

DAVID Y. IGE
Governor

JOSH GREEN
Lt. Governor



PHYLLIS SHIMABUKURO-GEISER
Chairperson, Board of Agriculture

MORRIS 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 2, 2022

10:00 A.M.

CONFERENCE ROOM 325 & VIA VIDEOCONFERENCE

HOUSE BILL NO. 1517
RELATING TO COFFEE

Chairperson Hashem and Members of the Committee:

Thank you for the opportunity to testify on House Bill 1517. This measure requires coffee blend labels to disclose geographic and regional origins and per cent by weight of the blended coffees, prohibits using geographic origins of coffee in labeling or advertising for roasted or instant coffee that contains less than a certain percentage of coffee by weight from that geographic origin, phased in to a minimum of 51% after 7/1/2024, prohibits 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 appropriates moneys for the pesticide subsidy program. 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. While the Department can enforce grading and labeling of green Hawaii-grown coffee,



the Department lacks the capability to regulate the authenticity of roasted and blended Hawaii-grown coffee labeling. There is no industry standard to determine the actual content or origin of the roasted and blended coffee and there is no commercially available equipment for effective enforcement and to effectively prove any fraudulent occurrence. The Department may need to work with industry and the university to research the potential adoption of new inspection and detection technology (such as Fourier Transform Infrared Spectroscopy, radioisotope technology) and resources in order to regulate the authenticity of roasted and blended Hawaii-grown coffee labeling.

Thank you for the opportunity to testify on this measure.

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

GLORIA CHANG
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON AGRICULTURE
ON
HOUSE BILL NO. 1517

February 2, 2022
10:00 a.m.
Room 325 and Videoconference

RELATING TO COFFEE

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill No. 1517 amends Section 486-120.6, HRS, to require coffee blend labels to disclose geographic and regional origins and their percentages by weight in the coffee blend; prohibit using geographic origins of coffee in labeling or advertising for roasted or instant coffee that contains less than a certain percentage of coffee by weight from that geographic origin, phased in to a minimum of 51% by July 1, 2024; prohibit 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 the State; and appropriate an unspecified amount of general funds in FY 23 for the Pesticide Subsidy Program within the Department of Agriculture to effectuate this bill.

B&F notes that the federal American Rescue Plan (ARP) Act restricts states from using ARP Coronavirus State Fiscal Recovery Funds (CSFRF) to directly or indirectly offset a reduction in net tax revenue resulting from a change in law, regulation, or administrative interpretation beginning on March 3, 2021, through the last day of the fiscal year in which the CSFRF have been spent. If a state cuts taxes during this

period, it must demonstrate how it paid for the tax cuts from sources other than the CSFRF, such as:

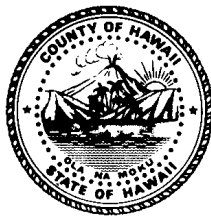
- By enacting policies to raise other sources of revenue;
- By cutting spending; or
- Through higher revenue due to economic growth.

If the CSFRF provided have been used to offset tax cuts, the amount used for this purpose must be repaid to the U.S. Treasury.

The U.S. Department of Treasury has issued rules governing how this restriction is to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with this ARP restriction.

Thank you for your consideration of our comments.

Holeka Goro Inaba
Council Member, District 8, N. Kona



Office: (808) 323-4280
Email: holeka.inaba@hawaiicounty.gov

HAWAI'I COUNTY COUNCIL

County of Hawai'i
West Hawai'i Civic Center, Bldg. A
74-5044 Ane Keohokalole Hwy.
Kailua-Kona, Hawai'i 96740

January 31, 2022

House Committee on Agriculture
Representative Mark J. Hashen, Chair
Representative Amy A. Perruso, Vice Chair

Re: Testimony in support of HB1517, RELATING TO COFFEE LABELING
Videoconference Hearing: February 2, 2022 at 10:00 a.m.

Dear Chair, Vice Chair, and Members of the above referenced Committee,

On behalf of myself and constituents of Council District 8 in North Kona, I would like to express support for the above referenced bill, and submit a brief testimony as follows:

We support HB1517 which requires coffee blend labels to disclose geographic and regional origins and percent by weight of the blended coffees. This measure also prohibits using geographic origins of coffee in labeling or advertising for roasted or instant coffee that contains less than a certain percentage of coffee by weight from that geographic origin, phased in to a minimum of 51% after July 2024, as well as prohibits 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.

In November 2021, I introduced Resolution 223-21 related to Coffee Labeling at the Hawai'i County Council where it received unanimous support from my colleagues. Similar to Resolution 223-21, the current measure before you makes sense and works to protect our coffee farmers on the Big Island and the largest agricultural crop in the State of Hawai'i. Without remedy and the protections called for in this bill, there will be devastating long-term impacts to Hawai'i's economy.

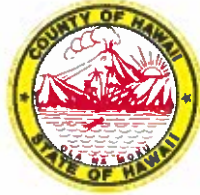
I strongly urge the passing of HB1517.

Sincerely,

A handwritten signature in black ink, appearing to read "Holeka Goro Inaba".

HOLEKA GORO INABA, Council Member
District 8, North Kona

Maile Medeiros David
Council Chair
Council District 6
(Portion N. S. Kona/Ka'ū/Volcano)



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HAWAI'I COUNTY COUNCIL

County of Hawai'i
West Hawai'i Civic Center, Bldg. A
74-5044 Ane Keohokalole Hwy.
Kailua-Kona, Hawai'i 96740

January 31, 2022

Honorable Mark J. Hashem, Chair
Honorable Amy A. Perruso, Vice Chair
Committee on Agriculture
415 Beretania Street
Hawai'i State Capitol, Conference Room 325
Honolulu, Hawai'i 96813

Re: H.B. No. 1517 – Relating to Coffee

Honorable Chair Hashem and Vice Chair Perruso:

On behalf of myself and as Councilmember representing the rural districts of South Kona, Ka'ū and Volcano Village (Council District 6), I express my strong support of HB 1517 relating to coffee labeling.

On November 3, 2021, the Hawai'i County Council unanimously approved Resolution No. 223-21 urging the Hawai'i State Legislature to amend the coffee labeling requirements for blends of geographically named Hawai'i-grown coffee and therefore I fully support the intent of H.B. 1517 relating to coffee.

I again reiterate the unanimous approval of Resolution No. 223-21 by the Hawai'i Council, and strong support of H.B. 1517. Mahalo a nui loa for your positive consideration.

