

STAND. COM. REP. NO. **2574**

Honolulu, Hawaii

FEB 28 2014

RE: S.B. No. 2913
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Madam:

Your Committee on Judiciary and Labor, to which was referred
S.B. No. 2913 entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose and intent of this measure is to apply the
offense of false labeling of Hawaii-grown coffee to:

- (1) All Hawaii-grown coffee, rather than only Hawaii-grown
green coffee, cherry coffee, or parchment coffee; and
- (2) Any coffee that is mislabeled in regard to the grade
standard requirements of rules adopted under chapter
147, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure
from the Department of Agriculture; Hawaii Farm Bureau; Hawaii
Coffee Association; Hawaii Coffee Growers Association; Greenwell
Farms; Dole Waialua Estate Coffee and Chocolates; Kona Mountain
Coffee, LLC; and four individuals.

Your Committee finds that Act 328, Session Laws of Hawaii
2012, established stricter criminal penalties for falsely labeled
Hawaii-grown cherry, parchment, and green coffee with regard to
geographic origin. Unfortunately, the shortage of Hawaii-grown
coffee caused by the coffee berry borer has increased the
temptation to engage in coffee counterfeiting. Therefore, this
measure applies the offense of false labeling of Hawaii-grown



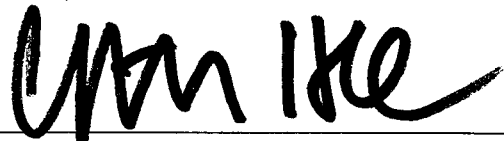
coffee to all types of Hawaii-grown coffee and specifies that the offense includes Hawaii-grown coffee that is falsely labeled with regard to the grade standard requirements.

Your Committee has amended this measure by adopting the language suggested by the Department of Agriculture to:

- (1) Reinstate language that applies the offense of false labeling of Hawaii-grown coffee to green coffee, cherry coffee, and parchment coffee and additionally applying the offense to false labeling of natural coffee, roasted coffee, and instant coffee;
- (2) Clarify that Hawaii-grown coffee may be falsely labeled with regard to geographic origin, grade standard classification, or use of geographic origin in the labeling of roasted or instant coffee if the green coffee beans used in the roasted or instant coffee do not meet grade standard classifications;
- (3) Reinstate the definitions of "cherry coffee", "green coffee", and "parchment coffee";
- (4) Add definitions of "instant coffee", "natural coffee", and "roasted coffee"; and
- (5) Make technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2913, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2913, S.D. 1.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary and
Labor,



CLAYTON HEE, Chair



The Senate
 Twenty-Seventh Legislature
 State of Hawai'i

Record of Votes
Committee on Judiciary and Labor
JDL

| | | | | |
|--|--|-------------------------|-----|----------|
| Bill / Resolution No.:* SB 2913 | Committee Referral: AGL/CPN, JDL | Date: 2/20/14 | | |
| <input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____ | | | | |
| The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313 | | | | |
| Members | Aye | Aye (WR) | Nay | Excused |
| HEE, Clayton (C) | ✓ | | | |
| SHIMABUKURO, Maile S.L. (VC) | ✓ | | | |
| GABBARD, Mike | ✓ | | | |
| GALUTERIA, Brickwood | | | | ✓ |
| IHARA, Jr., Les | ✓ | | | |
| SOLOMON, Malama | | | | ✓ |
| SLOM, Sam | | | | ✓ |
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| TOTAL | 4 | | | 3 |
| Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted | | | | |
| Chair's or Designee's Signature: | | | | |
| Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy | | | | |

*Only one measure per Record of Votes