trucking companies who transport and deliver products to and from businesses. Local 996 is in opposition to all new labeling restrictions especially the ones aimed at elimination 10% coffee blends proposed in HB 461.

These restrictions coupled with the effects of the pandemic have caused our 150 members at Hawaii Coffee to face the possibility of furloughs or layoffs and further labeling restrictions will only make that a reality. Now is the time for the legislature to create policies that preserve and protect local jobs and not send workers into the unemployment system. We believe that these requirements only add more burden on LOCAL businesses and keep LOCAL products from succeeding. If this bill were to become law, the cost increase would directly be passed down to the consumer and reduce their options to buy local products. we also seek to avoid businesses purchasing and importing cheap mainland coffee as an alternative to local mixed blends and increased costs for our members and other consumers as local households and already face the high cost of living and our economy struggles to rebound.

Thank you for the opportunity to testify on HB461

Sincerely,

Cody Sula
Government Affairs Liaison
Hawaii Teamsters and Allied Workers, Local 996

WAYNE K.S. KAULULAAU
President/Principal Officer

RYAN YOSHIDA
Secretary – Treasurer

FREDERICK LIVA
Vice President

ANTHONY "BULLY" BADAYOS
Recording Secretary

WENDY NAILE
Trustee

JAMES "KIMO" LAROYA JR.
Trustee

WALTER FOX III
Trustee



P.O. Box 99
Wailuku, HI 96793-0099
(808) 800-3974
February 2, 2021

Vincent Mina
State President

Anabella Bruch
Vice-President
Kauai

Rebecca O'Day
Treasurer
Haleakala, Maui

Maureen Datta
Secretary
Kona, Hawai'i

Eric Weinert, Jr.
East Hawai'i

Robert
Boudreaux
Hana, Maui

Matthew Drayer
K'au

Dash Kuhr
Kohala, Hawai'i

Kaipo Kekona
Lahaina, Maui

Bobby Pahia,
Mauna
Kahalawai, Maui

Brynn Foster
North Shore,
Oahu

Steve Lund
Puna, Hawai'i

Christian
Zuckerman
Wai'anae, Oahu

Vincent Kimura
Waimanalo,
Oahu

TESTIMONY OF HAWAII FARMERS UNION UNITED (HFUU)
IN SUPPORT OF HB 461 (RELATING TO COFFEE LABELING)
BEFORE THE HOUSE COMMITTEE ON AGRICULTURE
FEBRUARY 3, 2021 AT 10AM VIA VIDEOCONFERENCE

Aloha Chair Hashem, Vice Chair Perruso and Members of the Committee:

HFUU is a 501(c)(5) agricultural advocacy, nonprofit representing over 1,000 family farmer and their supporters organized as 13 Chapters in the four Hawai'i Counties. It is also the Hawaii State Chapter of the National Farmers Union, which at 118 years is the oldest national organization representing the family farmer. HFUU is proud to once again speak out in favor of consumer fairness and justice for the family farmer coffee producers of Hawaii.

The issue of fairness in the labeling of Hawaii's Origin Coffees has been before the Legislature nearly 30 years. At our 2019 Convention HFUU's members unanimously approved the following as a part of our formal, statewide policy:

With respect to the labeling of Hawaii coffee "blends", we support the interim step of requiring a minimum of 51% Hawaii grown coffee be in the package and that the origin of all other coffees in the blend be listed on the package.

We are pleased to see that HB461 will achieve these goals. Moreover, we assert that HB461 embodies the bill that passed the full House of Representatives last year after a historic agreement among a wide coalition of coffee producers throughout Hawaii. The Hawaii Farmers Union United is therefore proud to support this long overdue, thoughtful and historic legislation. We urge the Agriculture Committee to give it unanimous support.

Mahalo nui loa
HAWAII FARMERS UNION UNITED

Vincent Mina, President

The Hawai'i Farmers Union United and its Chapters are a nonprofit corporation formed under Hawai'i law and Section 501(c)(5) of the Internal Revenue Code. HFUU advocates for the sovereign right of farmers to create and sustain vibrant and prosperous agricultural communities for the benefit of all Hawai'i through cooperation, education and legislation. Because HFUU is an agricultural advocacy organization, donations to it are not tax deductible.

HB-461

Submitted on: 2/2/2021 7:44:44 AM

Testimony for AGR on 2/3/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Annika Streng	7-Eleven Hawaii	Oppose	No

Comments:

TO: Members of the Committee on Agriculture

FROM: Annika Streng

Category Manager - 7-Eleven Hawai'i

RE: **HB 461 Relating to Coffee Labeling – In Opposition** February 3, 2021; 10:00 a.m.;
Conference room 325

7-Eleven Hawai'i is in opposition to HB 461 "Relating To Coffee Labeling."

