

JAN 20 2023

A BILL FOR AN ACT

RELATING TO CONSUMER PROTECTION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that coffee is an
2 important agricultural crop of the State and a highly valued
3 commodity in Hawaii. However, despite the premium value of
4 Hawaii-grown coffee, the State has not protected the integrity
5 of the names of coffee origin regions, such as "Kona", "Ka'u", or
6 "Kauai". Instead, Hawaii's laws allow coffee blends that
7 contain only very small amounts of coffee beans from these
8 distinctive regions to use the name of those regions on
9 products, in a practice that deceives consumers and harms coffee
10 growers.

11 The legislature further finds that Hawaii requires that,
12 for coffee products, only ten per cent of the coffee must
13 originate in the geographic area indicated for that product to
14 use the geographic origin name on its label. Other
15 jurisdictions typically require that one hundred per cent of the
16 coffee must originate in the geographic area to protect the



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1 value, integrity, and reputation of that product and its
2 associated geographic origin name.

3 The legislature notes that a 2018 publication entitled
4 "Strengthening Sustainable Food Systems Through Geographical
5 Indications: An Analysis of Economic Impacts" by the Food and
6 Agriculture Organization of the United Nations and the European
7 Bank for Reconstruction and Development concluded, among other
8 things, that Kona coffee "does not enjoy any strong protection
9 of its name" from the State and, as a result, downstream
10 stakeholders, rather than farmers, "reap the economic benefits
11 of the fame of Kona."

12 The legislature additionally finds that despite existing
13 labeling laws that include specific requirements for font sizes
14 and disclosure of blend percentages, the simple inclusion of a
15 geographic origin name on a product effectively misleads
16 consumers into believing that the product is representative of
17 the specialty product of that region, even though, for example,
18 in a coffee blend that is ten per cent Kona coffee, the flavor
19 of the Kona coffee is undetectable at such low concentrations.
20 Consumers are then deceived into paying a premium for a "Hawaii"
21 product that does not represent the name on its label.



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1 Therefore, a change to the law is needed to protect consumers by
2 ensuring that minimum blend amounts allowed for coffee products
3 that bear geographic origin names constitute a majority of the
4 product from that geographic origin and are sufficient to ensure
5 that the product reflects the quality and character of the
6 region.

7 The purpose of this Act is to protect consumers by:

- 8 (1) Requiring disclosure on the label of coffee blends of
9 the respective geographic and regional origins and per
10 cent by weight of the blended coffees;
- 11 (2) Making it a violation of the coffee labeling law to
12 use a geographic origin in labeling or advertising for
13 roasted or instant coffee blends that contain less
14 than a certain percentage of coffee by weight from
15 that geographic origin, phased in to a minimum of
16 fifty-one per cent; and
- 17 (3) Prohibiting use of the term "All Hawaiian" in labeling
18 or advertising for roasted or instant coffee not
19 produced entirely from green coffee beans grown and
20 processed in Hawaii.



1 SECTION 2. Section 486-120.6, Hawaii Revised Statutes, is
2 amended by amending subsections (b) and (c) to read as follows:
3 "(b) A listing of the geographic origins of the various
4 Hawaii-grown coffees and the regional origins of the various
5 coffees not grown in Hawaii that are included in a blend [~~may~~]
6 shall be shown on the label. [~~If used, this~~] In place of
7 separate listings of regional origins of coffee not grown in
8 Hawaii in the blend, the list may include the words
9 "Foreign-Grown Coffee" followed by the per cent of the coffee by
10 weight in the blend. This list shall consist of the term
11 "Contains:", followed by, in descending order of per cent by
12 weight and separated by commas, the respective geographic origin
13 or regional origin of the various coffees in the blend [~~that the~~
14 manufacturer chooses to list]. Each geographic origin or
15 regional origin [~~may~~] shall be preceded by the per cent of
16 coffee by weight represented by that geographic origin or
17 regional origin, expressed as a number followed by the per cent
18 sign. The type size used for this list shall not [~~exceed~~] be
19 less than half that of the identity statement. This list shall
20 appear below the identity statement [~~, if included~~] on the front
21 panel of the label.



- 1 (c) It shall be a violation of this section to:
- 2 (1) Use the identity statement specified in subsection
- 3 (a)(1)(A) or similar terms in labeling or advertising
- 4 unless the package of roasted or instant coffee
- 5 contains one hundred per cent coffee from that one
- 6 geographic origin;
- 7 (2) Use a geographic origin in labeling or advertising,
- 8 including in conjunction with a coffee style or in any
- 9 other manner, if [~~the roasted or instant coffee~~
- 10 ~~contains less than ten per cent coffee by weight from~~
- 11 ~~that geographic origin;]~~:
- 12 (A) During the period from July 1, 2023, through
- 13 June 30, 2024, the roasted or instant coffee
- 14 contains less than twenty per cent coffee by
- 15 weight from that geographic origin;
- 16 (B) During the period from July 1, 2024, through
- 17 June 30, 2025, the roasted or instant coffee
- 18 contains less than thirty per cent coffee by
- 19 weight from that geographic origin; and



- 1 (C) On or after July 1, 2025, the roasted or instant
2 coffee contains less than fifty-one per cent
3 coffee by weight from that geographic origin;
- 4 (3) Use a geographic origin in labeling or advertising
5 roasted or instant coffee, including advertising in
6 conjunction with a coffee style or in any other
7 manner, without disclosing the percentage of coffee
8 used from that geographic origin as described in
9 subsection (a)(1)(B) and (a)(2);
- 10 (4) Use a geographic origin in labeling or advertising
11 roasted or instant coffee, including in conjunction
12 with a coffee style or in any other manner, if the
13 green coffee beans used in that roasted or instant
14 coffee do not meet the grade standard requirements of
15 rules adopted under chapter 147;
- 16 (5) Misrepresent, on a label or in advertising of a
17 roasted or instant coffee, the per cent coffee by
18 weight of any coffee from a geographic origin or
19 regional origin[+] as defined in this chapter;
- 20 (6) Use the term "All Hawaiian" on a label or in
21 advertising of a roasted or instant coffee if the



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1 roasted or instant coffee is not produced entirely
2 from green coffee beans [~~produced in geographic~~
3 ~~origins defined in this chapter;~~] grown and processed
4 in Hawaii;

5 (7) Use a geographic origin on the front label panel of a
6 package of roasted or instant coffee other than in the
7 trademark or in the identity statement as authorized
8 in subsection (a)(1) and (2) unless one hundred per
9 cent of the roasted or instant coffee contained in the
10 package is from that geographic origin;

11 (8) Use more than one trademark on a package of roasted or
12 instant coffee unless one hundred per cent of the
13 roasted or instant coffee contained in the package is
14 from that geographic origin specified by the
15 trademark;

16 (9) Use a trademark that begins with the name of a
17 geographic origin on a package of roasted or instant
18 coffee unless one hundred per cent of the roasted or
19 instant coffee contained in the package comes from
20 that geographic origin or the trademark ends with
21 words that indicate a business entity; or



1 (10) Print the identity statement required by subsection
2 (a) in a smaller font than that used for a trademark
3 that includes the name of a geographic origin pursuant
4 to paragraph (7) and in a location other than the
5 front label panel of a package of roasted or instant
6 coffee."

7 SECTION 3. Statutory material to be repealed is bracketed
8 and stricken. New statutory material is underscored.

9 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY:



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Report Title:

Consumer Protection; Coffee Labeling

Description:

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 fifty-one per cent after 7/1/2025. 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.

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