A BILL FOR AN ACT

RELATING TO COFFEE LABELING.

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

SECTION 1. The legislature finds that ready-to-drink coffee beverages and inner wrapping labels given, but not sold, to customers are not subject to the current statutory requirements for fair trade coffee labeling and advertising; these requirements only apply to "roasted" and "instant" coffee. The legislature also finds that these labeling and advertising requirements were primarily intended to resolve any consumer confusion and allow consumers to "make an enlightened choice," as stated in Act 289, Session Laws of Hawaii 1991. These statutory requirements ensure truthful representation of a coffee product's geographical origin, which protects consumers from fraud and deception in coffee labeling and advertising.

The purpose of this Act is to expand the coffee labeling and advertising requirements to include ready-to-drink coffee beverages and inner wrapping labels given to customers.

SECTION 2. Section 486-120.6, Hawaii Revised Statutes, is amended to read as follows:

SB HMS 2020-0165-1
"§486-120.6 Hawaii-grown [roasted-or-instant] coffee;

labeling or advertising requirements. (a) In addition to all other labeling requirements, the identity statement used for labeling or advertising roasted [e.g.] coffee, instant coffee, or ready-to-drink coffee beverages produced in whole or in part from Hawaii-grown green coffee beans shall meet the following requirements:

(1) For roasted [e.g.] coffee, instant coffee, or ready-to-drink coffee beverages that contain one hundred per cent Hawaii-grown coffee by weight the identity statement shall consist of either:

(A) The geographic origin of the Hawaii-grown coffee, in coffee consisting of beans from only one geographic origin, followed by the word "Coffee"; provided that the geographic origin may be immediately preceded by the term "100%"; or

(B) The per cent coffee by weight of one of the Hawaii-grown coffees, used in coffee consisting of beans from several geographic origins, followed by the geographic origin of the weight-
specified coffee and the terms "Coffee" and "All Hawaiian";

(2) For roasted coffee, instant coffee, or ready-to-drink coffee beverages consisting of a blend of one or more Hawaii-grown coffees and coffee not grown in Hawaii, the per cent coffee by weight of one of the Hawaii-grown coffees used in the blend, followed by the geographic origin of the weight-specified coffee and the term "Coffee Blend"; and

(3) Each word or character in the identity statement shall be of the same type size and shall be contiguous. The smallest letter or character of the identity statement on packages of sixteen ounces or less net weight shall be at least one and one-half times the type size required under federal law for the statement of net weight or three-sixteenths of an inch in height, whichever is smaller. The smallest letter or character of the identity statement on packages of greater than sixteen ounces net weight shall be at least one and one-half times the type size required under federal law for the statement of net weight.
The identity statement shall be conspicuously
displayed without any intervening material in a
position above the statement of net weight. Upper and
lower case letters may be used interchangeably in the
identity statement.

(b) A listing of the geographic origins of the various
Hawaii-grown coffees and the regional origins of the various
coffees not grown in Hawaii that are included in a blend may be
shown on the label. If used, this list shall consist of the
term "Contains:", followed by, in descending order of per cent
coffee by weight and separated by commas, the respective
geographic origin or regional origin of the various coffees in
the blend that the manufacturer chooses to list. Each
geographic origin or regional origin may be preceded by the per
cent [of] coffee by weight represented by that geographic origin
or regional origin, expressed as a number followed by the per
cent sign. The type size used for this list shall not exceed
half that of the identity statement. This list shall appear
below the identity statement, if included on the front panel of
the label.
(c) The requirements under subsections (a) and (b) shall apply to the labeling of any inner package or inner wrapping that includes any geographic origin of Hawaii-grown coffee, whether or not the inner package is intended to be individually sold.