Very truly yours,

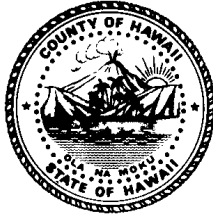
Maile David, Council Member
Council District 6, S. Kona, Ka'ū, and Volcano Village

cc: replowen@capitol.hawaii.gov

HEATHER L. KIMBALL

Council Member

*Chair, Committee on Governmental Operations,
Relations and Economic Development
Council District 1*



Contact Information

(808) 961-8828

(808) 961-8018 (staff)

heather.kimball@hawaiiicounty.gov

HAWAI'I COUNTY COUNCIL

*County of Hawai'i
Hawai'i County Building
25 Aupuni Street, Suite 1402
Hilo, Hawai'i 96720*

TO: Honorable Mark J. Hashem, Chair
House Committee on Agriculture

FROM: Heather L. Kimball
Council Member, District 1

DATE: January 31, 2022

SUBJECT: **SUPPORT HB 1517, RELATING TO COFFEE**

Thank you for the opportunity to testify in **SUPPORT** of this important measure. The purpose of this measure is to require truth in labeling for Hawaiian coffee and appropriate funds to support the pesticide subsidy program.

In this instance I am providing testimony in my capacity as an individual member of the Hawai'i County Council. However, the Hawai'i County Council did vote unanimously to urge the State of Hawai'i to pass legislation increasing the minimum percentage requirement for blends of Hawai'i-grown coffee from 10% to 51%, and that the remaining contents be geographically identified by origin.

I **SUPPORT** this measure for the following reasons:

1. It values the premier, specialty Hawaiian coffee industry that has been operating for over 200 years and has become a valuable commodity in the State by requiring coffee blend labels to disclose geographic and regional origins and per cent by weight of the blended coffees.
2. It preserves the Hawai'i-grown coffee brand by prohibiting using geographic origins of coffee in labeling or advertising for roasted or instant coffee that contains less than a certain percentage of coffee by weight from that geographic origin, phased in to a minimum of 51% after 7/1/2024
3. It protects customers by prohibiting the 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.

For these reasons, I **SUPPORT** HB 1517 Relating to Coffee.

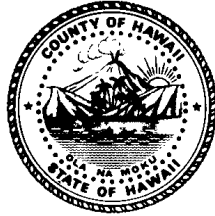
Heather Kimball
Hawai'i County Council Member

HEATHER L. KIMBALL

Council Member

*Chair, Committee on Governmental Operations,
Relations and Economic Development*

Council District 1



Contact Information

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(808) 961-8018 (staff)

heather.kimball@hawaiicounty.gov

HAWAI‘I COUNTY COUNCIL

*County of Hawai‘i
Hawai‘i County Building
25 Aupuni Street, Suite 1402
Hilo, Hawai‘i 96720*



January 30, 2022

Aloha and Greetings:

Our organization represents and speaks for over 200 members who include various aspects of the coffee industry, with emphasis on producers (actual farmers) and consumers (which we all are to varying degrees).

In good stride, we seek the integrity of keeping Hawaii coffee, and notably Kona coffee, what it says it is from both marketing and consumer perception.

Let us all take pride in what we produce and be honest about what the content it. If coffee processing entities would like to blend the farms' production into other products, that is fine; this legislation (HB1517) simply seeks to require honesty in the labels, with what is in the package.

To so achieve, there is a delayed/gradual shift from the consumer deceptive labelling currently permitted. This phase-in will allow coffee processing businesses to learn, as many farmers already have, how to promote and earn income from products which are what they say that they contain on their labels. So a, "Kona coffee blend" can and should have at minimum 51% Kona coffee in content to carry such a name, for example.

Please recognize that farmers need the legislature to support our hard work, and not default to the efforts of coffee processing companies who are importing green coffee from outside of Hawaii to blend products and make profit which reduces the price value for farmers, who could and should be able to receive even higher prices than currently happens with store shelves and the internet including so much non-Hawaii product in coffee which carries Hawaii place names (be it, "Hawaii", "Kona", and/or other Districts, etc.)

Your support of this piece of legislation is but one step to ensure that the Hawaii farmers are able to make ends meet and to stop defaulting to historical demands of a few coffee processing companies. Let us all work together (as the notable number of Introducers suggests) in order to keep Hawaii coffee production healthy and strong for coming generations.

Sincerely,

Colehour Bondera, President

colemel2@gmail.com

808-640-1643 iphone

P.O. Box 5436, Kailua-Kona, Hawaii, 96745 * info@konacoffeefarmers.org



HB-1517

Submitted on: 1/30/2022 9:52:35 AM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Harold M Hoogasian	Kona Perfect (Member of KCFA)	Support	No

Comments:

Kona Perfect coffee supports the 51% blend legislation. Please pass this long overdue change in the labeling laws.



Greg Maples, Chairman – Polynesian Cultural Center **Ryan Tanaka, Incoming Chair**- Giovanni Pastrami

Ave Kwok, Vice Chair- Jade Dynasty **Tambara Garrick, Secretary** – Hawaii Farm Project

Kahili Soon, Treasurer – Hukilau Marketplace **Tom Jones, Past Chair** – Gyotaku

Sheryl Matsuoka, Executive Director **Chivon Garcia**, Executive Assistant **Holly Kessler**, Director of Membership Relations

Date: January 30, 2022

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

From: Victor Lim, Legislative Lead

Subj: HB 1517 Relating to Coffee Labeling

The Hawaii Restaurant Association representing 3,400+ restaurants stand in opposition to HB 1517 that will change the 10% Kona Bean requirement moving up to 51% after 7/1/24 for the Kona Blend.

Many of our local restaurants have been using the Kona Blend with a 10 % Kona bean content for 10 years, 20 years and some restaurants like McDonald's have been at it for over 50 years, supporting our local economy.

We all know that Kona coffee commands a premium price and have a stronger distinctive taste. Requiring a higher percentage will change the taste profile that many of our current restaurants customers enjoy and another consequence will be that our cost of buying locally blended coffee will significantly increase, all of this while our restaurant industry is one of the most severely hit by the Covid Pandemic. This will add to the unprecedented food cost increases our industry is currently facing.

Eliminating the 10% blends will be forcing our hand to eventually move away to a more affordable national brands thus causing a hit to our local processors.

We urge that this committee hold this bill and thank you for giving us the opportunity to share our industry's concerns.



HB-1517

Submitted on: 1/30/2022 5:27:24 PM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Cynthia Maryanoff	KCFA	Support	No

Comments:

"Testimony in strong support of HB1517—COFFEE LABELING"

Dear **Judiciary Committee:**

We submit this written testimony **in STRONG SUPPORT of HB1517—COFFEE LABELING**

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.** We are fighting Coffee Borer Beetle [CBB, thankyou for your support], Coffee Leaf Rust [CLR, thankyou for your support] and trying to recover from the "Kona LOW cyclone" damage. **WE NEED YOUR SUPPORT of HB1517 now more than ever! We expect next year's yields of KONA coffee to be diminished due to CLR and weather damage so we need this passed now please!**

The new law does require more information about the remaining 49% but does not make blenders specify that it is *Arabica* so it 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 an excellent start, requiring 51% Kona coffee. Requiring 49% to be identified as *Arabica* or much less expensive *Robusta* would make it even stronger.