As a separate licensee of 7-Eleven Inc., we at 7-Eleven Hawai'i make autonomous purchasing decisions. We partner with Hawaii Coffee Company as our coffee grounds and whole bean supplier, and 60% of our current offerings contain at least 10% Kona coffee under the Royal Kona line. We provide our customers with as much information as possible using point-of-sale signage and indicate the Kona coffee percentage where applicable.

Local businesses prefer to support each other when it is feasible. Raising the percentage requirement of Kona coffee would effectively price many local consumers out. If we continue to purchase Kona coffee at the current rate under HB461, we would likely have to purchase more blended coffees from Central America due to the rising costs, or raise retail prices for our customers.

In either scenario the local customers lose for the Kona farmer's potential gain. Current labeling requirements allow and encourage customers to make their own choices and educate themselves about what they are drinking. Kona coffee is one of our state's

treasures, and I hope that the everyman will still be able to enjoy our local agriculture without having to pay \$25.00 or more for a bag.

Thank you.

DAVID Y. IGE
Governor

JOSH GREEN
Lt. Governor



PHYLLIS SHIMABUKURO-GEISER
Chairperson, Board of Agriculture

MORRIS M. ATTA
Deputy to the Chairperson

State of Hawaii
DEPARTMENT OF AGRICULTURE
1428 South King Street
Honolulu, Hawaii 96814-2512
Phone: (808) 973-9600 FAX: (808) 973-9613

**TESTIMONY OF PHYLLIS SHIMABUKURO-GEISER
CHAIRPERSON, BOARD OF AGRICULTURE**

BEFORE THE HOUSE COMMITTEE ON AGRICULTURE

**FEBRUARY 3, 2021
10:00 A.M.
VIA VIDEO CONFERENCE**

**HOUSE BILL NO. 461
RELATING TO COFFEE LABELING**

Chairperson Hashem and Members of the Committee:

Thank you for the opportunity to testify on House Bill 461, relating to coffee labeling. The bill expands the coffee labeling and advertising requirements to Hawaii grown roasted coffee to include ready-to-drink coffee beverages and inner packaging or wrapping labels; requires coffee blend labels to disclose geographic and regional origins with the percent by weight of each origin, while gradually increasing the minimum percentage of coffee by weight required to be able to use a geographic origin on a label or advertisement; clarifies that the use of the term "All Hawaiian" is prohibited when the coffee product is not produced entirely from green coffee beans grown and processed in Hawaii. The Department supports the intent of this bill and offers comments.

The Department supports the Hawaii coffee industry and the use of unique geographic coffee growing regions to market, advertise and sell Hawaii-grown coffee. Currently the Department can enforce grading and labeling of green Hawaii-grown coffee but cannot determine the content or origin of a coffee or its blend once it is roasted or manufactured as a ready-to-drink beverage. There is no industry standard to determine the actual content or origin of the coffee for effective enforcement and the Department currently lacks the manpower and resources to effectively prove any



fraudulent occurrence. The Department may need to work with industry and university to research the adoption and cost to implement new inspection and detection technology required to regulate the authenticity of roasted and blended Hawaii-grown coffee labeling.

Thank you for the opportunity to testify on this measure.



Tuesday, 02 February 2021

To: Representative Mark Hashem, Chair
Representative Amy Perruso, Vice Chair
Members of the Committee on Agriculture

From: Edna Ching, Chief Strategy Officer – Seven-Eleven Hawaii, Inc.

RE: HB 461 Relating to Coffee Labeling – In Opposition
February 3, 2021; 10:00am; Conference Room 325

Seven-Eleven Hawaii, Inc. is in opposition to HB 461 which expands the coffee labeling and advertising requirement to include ready-to-drink coffee beverages and inner packaging or wrapping labels. The bill also requires coffee blend labels to disclose geographic and regional origins with the percent by weight of each origin, while gradually increasing the minimum percentage of coffee by weight required to be able to use a geographic origin on a label or advertisement.

We purchase our coffee from Hawaii Coffee Company which complies with the FDA's strict food labeling laws to include a requirement that it lists ingredients in order of usage, by volume. We offer 10% Kona blend coffee and follow Hawaii Coffee Company's labeling so that our customers are informed prior to selection and purchase.

10% Kona blend coffee gives our customers an affordable option. Eliminating them will force foodservice businesses and retailers to purchase other reasonably priced alternatives which will more than likely be sourced from the mainland. This will ultimately reduce the demand for Kona coffee and negatively impact the coffee cherry price. This would then result in the reduction in the price Kona farmers receive for their coffee.