(d) It shall be a violation of this section to:

(1) Use the identity statement specified in subsection (a)(1)(A) or similar terms in labeling or advertising unless the package of roasted coffee, instant coffee, or ready-to-drink coffee beverage contains one hundred per cent coffee by weight from that one geographic origin;

(2) Use a geographic origin in labeling or advertising, including in conjunction with a coffee style or in any other manner, if the roasted coffee, instant coffee, or ready-to-drink coffee beverage contains less than ten per cent coffee by weight from that geographic origin;

(3) Use a geographic origin in labeling or advertising roasted coffee, instant coffee, or ready-to-drink coffee beverages, including advertising in conjunction
with a coffee style or in any other manner, without disclosing the [percentage of] per cent coffee by weight used from that geographic origin as described in subsection (a)(1)(B) and (a)(2);

(4) Use a geographic origin in labeling or advertising roasted [coffee] coffee, instant coffee, or ready-to-drink coffee beverages, including in conjunction with a coffee style or in any other manner, if the green coffee beans used in that roasted [coffee] coffee, instant coffee, or ready-to-drink coffee beverage do not meet the grade standard requirements of rules adopted under chapter 147;

(5) Misrepresent, on a label or in advertising of [a] roasted [coffee] coffee, instant coffee, or ready-to-drink coffee beverages, the per cent coffee by weight of any coffee from a geographic origin or regional origin;

(6) Use the term "All Hawaiian" on a label or in advertising of [a] roasted [coffee] coffee, instant coffee, or ready-to-drink coffee beverages if [the] that roasted [coffee] coffee, instant coffee, or ready-to-drink coffee beverage is not produced entirely from
green coffee beans produced in geographic origins defined in this chapter;

(7) Use a geographic origin on the front label panel of a package of roasted [es] coffee, instant coffee, or ready-to-drink coffee beverage other than in the trademark or in the identity statement as authorized in subsection (a)(1) and (2) unless [one-hundred-per-cent-of] the roasted [es] instant coffee [contained in the package is], or ready-to-drink coffee beverage contains one hundred per cent coffee by weight from that geographic origin;

(8) Use more than one trademark on a package of roasted [es] coffee, instant coffee, or ready-to-drink coffee beverage unless [one-hundred-per-cent-of] the roasted [es] coffee, instant coffee [contained in the package is], or ready-to-drink coffee beverage contains one hundred per cent coffee by weight from that geographic origin specified by the trademark;

(9) Use a trademark that begins with the name of a geographic origin on a package of roasted [es] coffee, instant coffee, or ready-to-drink coffee beverage
unless [one hundred per cent of] the roasted [or] coffee, instant coffee [contained in the package] comes), or ready-to-drink coffee beverage contains one hundred per cent coffee by weight from that geographic origin or the trademark ends with words that indicate a business entity; or

(10) Print the identity statement required by subsection (a) in a smaller font than that used for a trademark that includes the name of a geographic origin pursuant to paragraph (7) and in a location other than the front label panel of a package of roasted [or] coffee, instant coffee[~], or ready-to-drink coffee beverage.

[10] (e) Roasters, manufacturers, or other persons who package roasted [or] coffee, instant coffee, or ready-to-drink coffee beverages covered by this section shall maintain, for a period of two years, records on the volume and geographic origin or regional origin of coffees purchased [and], sold, and used and any other records required by the department for the purpose of enforcing this section. Authorized employees of the department shall have access to these records during normal business hours.
For the purpose of this section:

"Geographic origin" means the names of the geographic regions in which Hawaii-grown green coffee beans are produced, as defined in rules adopted under chapter 147; provided that the term "Hawaiian" may be substituted for the geographic origin "Hawaii".

"Per cent coffee by weight" means the percentage calculated by dividing the weight in pounds of roasted green coffee beans of one geographic or regional origin used in a production run of roasted [✓] coffee, instant coffee, or ready-to-drink coffee beverage by the total weight in pounds of the roasted green coffee beans used in that production run of roasted [✓] coffee, instant coffee, or ready-to-drink coffee beverage, and multiplying the quotient by one hundred.

"Ready-to-drink coffee beverage" means a prepackaged beverage that consists of or includes coffee and that is sold in a prepared form that can be immediately consumed upon purchase."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.
SECTION 4. This Act shall take effect on July 1, 2021.

INTRODUCED BY: [Signature]

[Name]

[Signature]
Report Title:
Coffee; Labeling; Ready-to-Drink Coffee Beverages; Inner Wrapping Labels

Description:
Expands the coffee labeling and advertising requirements to include ready-to-drink coffee beverages and inner wrapping or packaging labels. Effective 7/1/2021.

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