

STAND. COM. REP. NO. **539** -22

Honolulu, Hawaii

FEB 17 , 2022

RE: H.B. No. 1517
H.D. 2

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1517, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO COFFEE,"

begs leave to report as follows:

The purpose of this measure is to support Hawaii's coffee growers by:

- (1) Requiring disclosure on the label of coffee blends of the respective geographic and regional origins and percent by weight of the blended coffees;
- (2) Making it a violation to use a geographic origin in labeling or advertising for roasted or instant coffee blends that contain less than a certain percentage of coffee by weight from that geographic origin, phased in to a minimum of fifty-one percent;
- (3) Prohibiting use of the term "All Hawaiian" in labeling or advertising for roasted or instant coffee not produced entirely from green coffee beans grown and processed in Hawaii; and
- (4) Appropriating funds for the Pesticide Subsidy Program.



Your Committee received testimony in support of this measure from three members of the Hawaii County Council, Big Island Invasive Species Committee, Konaloha Farms, Hawaii Farmers Union United, Kona Coffee Farmers Association, Mulkern Landscaping & Nursery, LavaRock Farm, Hawaii's Thousand Friends, Rancho Aloha, Hawaii Coffee Association, Life of the Land, Lions Gate Farms, Synergistic Hawaii Agriculture Council, Greenwell Farms Inc., and numerous individuals. Your Committee received testimony in opposition to this measure from the Kona Coffee Council, Hawaii Coffee Company, Hawaii Restaurant Association, and Hawaii Food Industry Association. Your Committee received comments on this measure from the Department of Budget and Finance, Department of Agriculture, and one individual.

Your Committee finds that this measure provides a mechanism by which the State's coffee industry can ensure the authenticity of its products and the consumer can rely upon the veracity of labels and advertising identifying the coffee's origin. Through this mechanism, the State can protect one of its most significant agricultural commodities and the growers and roasters who produce the coffee.

Your Committee further finds that funds to ensure coffee content are more appropriately invested in a position to conduct inspections, rather than equipment. Funds should also continue to be appropriated for the ongoing Pesticide Subsidy Program to combat the coffee berry borer.

Accordingly, your Committee has amended this measure by:

- (1) Changing the appropriation for equipment to test coffee content to an appropriation for one full-time equivalent position to conduct inspections; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1517, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 1517, H.D. 2.



Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



AARON LING JOHANSON, Chair