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 HB1517:**

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 Beetles [THANKYOU VERY MUCH] and Coffee Leaf Rust [THANKYOU VERY MUCH] so please move forward with support of HB1517.**

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, which 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 **HB1517**.

Sincerely,

Bruce and Cynthia Maryanoff

cmaryanoff@comcast.net

Co-CEOs, Absolute Palate LLC

30 January 2022

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
Committee on Agriculture

FROM: Gerard Bastiaanse
President- Hawaii Coffee Company

RE: **HB 1517 Relating to Coffee – In Opposition**
February 2, 2022; 10:00 a.m.

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

Hawaii Coffee Company is in opposition to HB 1517, which would increase blend requirements for Kona coffee sold from a 10% Kona bean requirement up to a 51% requirement on July 1, 2024 and continuing thereafter.

Hawaii Coffee Company offers a range of coffee, from 10% Kona blend to 100% Kona coffee as well as similar consumer coffee blend options from other Hawaii coffee growing regions. All product labels clearly reflect whether the coffee is a blend of Kona coffee or 100% Kona coffee to ensure that customers are fully informed of the composition of the coffee product. Based on available market information, we believe Hawaii Coffee Company sells significantly more volume of 100% Kona coffee to consumers in Hawaii than any other company. In a typical year, approximately half of the Kona coffee purchased by Hawaii Coffee Company from Kona farmers goes into 100% Kona products.

We believe it is important to offer consumers a range of coffee products from 10% Kona blend to 100% Kona coffee for several reasons.

First, Kona coffee has a distinctive taste and, therefore, the amount of Kona coffee in a blend can change the taste of the coffee. Some consumers prefer the milder taste of the lighter blends, while others prefer the robust taste of a higher-percentage blend. Thus, providing a range of coffee products, all of which are accurately labeled, allows consumers to make an informed decision and to choose their coffee product based on their taste preferences.

Second, Kona coffee commands a premium price. The greater the percentage of Kona coffee included in a blend, generally, the higher the cost. 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 either select another affordable alternative roasted on the mainland or abroad, by a mainland or foreign company, which includes no Hawaiian coffee, or to pay a five times higher price for a 100% Kona coffee product. Offering a range of coffee products allows consumers to choose taking into account its

affordability and their own budget. This also ensures that consumers can continue to support our local economy.

Third, including a range of coffee products will allow us to continue to support our local farmers and to reduce food waste. 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 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. If the demand for coffee products falls, coffee farmers may be left with unsold and unused coffee cherry that without a buyer will go to waste. This waste would be unfortunate as it could be avoided by maintaining the ability to allow for a range of coffee products.

Fourth, HB 1517 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 passes, it will increase financial hardships.

Additionally, HB 1517 as written has the potential to conflict with trademark rights. A trademark can be any word, phrase, symbol, design, or a combination of these things that identifies the source of goods or services. Paradise Beverages, Inc. dba Hawaii Coffee Company is the owner of a number of well-known and widely recognized federal and state trademarks (“HCC Marks”). Hawaii Coffee Company has spent significant time, energy, and expense promoting the HCC Marks and the HCC Marks have accrued considerable value and goodwill to Hawaii Coffee Company as a result thereof. Hawaii Coffee Company’s claims of ownership in the HCC Marks are based upon long existing and clearly delineated common law and statutory rights. These rights constitute legally protectable property.

In particular, as to the HCC Marks for which Hawaii Coffee Company holds federal registrations, it is well-established that the federal trademark laws are designed to promote and encourage uniform trademark use, and to discourage activities which would result in confusion among purchasers. Local trademark display regulations which require alterations of federally registered marks for local use conflict with federal law and underlying public policy.

For these reasons, we ask you to hold this measure. Thank you for the opportunity to submit testimony.



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

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Lauren Zirbel, HFIA, *Executive Director*
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Stan Brown, Acosta Sales & Marketing, *Advisor*
Paul Kosasa, ABC Stores, *Advisor*
Derek Kurisu, KTA Superstores, *Advisor*
Toby Taniguchi, KTA Superstores, *Advisor*
Joe Carter, Coca-Cola Bottling of Hawaii, *Immediate Past Chair*

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 2, 2022
TIME: 10am
PLACE: Via Videoconference

RE: HB1517 Relating to Coffee

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-1517

Submitted on: 1/31/2022 3:03:24 PM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Bruce Corker	Rancho Aloha	Support	Yes

Comments:

Chair Hashem and Members of the Committee:

I am a coffee farmer in Holualoa in the North Kona District of Hawaii County and a Board Member of the Kona Coffee Farmers Association.

I STRONGLY SUPPORT HB1517.

For 30 years Hawaii has been the only region anywhere in the world to authorize the use of its regional names (“Kona”, “Maui”, “Ka’u”) on labels of an agricultural product with only 10% of the content from the named region.

In 2007 the Legislature made a factual finding Hawaii’s 10% coffee blend labeling law “causes fraud and degrades the Kona Coffee name.” (SCR 102,SD1,HD1) As reflected in the Hawaii County Council’s recent and unanimously adopted Resolution No. 223-21, it is long past time for Hawaii to change this disgraceful law. Hawaii needs to put a stop to consumer fraud and to protect the economic interests of its hard-working farmers.

By adopting a minimum 51% requirement and disclosure of the percentage of non-Hawaii-grown coffee on the labels of coffee blends, HB1517 addresses the issue of consumer fraud. It advances the economic interests of Hawaii's coffee farmers. And it protects the reputation and heritage of Hawaii-grown coffees.

Please pass HB1517.

Bruce Corker

Rancho Aloha

Holualoa, Hawaii County

HB-1517

Submitted on: 1/31/2022 3:45:54 PM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Tom Greenwell	Greenwell Farms Inc.	Support	No

Comments:

Greenwell Farms Inc. supports HB1517 and ask you to support it as well. The Hawaiian coffee Farmers are going through some tough times with CBB and now CLR and we need all the help we can get. The 51% blend persentage will help to keep prices up to the farmers.