The State of Hawaii continues to be challenged by the current pandemic. Many businesses and residents are still experiencing financial hardships. This bill will impose additional burdens to those in recovery.

For the above reasons, we ask that you not pass this measure. Mahalo.

HB-461

Submitted on: 2/2/2021 9:21:31 AM

Testimony for AGR on 2/3/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Chet Gardiner	Cassandra Farms	Support	No

Comments:

This is an issue of honesty in advertising and for us, survival.

In addition to being a long-time connoisseur of fine coffee, I am a coffee farmer from the Kona region of the Big Island of Hawai'i. I am also the Vice President and a member of the Board of Directors of our Kona Coffee Farmers Association.

Kona Coffee is primarily grown on small, often family operations. It is often a lifestyle choice and passion as well as a "business" - we grow for love as well as money. For us, the reputation of Kona Coffee, probably the best tasting coffee on the planet is an issue of basic survival for hundreds of Coffee farms in our region as well as a matter of pride.

The horrible taste of the "Blends" and unlabeled, mystery "coffee" products that are allowed to be labeled as "Kona", and that are consumed by people who have never had the pleasure of drinking real 100% Kona Coffee threatens the reputation of our product, the State of Hawai'i and the health of our industry. People who love coffee and are willing to pay a premium for fine tasting coffee and then taste these "blends" and inferior products inevitably retain negative feelings about the entire Kona Coffee experience as well as an aversion to the idea of spending the money to buy REAL 100% Kona Coffee.

In other words, blends water down our Brand with very bad tasting "Hawai'ian" coffee.

We are asking for TRUTH in advertising. We are asking for honesty in Labeling. 10% "Kona" blends will NEVER taste good, are seriously inferior to 100% Kona and must not be allowed to use the Kona name.

Even bags containing 51% Kona coffee should include labeling warning folks that the rest IS NOT KONA and be honest about what is really in the product that the consumer is buying and to protect Hawai'i's reputation and our valuable industry.

No other state or region of the world, such as Jamaica (Blue Mountain), Idaho Potatoes, Champagne region of France, etc. that produce as rare a product with the high quality of Kona Coffee allows their brand to be degraded as Hawai'i has allowed Kona Coffee to be adulterated.

I urge passage of HB461 as a start toward truth in labeling.

Thank you for the opportunity to weigh in on this matter.

HB-461

Submitted on: 2/2/2021 9:42:48 AM

Testimony for AGR on 2/3/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Deniz Tek	Individual	Support	No

Comments:

Aloha,

I am a Kona coffee farmer.

Please support HB461 to protect consumers from fraud, and to protect us Hawaii coffee farmers from harm to our precious heritage coffee reputation. False labeling hurts everyone - except the big mainland corporations that own the blenders.

Mahalo

Deniz Tek



Hawaii Coffee Association
PO Box 168, Kealahou, HI 96750

HOUSE COMMITTEE ON AGRICULTURE
February 3, 2021

RE: Testimony in Support of HB461

Aloha Chair Hashem, Vice Chair Perruso and members of the committee,

I am Chris Manfredi, President of Hawaii Coffee Association (HCA).

The Hawaii Coffee Association supports the intent of this measure but we oppose it in its current form.

One concern relates to applicability of the new legislation.

"Ready-to-drink coffee beverage" means a prepackaged beverage that consists of or includes coffee and that is sold in a prepared form that can be immediately consumed upon purchase."

We feel his definition is lacking. "Prepackaged" needs to be defined as well as "prepared".

Technically, this law could be applied to a cup of coffee presented in a paper cup with a lid, that is presented by someone other than the customer- for example a barista in a coffee shop. These products are technically "prepared" and "prepackaged".

We hope that an amendment can be made that would address our above concern.

The HCA supports the phase-in outlined in the measure.

However, the following language seems contradictory and calls for simplification:

A listing of the geographic origins of the various Hawaii-grown coffees and the regional origins of the various coffees not grown in Hawaii that are included in a blend ~~[may]~~ shall be shown on the label~~[. If used, this]; provided that the listing is consistent with subsection (d) (2). In place of separate listings of regional origins of coffee not grown in Hawaii in the blend, the list may include the words "Foreign-Grown Coffee" preceded by the per cent of such coffee by weight in the blend. This list shall consist of the term "Contains:", followed by, in descending order of per cent coffee by weight and separated by commas, the respective geographic origin or regional origin of the various coffees in the blend [that the manufacturer chooses to list]. Each geographic origin or regional origin [may] shall be preceded by the per cent of coffee by weight represented by that geographic origin or regional origin, expressed as a number followed by the per cent sign. The type size used for this list shall not ~~exceed~~ be less~~

than half that of the identity statement. This list shall appear below the identity statement [~~, if included~~] on the front panel of the label.

