A BILL FOR AN ACT

RELATING TO AGRICULTURE.

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

SECTION 1. The legislature finds that Hawaii-grown coffee is recognized for its high quality and aromatic flavor. Hawaii-grown coffee is held to a set of high quality standards, which makes it one of the most expensive coffees in the world. According to the National Agricultural Statistics Service of the United States Department of Agriculture, the estimated value of Hawaii-grown coffee in 2016 was $48,856,000.

To protect the Hawaii coffee industry from counterfeiting, the legislature in 2012 enacted Act 328, which established criminal penalties for Hawaii-grown cherry, parchment, and green coffee that is falsely labeled with regard to the geographic origin. However, in addition to the geographic origin, stricter enforcement on the labeling restrictions based on the quality of the coffee being sold is critical to prevent further counterfeiting of Hawaii's recognized high quality coffee. Furthermore, the criminal penalties for false labeling should
apply not only to cherry, parchment, and green coffee, but also to roasted coffee.

The purpose of this Act is to extend the offense of false labeling of Hawaii-grown coffee to include violations of grade standard requirements and all stages of coffee production.

SECTION 2. Section 708-871.5, Hawaii Revised Statutes, is amended to read as follows:

"[§]§708-871.5[+] False labeling of Hawaii-grown coffee.

(1) A person commits the offense of false labeling of Hawaii-grown coffee if the person knowingly transports, distributes, advertises, sells, or possesses with the intent to sell Hawaii-grown [green] coffee[—cherry coffee, or parchment coffee] that is falsely labeled with regard to the geographic origin of the Hawaii-grown coffee[+] or the grade standard requirements of rules adopted under chapter 147.

(2) For purposes of this section[+] "Cherry coffee" means the unprocessed fruit of the coffee plant.

"Geographic origin","geographic origin" means the geographic areas designated as follows:
(a) Hamakua is the Hamakua district on the island of Hawaii, as designated by the State of Hawaii tax map;
(b) Hawaii is the State of Hawaii;
(c) Kau is the Kau district on the island of Hawaii, as designated by the State of Hawaii tax map;
(d) Kauai is the island of Kauai;
(e) Kona is the north Kona and south Kona districts on the island of Hawaii, as designated by the State of Hawaii tax map;
(f) Maui is the island of Maui;
(g) Molokai is the island of Molokai; and
(h) Oahu is the island of Oahu.

["Green coffee" means the agricultural commodity comprised of green coffee beans. "Parchment coffee" means the dried product that remains when coffee cherries are processed by removing the coffee seeds from the pulp.]

(3) False labeling of Hawaii-grown coffee is a class C felony."
SECTION 3. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval.

INTRODUCED BY:

JAN 22 2019
Report Title:
Hawaii-Grown Coffee; False Labeling

Description:
Expands the offense of false labeling of Hawaii-grown coffee to include grade standard violations and all stages of production of Hawaii-grown coffee.

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