Officers

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State President
HFUU

Anabella Bruch
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Brynn Foster
North Shore, Oahu

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Vincent Kimura
Waimanalo, Oahu

Anabella Bruch
Kauai

Jan 31, 2022

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

**TESTIMONY OF HAWAII FARMERS UNION UNITED (HFUU)
IN STRONG SUPPORT OF HB1517 (RELATING TO COFFEE LABELING)
BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND
ENVIRONMENT, WENESDAY, FEBRUARY 2, 2022.**

Aloha Chairman Gabbard and Members of the Committee--

HFUU is a 501(c)(5) agricultural advocacy nonprofit representing over 1,500 family farmers and their supporters organized as 14 Chapters in the four Hawai'i Counties. That includes coffee farmers in Kona on Hawai'i Island.

Many such farmers have testified in support of this Bill. They speak as owners of family farms who are able to make a living because they grow, process and sell a high-value "Origin" coffee from "Kona" and other Hawaii Origins. It is well-recognized, as recounted in HB144, that the way in which Hawaii's current law allows a 10% coffee blend to be labeled "Kona," (or "Ka'u," "Hamakua," "Maui," or "Kauai") is "misleading". The Legislature's 2007 Concurrent Resolution called it "consumer fraud." Hawaii County's 2014 Resolution called it "inherently deceptive and misleading."

It is also economically harmful to Origin coffee farmers. In 2018 the United Nations Food and Agriculture Organization concluded that these Hawaii Origin brands, like Kona: do "not enjoy any strong protection of its name" and that the result is "downstream stakeholders, rather than farmers, reap the economic benefits of the fame of Kona."

The opponents of this legislation are those "downstream stakeholders," who the United Nations says "reap the economic benefits" of 10% blended coffee. They have testified that "no one can accurately predict" the economic effect of requiring Hawaii's Origin coffee blends to contain 51% Kona, Ka'u, Hamakua, Maui or Kauai coffee. We can predict however, that Hawaii Origin coffee blends will no longer be deceptively marketed. We can also predict that 51% coffee blends will still be less expensive than 100%-- only now their cost will be linked to the fair value of Hawaii's Origin coffees.

We commend you and your colleagues representing constituencies throughout Hawaii for supporting this long overdue measure and urge your Committee to give it unanimous support.

HAWAII FARMERS UNION UNITED

Vincent Mina President HFUU/HFUF

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



**TESTIMONY OF TINA YAMAKI
PRESIDENT
RETAIL MERCHANTS OF HAWAII
February 02, 2022
Re: HB 1517 RELATING TO COFFEE**

Good morning, Chairperson Hashem and members of the House Committee on Agriculture. I am Tina Yamaki, President of the Retail Merchants of Hawaii and I appreciate this opportunity to testify.

The Retail Merchants of Hawaii was founded in 1901, RMH is a statewide, not for profit trade organization committed to the growth and development of the retail industry in Hawaii. Our membership includes small mom & pop stores, large box stores, resellers, luxury retail, department stores, shopping malls, local, national, and international retailers, chains, and everyone in between.

The Retail Merchants of Hawaii is in opposition of HB 1517 Relating to Coffee. This measure requires coffee blend labels to disclose geographic and regional origins and per cent by weight of the blended coffees. Prohibits using geographic origins of coffee in labeling or advertising for roasted or instant coffee that contains less than a certain percentage of coffee by weight from that geographic origin, phased into a minimum of 51% after 7/1/2024. Prohibits 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. Appropriates moneys for the pesticide subsidy program.

While we understand the intent of this measure, we also realize that it may do more harm to the local coffee industry. Currently many of our visitors return home with bags of local coffee to reminisce about their stay in the islands. Local restaurants use Kona Coffee. Residents enjoy local coffee in their homes. The majority are well aware that the coffee they are purchasing is a blend of at least 10% locally grown coffee beans and therefore at an affordable purchase price.

We have strong concerns regarding the phasing in of the minimum percentage of coffee required for the use of geographical regions. Manufactures and retailers of local coffee know the price point that their consumers are willing to pay. By mandating that a minimum of 51% of locally grown coffee be included as the coffee blend, the cost of this product would significantly increase. This may be a deterrent for people and businesses to purchase locally grown coffee if prices are too high and find alternative brands that are not from local coffee growers. We need to help to promote and encourage local business and not deter people from purchasing our local products.

Locally grown coffee like that from Kona is already one of the most expensive coffee beans in the world. To mandate that 51% of the coffee used must come from local beans to be called Kona or Kauai coffee as an example would drive the price per bag up significantly. The average businesses, visitors, and locals may stop purchasing bags if the locally grown coffee becomes too expensive.

With the current drop in visitors and customers in restaurants and many retail outlets due to the pandemic, businesses are very cognizant of ordering supplies conservatively as well as the price point. We don't want to see our local coffee become so expensive that many locals are not able to afford to purchase a bag to brew at home or the visitor not willing to pay the price to be able to get a taste of what the islands have to offer with a sip of coffee with locally grown beans.

Retailers like many businesses are struggling to survive and to keep their employees employed. We can't afford to price our local products out of the marketplace and only the wealthy can purchase and not the average local kamaaina. We hope that you hold this measure.

Mahalo for this opportunity to testify.

HB-1517

Submitted on: 1/31/2022 6:52:45 PM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
John Koontz	Konaloha Farms	Support	No

Comments:

Finally, we get a bill protecting one of our most precious resources, Kona Coffee! It has amazed me for years that Hawaii has backed the money rather than the aina, and has done nothing to stop big coffee business from profitting on the name Kona, when so many farmers are trying their best to make a living and to save the coffee so reknown to the world. It's a travesty that this heritage crop can be reduced to 10% and still be sold under the Kona name. Let's make this right! Support this bill and let's get some truth back in advertising. Mahalo!



Hawaii's Thousand Friends

335 Hahani Street #342132 * Kailua, HI 96734 * Phone/Fax (808) 262-0682 E-Mail: hft3000@gmail.com

February 2, 2022

COMMITTEE ON AGRICULTURE

Rep. mark J. Hashem, Chair
Rep. Amy A. Perruso, vice Chair

HB 1517 RELATING TO COFFEE

Hawaii's Thousand Friends, a statewide non-profit water and land use planning organization, supports HB 1517, which requires coffee blend labels to disclose geographic and regional origins and percent by weight of blended coffees.

For thirty plus years our state has authorized the use of geographic names such as Kona, Kau, Maui, Kauai etc. on coffee labels that contain only 10% of the coffee from that region.

Allowing coffee to not contain 100% of the coffee from the region where it is grown deprives farmers of getting full value of their regionally grown coffee.

Vermont requires that the content of a bottle of syrup with the label Vermont Maple Syrup must contain 100% syrup from Vermont. Requiring that Hawaii's coffee from various places around the state to contain 100% of the coffee grown from the region is no different.

We urge you to pass HB 1517 to give our farmers a fair shake and ensure the public that when purchasing coffee labeled *Kona* the coffee beans are actually from Kona. It is called truth in advertising.