The underlined portion (in italics) addresses our concerns, but the use of the word “shall” in the language that precedes and follows it seems to overrule and contradict the preferred language.

The HCA supports the listing of ‘Hawaiian Grown’ language on the label; expressed as a percentage and to include the growing regions of Hawaii. The HCA opposes a listing of all other coffee regions expressed as a percentage, and supports using the words “Foreign Grown Coffee” instead.

The Hawaii Coffee Association’s (HCA) mission is to represent all sectors of the Hawaiian coffee industry, including growers, millers, wholesalers, roasters and retailers located throughout the State of Hawaii. The HCA’s primary objective is to increase awareness and consumption of Hawaiian coffees. A major component of HCA’s work is the continuing education of members and consumers.

Thank you for the opportunity to testify and for your support for Hawaii’s coffee.



LATE

February 2, 2021

Aloha Chair and Committee Members:

On behalf of the Kona Coffee Farmers Association (KCFA), please accept this testimony in support of HB461.

Our non-profit is a membership organization of 208 current active members. The purpose of KCFA is to support and protect the economic interests of Kona coffee farmers, and the nearly 200 years of heritage of Kona coffee.

Working closely with our Representatives and the Agriculture Committee, we continue to strive to ensure truth in labeling for products that carry geographical names of Hawaii.

Consumers who think that they are consuming Hawaiian products which are in fact only 10%, causes mistrust in Hawaii being honest about what consumers purchase with the associated names (such as Kona coffee, as but one example).

Please work with KCFA and others in the coffee industry (as we have diligently attempted to do ourselves) to ensure that the names are clearly understood and have a majority (over 50%) of named product in them to carry a Hawaiian place name. We are happy to discuss amendments details, if suggested, but remember that this legislation has been sought repeatedly for decades, and so it is high time for coming together and supporting this important movement forward.

Many thanks for the opportunity to testify and share the position of our farmer-based coffee organization.

Sincerely,

Colehour Bondera
President, Board of Directors



LATE

HB-461

Submitted on: 2/2/2021 8:56:41 PM

Testimony for AGR on 2/3/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
KATHLEEN DIXON	Individual	Support	No

Comments:

To Whom It May Concern,

I strongly support HB461. Kona coffee is a very special crop grown in a very small area. It is a significant source of agriculture income in Hawaii's economy. The practice of blending 10% of actual Kona coffee with 90% of green coffee imported from other countries devalues 100% Kona coffee in price and reputation. It is time for the Hawaii Department of Agriculture to step up and support a valuable Hawaiian grown crop and the farmers that grow it instead of an inferior product (imported green coffee). If a product is going to be represented as grown in a region in Hawaii, it is not unreasonable to insist the product is at least 51% hawaiian grown.

Thank you,

Kathleen Dixon

LATE



Hawaii's Thousand Friends

335 Hahani Street #342132 * Kailua, HI 96734 * Phone/Fax (808) 262-0682 E-Mail: htf3000@gmail.com

February 3, 2021

COMMITTEE ON AGRICULTURE

Rep. mark J. Hashem, Chair
Rep. Amy A. Perruso, Vice Chair
Committee Members

HB 461
RELATING TO COFFEE LABELING

Hawaii's Thousand Friends, a non-profit organization dedicated to ensuring that growth is reasonable and responsible and that planning and land use decisions protect natural and cultural resources and human health and are implemented in conformity with the law, supports this bill for the simple fact that if a coffee brand says that it's coffee is from an area in Hawaii then the majority of the coffee beans must be grown in that region.

The names of our local places and the name of our state have a mystic lure that we as a state defend, hold in pride and have sold for years.

Our farmers, who produce a high quality coffee in a local region, deserve the right to defend their area brand by requiring that coffee sold under a local regional name contains a minimum of 51% coffee grown from that region. To require anything less is to not appreciate our coffee farmers and the value of their product.

Passage of HB 461 helps ensure that a local name means something and that truth in advertising will help protect Hawaii's coffee farmers and their farms for future generations

LATE

HB-461

Submitted on: 2/2/2021 10:31:56 PM

Testimony for AGR on 2/3/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Fern Anuenue Holland	Individual	Support	No

Comments:

Mahalo Representatives!

Truthful and transparent labeling is a consumer right. This is a common sense bill that supports local Hawaiian farmers and our local economy. Thank you for hearing HB 461. Please pass this measure.

Mahalo!

LATE

HB-461

Submitted on: 2/2/2021 11:29:35 PM

Testimony for AGR on 2/3/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Darryl Hara	Hawaii Coffee Company	Oppose	No

Comments:

This bill will force local businesses to source non-local product and make said local product unaffordable.