May 29, 2025

The Honorable Ronald D. Kouchi President of the Senate, and Members of the Senate Thirty-Third State Legislature State Capitol, Room 409 Honolulu, Hawai'i 96813 The Honorable Nadine Nakamura Speaker, and Members of the House of Representatives Thirty-Third State Legislature State Capitol, Room 431 Honolulu, Hawai'i 96813

Aloha President Kouchi, Speaker Nakamura, and Members of the Legislature:

This is to inform you that on May 29, 2025, the following bill was signed into law:

H.B. NO. 1291, H.D. 2,

RELATING TO AGRICULTURE.

S.D. 1, C.D. 1

ACT 126

Mahalo,

Josh Green, M.D.

Governor, State of Hawai'i

on MAY 2 9 2025

HOUSE OF REPRESENTATIVES THIRTY-THIRD LEGISLATURE, 2025 STATE OF HAWAII ACT 126
H.B. NO. H.D. 2
S.D. 1

A BILL FOR AN ACT

RELATING TO AGRICULTURE.

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

- 1 SECTION 1. The legislature finds that coffee is the
- 2 State's second most lucrative agricultural crop, valued by the
- 3 United States Department of Agriculture at up to \$64,300,000
- 4 annually, with additional upstream and downstream impacts that
- 5 include employment, land preservation, and tourism.
- 6 The legislature further finds that Hawaii-grown coffee is
- 7 among the highest priced coffee sold anywhere in the world,
- 8 largely due to the high cost of production and its reputation
- 9 for outstanding quality. As such, the State's coffee industry
- 10 is susceptible to fraud when less expensive coffees are falsely
- 11 labeled as originating from Hawaii. Currently, state law
- 12 imposes penalties for the false labeling (counterfeiting) of
- 13 Hawaii-grown coffee in cherry and parchment form, but the fraud
- 14 of coffee counterfeiting has been almost exclusively committed
- 15 in roasted coffee products. Coffee counterfeiting undermines
- 16 Hawaii's coffee farmers by misrepresenting an increase in
- 17 supply, thereby creating downward price pressure and value

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H.B. NO. 1291 H.D. 2 S.D. 1

- 1 depreciation in the marketplace. Additionally, further harm
- 2 occurs when inferior products are introduced into the supply
- 3 chain, thereby undermining Hawaii's hard-fought brand identity
- 4 for high quality crops.
- 5 Accordingly, the purpose of this Act is to deter coffee
- 6 counterfeiting by expanding the offense of false labeling of
- 7 Hawaii-grown coffee to include roasted coffee and enhancing the
- 8 penalties for the false labeling of Hawaii-grown coffee with
- 9 regard to its geographic origin through the imposition of a
- 10 mandatory minimum fine and specification that each act of false
- 11 labeling is a distinct and separate offense.
- 12 SECTION 2. Section 708-871.5, Hawaii Revised Statutes, is
- 13 amended to read as follows:
- "[+] \$708-871.5[+] False labeling of Hawaii-grown coffee.
- 15 (1) A person commits the offense of false labeling of
- 16 Hawaii-grown coffee if the person knowingly transports,
- 17 distributes, advertises, sells, or possesses with the intent to
- 18 sell Hawaii-grown green coffee, cherry coffee, [or] parchment
- 19 coffee, or roasted coffee that is falsely labeled with regard to
- 20 the geographic origin of the Hawaii-grown coffee.
- 21 (2) For the purposes of this section:

H.B. NO. H.D. 2 S.D. 1 C.D. 1

1	"Cherry coffee" means the unprocessed fruit of the coffee	
2	plant.	
3	"Geographic origin" means the geographic areas designated	
4	as follows:	
5	(a)	Hamakua is the Hamakua district on the island of
6		Hawaii, as designated by the State of Hawaii tax map;
7	(b)	Hawaii is the State of Hawaii;
8	(c)	Kau is the Kau district on the island of Hawaii, as
9		designated by the State of Hawaii tax map;
10	(d)	Kauai is the island of Kauai;
11	(e)	Kona is the north Kona and south Kona districts on the
12		island of Hawaii, as designated by the State of Hawaii
13		tax map;
14	(f)	Maui is the island of Maui;
15	(g)	Molokai is the island of Molokai; and
16	(h)	Oahu is the island of Oahu.
17	"Green coffee" means the agricultural commodity comprised	
18	of green	coffee beans.
19	"Parchment coffee" means the dried product that remains	

when coffee cherries are processed by removing the coffee seeds

from the pulp.

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H.B. NO. 1291 H.D. 2 S.D. 1

- 1 "Roasted coffee" means a product that results from heating
- 2 the cherry coffee seeds to augment aroma and flavor.
- 3 (3) False labeling of Hawaii-grown coffee is a class C
- 4 felony. In addition to any penalties imposed pursuant to
- 5 section 706-605, the court shall impose on any defendant
- 6 convicted of false labeling of Hawaii-grown coffee a mandatory
- 7 minimum fine of \$7,500 for each separate offense. Each act of
- 8 false labeling of Hawaii-grown coffee shall constitute a
- 9 distinct and separate offense. The mandatory minimum fine
- 10 imposed shall not be suspended or waived."
- 11 SECTION 3. This Act does not affect rights and duties that
- 12 matured, penalties that were incurred, and proceedings that were
- 13 begun before its effective date.
- 14 SECTION 4. Statutory material to be repealed is bracketed
- 15 and stricken. New statutory material is underscored.
- 16 SECTION 5. This Act shall take effect on July 1, 2025.

H.B. NO.

APPROVED this 29th day of May

, 2025

GOVERNOR OF THE STATE OF HAWAII

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: April 30, 2025 Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Third Legislature of the State of Hawaii, Regular Session of 2025.

Nadine K. Nakamura

Speaker

House of Representatives

W. L. , le

Mudeni K. Muhr

Brian L. Takeshita

Chief Clerk

House of Representatives

THE SENATE OF THE STATE OF HAWAI'I

Date: April 30, 2025 Honolulu, Hawai'i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-Third Legislature of the State of Hawai'i, Regular Session of 2025.

President of the Senate

Clerk of the Senate