PO Box 168, Kealahou, HI 96750

HOUSE COMMITTEE ON AGRICULTURE
February 2, 2022

RE: Testimony in support of HB1517, with an amendment

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

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

The Hawaii Coffee Association supports HB1517 with one amendment.

Part II, Section 2, (C) (6) reads:

(6) Use the term "All Hawaiian" on a label or in advertising of a roasted or instant coffee if the roasted or instant coffee is not produced entirely from green coffee beans [~~produced in geographic origins defined in this chapter;~~ grown and processed in Hawaii;]

Some processing methods are not available in Hawaii - for example decaffeination.

We ask that the section be amended to read: "...grown and processed in Hawaii;", with the words "and processed" stricken.

We like that the measure considers a phased approach.

We like that "Foreign Grown Coffee" is an option for sellers who may not want to disclose country of origin for their blends.

A report released on January 21, 2022 by USDA National Agricultural Statistics Service (NASS) suggests the value of Hawaii's green coffee crop in the 2021-22 season is \$113,013,600. This figure places coffee at the top of the charts in crop value, and does not account for upstream and downstream revenue in terms of value-added products and ancillary businesses. It's also important to note the coffee industry promotes tourism, and preserves open space, view planes and watersheds.

The typical coffee farm in Hawaii is a small family farm, yet the largest farm in the state is also a coffee farm. For more details regarding Hawaii's coffee industry impacts on the State's economy, please see the attached document: *What's at Stake: The Loss of Hawaii's Coffee Industry, A Major Economic Driver.*

Coffee leaf rust (CLR) has been discovered on Hawaii Island, Kauai, Maui, Oahu and Lanai. CLR poses a devastating threat to Hawaii's coffee industry. CLR is known to spread rapidly and leads to defoliation and tree death. Coffee Berry Borer (CBB) remains a significant threat in all coffee producing regions.

Hawaii's coffee farmers have the highest cost of production anywhere, particularly with recent labor shortages and inflationary pressures. The cost to manage layers of threats caused by invasive species and COVID are squeezing Hawaii's farmers more than ever before. Yet we still compete in a global market with

our counterparts across the globe who do not share our high costs. We respectfully ask that the Pesticide Subsidy Program be continued and be adequately funded, at least until we can transition to coffee varieties that are resistant to Coffee Leaf Rust. Your support is vitally important to Hawaii's coffee growers and the many families and businesses that depend on our industry.

Please accept our thanks and respect on behalf of the hard-working coffee producers located throughout the State of Hawaii.



Released January 21, 2022, by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States Department of Agriculture (USDA).

Coffee Utilized Production Up 17 Percent from Last Season

Hawaii utilized coffee production is forecast at 26.7 million pounds (cherry basis) for the 2021-2022 season, up 17 percent from the previous season. Bearing acreage totaled 7,100 acres, up 300 acres from the previous year. Average yield, at 3,820 pounds (cherry basis) per acre, was up 310 pounds from the previous year.

Coffee Bearing Acreage, Yield, Production, Price, and Value – Hawaii and United States: 2019-2020, 2020-2021, and 2021-2022

State	Bearing acreage			Yield per acre ¹		
	2019-2020	2020-2021	2021-2022	2019-2020	2020-2021	2021-2022
	(acres)	(acres)	(acres)	(pounds)	(pounds)	(pounds)
Hawaii	6,900	6,800	7,100	3,952	3,510	3,820
United States	6,900	6,800	7,100	3,952	3,510	3,820
State	Total production ¹			Utilized production ¹		
	2019-2020	2020-2021	2021-2022	2019-2020	2020-2021	2021-2022
	(1,000 pounds)	(1,000 pounds)	(1,000 pounds)	(1,000 pounds)	(1,000 pounds)	(1,000 pounds)
Hawaii	27,270	23,870	27,120	26,880	22,715	26,690
United States	27,270	23,870	27,120	26,880	22,715	26,690
State	Price per pound ¹			Value of utilized production ¹		
	2019-2020	2020-2021	2021-2022	2019-2020	2020-2021	2021-2022
	(dollars)	(dollars)	(dollars)	(1,000 dollars)	(1,000 dollars)	(1,000 dollars)
Hawaii	2.02	2.13	2.25	54,298	48,383	60,053
United States	2.02	2.13	2.25	54,298	48,383	60,053

¹ Cherry basis.

Coffee Utilized Production and Price on Equivalent Basis – Hawaii: 2019-2020, 2020-2021, and 2021-2022

Basis and State	Utilized production			Price per pound		
	2019-2020	2020-2021	2021-2022	2019-2020	2020-2021	2021-2022
	(1,000 pounds)	(1,000 pounds)	(1,000 pounds)	(dollars)	(dollars)	(dollars)
Parchment						
Hawaii	6,400	5,390	6,510	14.10	13.40	12.40
Green						
Hawaii	5,120	4,312	5,208	20.10	19.40	21.70

Coffee Harvested Not Sold Production – Hawaii and United States: 2019-2020, 2020-2021, and 2021-2022

State	Harvested not sold ¹		
	2019-2020 (1,000 pounds)	2020-2021 (1,000 pounds)	2021-2022 (1,000 pounds)
Hawaii	390	1,155	430
United States	390	1,155	430

¹ Cherry basis.

Definition of Terms

Bearing acreage: An orchard or grove is considered to be of bearing age when it can normally be expected to produce a commercially significant quantity of the crop. Bearing age is a function of many factors including variety, rootstock, year planted, etc.

Harvested not sold: Fruit of marketable quality that was picked but not sold for various reasons.

Total production: The quantity of a crop actually harvested.

Unutilized production: The difference between total and utilized production, which is marketable fruit harvested not sold or utilized.

Utilized production: The amount of a crop sold plus the quantity used at home or held in storage.

Yield per acre: Unless otherwise stated, yield per acre is based on total production.

Value: Crop value estimates in this report cover the marketing season or crop year and should not be confused with cash receipts which are based on a calendar year.

Statistical Methodology

Survey Procedures: Standardized probability grower surveys are conducted semiannually to collect acreage, yield, production, and price data. All millers are also surveyed semiannually to determine quantity handled. Data from operators is collected by mail, internet, telephone, or personal interview to ensure adequate coverage.

Estimating Procedures: Information obtained from the coffee grower and miller surveys along with federal administrative data is used to establish estimates of bearing acres, yield, total production, utilized production, price, and value. These estimates are reviewed for errors, reasonableness, and consistency with historical estimates.

Revision Policy: End-of-season estimates will be published in the *Noncitrus Fruits and Nuts – Summary* released in May. Revisions the following year are based on a thorough review of all available data.

Reliability: Survey indications are subject to sampling variability because all operations growing coffee are not included in the sample. Survey results are also subject to non-sampling errors such as omission, duplication, imputation for missing data, and mistakes in reporting, recording, and processing the data. These errors cannot be measured directly, but they are minimized through rigid quality controls in the data collection process and a careful review of all reported data for consistency and reasonableness.

Information Contacts

Listed below are the commodity statisticians in the Crops Branch of the National Agricultural Statistics Service to contact for additional information. E-mail inquiries may be sent to nass@usda.gov

Lance Honig, Chief, Crops Branch.....	(202) 720-2127
Fleming Gibson, Head, Fruits, Vegetables and Special Crops Section	(202) 720-2127
Fleming Gibson – Blueberries, Cranberries, Cucumbers, Pistachios, Potatoes, Pumpkins, Raspberries, Squash, Strawberries, Sugarbeets, Sugarcane, Sweet Potatoes	(202) 720-2127
Deonne Holiday – Almonds, Apples, Asparagus, Carrots, Coffee, Onions, Plums, Prunes, Sweet Corn, Tobacco.....	(202) 720-4288
Robert Little – Apricots, Dry Beans, Lettuce, Macadamia, Maple Syrup, Nectarines, Pears, Snap Beans, Spinach, Tomatoes	(202) 720-3250
Krishna Rizal – Artichokes, Cauliflower, Celery, Garlic, Grapefruit, Hazelnuts, Kiwifruit, Lemons, Mandarins and tangerines, Mint, Mushrooms, Olives, Oranges,.....	(202) 720-5412
Chris Wallace – Avocados, Bell Peppers, Broccoli, Cabbage, Chickpeas, Chile Peppers, Dates, Floriculture, Grapes, Hops, Pecans	(202) 720-4215
Antonio Torres – Cantaloupes, Dry Edible Peas, Green Peas, Honeydews, Lentils, Papayas, Peaches, Sweet Cherries, Tart Cherries, Walnuts, Watermelons	(202) 720-2157

Access to NASS Reports

For your convenience, you may access NASS reports and products the following ways:

- All reports are available electronically, at no cost, on the NASS web site: www.nass.usda.gov
- Both national and state specific reports are available via a free e-mail subscription. To set-up this free subscription, visit www.nass.usda.gov and click on “National” or “State” in upper right corner above “search” box to create an account and select the reports you would like to receive.
- Cornell’s Mann Library has launched a new website housing NASS’s and other agency’s archived reports. The new website, <https://usda.library.cornell.edu>. All email subscriptions containing reports will be sent from the new website, <https://usda.library.cornell.edu>. To continue receiving the reports via e-mail, you will have to go to the new website, create a new account and re-subscribe to the reports. If you need instructions to set up an account or subscribe, they are located at: <https://usda.library.cornell.edu/help>. You should whitelist notifications@usda-esmis.library.cornell.edu in your email client to avoid the emails going into spam/junk folders.

For more information on NASS surveys and reports, call the NASS Agricultural Statistics Hotline at (800) 727-9540, 7:30 a.m. to 4:00 p.m. ET, or e-mail: nass@usda.gov.

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Hawaii Coffee Association
PO Box 168, Kealahou, HI 96750
February 2021

What's at Stake: The Loss of Hawaii's Coffee Industry, A Major Economic Driver

As growers of the #2 crop in the State, we are just under 1,500 strong who tend more than 10,000 acres. The value of our coffee is second only to Hawaii's seed cropsⁱ. For the 2019-2020 season, Hawaii's unroasted coffee was valued at \$102.91 millionⁱⁱ, while its roasted value was more than \$148.48 millionⁱⁱⁱ.

Now, we're facing the most destructive coffee disease in the world: Coffee Leaf Rust (CLR), a fungus that can kill an entire farm in a matter of weeks. Annually, CLR causes \$3 billion in damage and lost income around the world.

In Hawaii, the stakes are higher than elsewhere. While most other coffee-growing regions have planted rust-resistant varieties, all of the ones commercially grown in Hawaii are not resistant. And the best fungicides used to fight this disease have not been approved here.

CLR has been found and is spreading rapidly on Hawaii Island, Maui, Oahu and Lanai. Its spores are spread by wind, workers, rain, equipment and tourists. As a result, farmers are facing defoliation and a loss of yield up to 70% or more.

To help save our industry, as well as the communities and families that depend on it, we need State, Federal and private support and we need it NOW.

Without action, we stand to lose hundreds of millions of dollars in Hawaii's economy – a contribution that far exceeds the value of the beans themselves. To grow our coffee, we hire thousands of workers and buy from local industries such as transportation and vendors of agricultural supplies. This so-called "downstream economic impact" is valued at about \$211 million^{iv}.

Then there is the "upstream economic impact" of Hawaiian coffee, which is unquantified. Compared to most other crops grown here, coffee offers two advantages: 1) Its worldwide popularity boosts the tourism potential of events such as the Kona Coffee Festival. 2) It is shelf stable. That makes Hawaiian coffee a major attraction for the souvenir market, drawing tourists to shops, cafes and agritourism operations statewide. In turn, these visitors create more worldwide demand for Hawaiian coffee once they return home. For example, foreign exports of coffee from Hawaii, valued at \$9.20 million^v in 2019, are an ongoing international advertisement for the Hawaii islands.

The economic losses from CLR would have an outsized impact in rural areas, where few other industries exist. Remember the collapse of the local sugar industry? We can expect similar results: dramatically increasing unemployment – especially of historically underserved and minority populations – accompanied by increasing crime and drug use. Not to mention the harm to almost 200 years of coffee-growing history and the cultural heritage of our islands.

What We Need:

- Statewide approval of the most effective CLR fungicides, and subsidies for farmers to purchase them.
- Support for development of the best CLR-management strategies in Hawaii, as well as support to educate farmers of them.
- Support for research of the best CLR resistant varieties that will maintain the quality of Hawaii coffees. Also support for the importation, propagation and distribution of CLR-resistant varieties, including expanded plant-quarantine facilities. (This is a 5-10 year project.)
- Support for farmers to replace their existing fields with rust-resistant varieties.
- *Support for other ways to build capacity and resilience within farm communities.*

Contact:

- Chris Manfredi, President, Hawaii Coffee Association president@hawaiicoffeeassoc.org
- Suzanne Shriener, Administrator, Synergistic Hawaii Ag Council suzanne@shachawaii.org

ⁱ \$54.3 million for Coffee vs \$109.5 million for Seed Crops (including seed corn), in 2019. Source: State of HI, HDOA Market Analysis and News Branch “Top 20 Agricultural Commodities Produced: State of Hawaii, 2019.”

ⁱⁱ 2019-2020 season, pounds of utilized production (green beans) x price per pound: 5,120,000 pounds x \$20.10/pound = \$102.91 million. Source: USDA-NASS. Jan 2021. “Coffee”.

https://www.nass.usda.gov/Statistics_by_State/Hawaii/Publications/Fruits_and_Nuts/Coffee-01-26-2021.pdf

ⁱⁱⁱ This is a wholesale roasted estimate of the value of the 2019-2020 season crop, priced at \$29.00 per pound: 5,120,000 pounds x \$29.00/pound = \$148.48 million. The \$29.00/pound is an average statewide value that takes into account the lower wholesale prices of mechanically harvested coffee (Kauai, Oahu and Maui beans) and the higher prices of hand-harvested beans (Kona, Ka’u).

^{iv} Using multiplier of 2.05, applied to the 2019-2020 season value of the State’s green beans: \$102.91 million x 2.05 = \$210.97 million. Multiplier from correspondence between HDOA chair P. Shimabuku and USDA Secretary S. Perdue, dated November 19, 2020.

^v \$5.33 million in roasted coffee from Hawaii + \$3.87 million in unroasted coffee from Hawaii. Source: USDA Global Agricultural Trade System. 2019 data.



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Anabella Bruch
Kauai

Jan 31, 2022

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**TESTIMONY OF HAWAII FARMERS UNION UNITED (HFUU)
IN STRONG SUPPORT OF HB1517 (RELATING TO COFFEE LABELING)
BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND
ENVIRONMENT, WENESDAY, FEBRUARY 2, 2022.**

Aloha Chairman Gabbard and Members of the Committee--

HFUU is a 501(c)(5) agricultural advocacy nonprofit representing over 1,500 family farmers and their supporters organized as 14 Chapters in the four Hawai'i Counties. That includes coffee farmers in Kona on Hawai'i Island.

Many such farmers have testified in support of this Bill. They speak as owners of family farms who are able to make a living because they grow, process and sell a high-value "Origin" coffee from "Kona" and other Hawaii Origins. It is well-recognized, as recounted in HB144, that the way in which Hawaii's current law allows a 10% coffee blend to be labeled "Kona," (or "Ka'u," "Hamakua," "Maui," or "Kauai") is "misleading". The Legislature's 2007 Concurrent Resolution called it "consumer fraud." Hawaii County's 2014 Resolution called it "inherently deceptive and misleading."

It is also economically harmful to Origin coffee farmers. In 2018 the United Nations Food and Agriculture Organization concluded that these Hawaii Origin brands, like Kona: do "not enjoy any strong protection of its name" and that the result is "downstream stakeholders, rather than farmers, reap the economic benefits of the fame of Kona."

The opponents of this legislation are those "downstream stakeholders," who the United Nations says "reap the economic benefits" of 10% blended coffee. They have testified that "no one can accurately predict" the economic effect of requiring Hawaii's Origin coffee blends to contain 51% Kona, Ka'u, Hamakua, Maui or Kauai coffee. We can predict however, that Hawaii Origin coffee blends will no longer be deceptively marketed. We can also predict that 51% coffee blends will still be less expensive than 100%-- only now their cost will be linked to the fair value of Hawaii's Origin coffees.

We commend you and your colleagues representing constituencies throughout Hawaii for supporting this long overdue measure and urge your Committee to give it unanimous support.

HAWAII FARMERS UNION UNITED

Vincent Mina President HFUU/HFUF

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-1517

Submitted on: 2/1/2022 9:21:58 AM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
James Kimo Falconer	Hawaii Coffee Growers Association	Support	No

Comments:

Please support HB 1517.

Mahalo



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Vincent Kimura
Waimanalo, Oahu

Anabella Bruch
Kauai

Aloha Chair Hashem, Vice Chair Perruso, and Committee members,

The Hawaii Farmers Union United (HFUU) is a 501(c)(5) agricultural advocacy nonprofit representing a network of over 2,500 family farmers and their supporters across the Hawai'ian islands. **HFUU strongly supports HB1844** to establish a full-time agriculture education coordinator position at the University of Hawai'i for the College of Tropical Agriculture and Human Resources (CTAHR).

The P-20 Agriculture Education Working Group's [final report to the 2019 legislature \(DC149\)](#) highlights that **the Agriculture Education Coordinator position within UH CTAHR is essential** for continuing and expanding work to advance a coordinated statewide approach to regenerating Hawaii's community food systems through regular and equitable access to agriculture and food systems education for all students.

Increasing the number of farmers who grow food is a key facet of the HFUU statewide strategic plan, and a critical component of meeting State goals for increasing food security and agricultural self-sufficiency. To grow our next generation of farmers, support is critical for this and similar bills. For these reasons we ask you to support HB1844.

Mahalo for the opportunity to testify.

Vincent Mina President HFUU/HFUF

HB-1517

Submitted on: 2/1/2022 11:54:43 AM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Mark Shultise	LavaRock Farm	Support	No

Comments:

I fully support the bill.

I am tired of blenders creating an inferior product and labeling the coff in a way to mislead the public with an inferior product.

HB-1517

Submitted on: 2/1/2022 3:43:47 PM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Harriet Witt	Hawaii Farmers Union United	Support	No

Comments:

Truthfull labeling is necessary for customer confidence. Please support this bill. Mahalo, Harriet Witt, 43 Puu Koa Place, Haiku, Maui

HB-1517

Submitted on: 1/29/2022 8:21:35 PM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Kirstin Kahaloa	Individual	Support	No

Comments:

Aloha!

Regional labels should only be used if something is a majority grown in Hawaii and within that region. Hawaii made products must be protected and this bill is a step in the right direction. Mahalo for protecting locally made agricultural products.

Mahalo,

Kirstin Kahaloa

HB-1517

Submitted on: 1/29/2022 9:49:27 PM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Franz Weber	Individual	Support	No

Comments:

Hawaii is the only region in the world allowing to use its geographic name (Kona, Kau) on labels of a speciality ag product, even if it contains only 10 %. This reduces the income of farmers substantially. The Hawaii County Council passed a resolution, calling on the state Legislature to enact a 51 % (Kona) origin on coffee blends. Around the world, origin is being used to promote products, and protected by law (Idaho potatoes, Champagne, Vermont Maple Syrup), all requiring that 100 % of the product comes from that region.

HB-1517

Submitted on: 1/30/2022 9:33:49 AM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Cecelia Smith	Individual	Support	No

Comments:

We farmers have been working on this and wanting *at least* a 51% "blend" requirement for any coffee using our geographic name. Thank you Nicole Lowen!!

with aloha,

Cecelia Smith-100%Kona coffee farmer since 1988

Honaunau mauka, south Kona

Dear Committee Chair Lee and Members,

My husband and I have been growing, processing and selling 100% Kona coffee for 21 years. We strongly support HB1886 HD1. Requiring 51% of the coffee in a bag labeled Kona blend and requiring the origin of the remainder of the coffee be listed will greatly benefit Hawaii's Kona coffee farmers. The same applies for all regions of coffee grown in Hawaii.

For too long, the State has allowed misleading labeling of coffee and that has been detrimental to Hawaii's coffee farmers. Not only has it kept the price of coffee low, it has fooled the consumer into thinking that a 10% blend of Kona coffee represents the flavor of Kona coffee. This results in the loss of future sales. The blenders make more money while degrading the reputation of our superior coffee.

Please support the growers of fine Hawaii coffees and pass this bill.

Mahalo,
Clare & Phil Wilson
Huahua Farm
Holualoa, Hawaii

Member, KCFA

HB-1517

Submitted on: 1/30/2022 8:23:25 PM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Koohan Paik	Individual	Support	No

Comments:

Stop allowing the rip-off of local farmers! Support proper labeling of REAL Kona coffee!

HB-1517

Submitted on: 1/30/2022 9:13:15 PM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Jim Monk	Individual	Support	No

Comments:

My name is Jim Monk and I am a small Kona Coffee farmer. Many thanks to Rep Lowen for having submitted this bill. I support it and believe it is high time Hawaii protect one of its most valuable agricultural commodities -- Kona Coffee. Please vote in favor of this bill. Thanks.

HB-1517

Submitted on: 1/30/2022 9:20:05 PM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Robert Culbertson	Individual	Support	No

Comments:

Aloha Representatives!

Yes!... to supporting the 'real deal', truth in labelling, and our hard working Kona coffee family farmers.

Mahalo nui loa,

R A Culbertson

Honokaa

HB-1517

Submitted on: 1/31/2022 6:41:15 AM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Nako'o Warrington	Individual	Support	No

Comments:

SUPPORT!

HB-1517

Submitted on: 1/31/2022 6:59:42 AM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Christopher Dean	Individual	Support	No

Comments:

This seems pretty straight forward. As a general guideline, we should all strive for honesty, because that's where morality resides. Lying goes in the other direction. So I would think, anyone who votes no on this bill would need to take a long hard look at their character and probably resign from any public office, because if you can't even uphold the truth with this legislation, what chance do you have of doing the right thing when a developer drops a breifcase full of cash in front of you? Support HB1517

As a small, hands-on farm, (The 4 Sens, LLC., Captain Cook) coffee producer/roaster and a member of the Kona Coffee Farmers Association, my business is in jeopardy due to competition with cheap blended coffee products using the Kona Brand or Hawaii regional identification when in it is mixed with high proportions of inferior coffee products. Consumers attribute the palatability of blended products to the name on the label such as Kona or Hawaiian when the blend they drink may only possess 10% by weight of the label stated coffee origin. Unknowingly, the consumer then relates the inferior coffee flavor not to the major contributor of the 10% Kona coffee product but to the label identification. If a coffee product uses an identity as Kona or Hawaiian, it should at the minimum, be composed of at least 51% of the brand on the packaging.

As coffee is the number 2 agricultural good exported from the state it is important for the economy of the State of Hawaii to foster and protect successful coffee enterprises that utilize Agricultural Land, provide opportunities for small business entrepreneurs, provide opportunities for allied businesses such as processors, roasters and coffee shops while creating a specialty prestige reputation product. Coffee is consumed by 62% of all Americans. Many drink coffee every day and the opportunity for growth of consumption of our local coffees is tremendous. Your continued support for a sustainable product developed in the State is urgently needed. Please continue to support **HB1517** the 51% initiative.

HB-1517

Submitted on: 1/31/2022 10:35:18 AM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Deniz Tek	Individual	Support	No

Comments:

Aloha, I am a Kona coffee farmer. We need protection of our heritage brand. Please support this bill to help stop fraudulent use of the Kona Coffee name. Protect our community, the local farmers and the consumers from false labeling. Mahalo.

HB-1517

Submitted on: 1/31/2022 12:18:31 PM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
shantee brown	Individual	Support	No

Comments:

i support HB1517. i recommend that the standards in this bill be expanded to all products with "made in hawai'i" labeling.

HB-1517

Submitted on: 1/31/2022 12:54:13 PM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Thomas Butler	Individual	Support	No

Comments:

To the Legislators of The AG. committee,

Please support us farmers by supporting this bill. It is a step in the right direction and we have been asking for your help for years.

Thank you,

Tom Butler

long time resident, coffee farmer and member of KCFA

HB-1517

Submitted on: 1/31/2022 3:52:24 PM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Maureen Datta	Individual	Support	No

Comments:

I support this bill.

HB-1517

Submitted on: 1/31/2022 3:59:42 PM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Saleh Azizi	Individual	Support	No

Comments:

For more than 30 years Hawaii has been the only region anywhere in the world to authorize the use of its geographic names (“Kona”, “Kau”, “Maui”) on labels of one of its specialty agricultural products with only 10% genuine content.

Using the Kona name (or the Ka’u or Maui or Kauai names) on packages containing 90% inexpensive imported coffee has damaged the reputation of Hawaii-Grown coffee with consumers.

In 2007 the Legislature made a factual finding that existing coffee blend labeling laws cause “consumer fraud and degrade the Kona coffee name.”

As indicated by analysis from the resource economist Marvin Feldman, 10% Kona “blends” reduce the income of the average Kona coffee farm by about \$20,000 per year.

Last fall the Hawaii County Council unanimously passed a resolution calling on the Legislature to enact a 51% minimum for coffee blends without further delay.

France requires sparkling wine be 100% from grapes grown in the Champagne region in order to use the word “Champagne” on the label; Idaho requires 100% of the potatoes in the package be grown in that state to use the name “Idaho Potatoes”; Vermont requires that 100% of the contents be from Vermont to label a product as “Vermont Maple Syrup”. While Hawaii coffee farmers would very much prefer our state to provide a similar 100% labeling law— 51% is a long overdue step in the right direction.

HB-1517

Submitted on: 1/31/2022 5:40:29 PM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Elizabeth Hansen	Individual	Support	No

Comments:

I am a registered voter in Hakalau HI 96710. Please support this bill. Mahalo.

HB-1517

Submitted on: 2/1/2022 9:23:29 AM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Reba Lopez	Individual	Support	No

Comments:

As president of the Haleakala Chapter of the Hawaii Farmers Union United, and a family farmer at Birds with Arms Farms, I would like to testify in support of this bill. Mahalo.

HB-1517

Submitted on: 2/2/2022 9:19:57 AM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Leo Obaldo	Hawaii Department of Agriculture	Comments	No

Comments:

I am available to answer questions on behalf of the Department of Agriculture.