
A BILL FOR AN ACT

RELATING TO AGRICULTURE.

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

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PART I

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SECTION 1. The legislature finds that coffee is one of the largest agricultural crops in the State and is a highly valued commodity in Hawaii's economy. In recent years, the coffee berry borer, a small beetle, has infested coffee crops in the Kona and Kau regions, and this infestation threatens the viability of Hawaii's entire coffee industry. The legislature also finds that ongoing efforts to control the coffee berry borer are critical, and the State must take immediate action to support these efforts.

The legislature also finds that application of the organic biological pesticide containing the fungus *Beauveria bassiana* is known to cause high mortality in the coffee berry borer, and is a primary method of pest control for the coffee berry borer in other coffee-growing regions of the world. Research shows that subsidizing the cost of pesticides is an effective and necessary incentive to encourage farmers to adopt recommended pest management strategies. In addition, outreach and education to



1 farmers is needed to ensure that farmers know how to properly
2 implement a pest management program and are aware of the
3 availability of the subsidy.

4 The purpose of this Act is to appropriate moneys for:

- 5 (1) Education and mitigation activities to combat the
6 coffee berry borer; and
- 7 (2) The development and implementation of a pesticide
8 subsidy program to assist coffee growers with
9 offsetting the cost of purchasing pesticides
10 containing *Beauveria bassiana*, a naturally occurring
11 fungus known to cause mortality in coffee berry
12 borers.

13 PART II

14 SECTION 2. There is appropriated out of the general
15 revenues of the State of Hawaii the sum of \$ or so
16 much thereof as may be necessary for fiscal year 2014-2015 for
17 education and mitigation activities to combat the coffee berry
18 borer.

19 The sum appropriated shall be expended by the college of
20 tropical agriculture and human resources at the University of
21 Hawaii for the purposes of this Act.



1 SECTION 3. The appropriation made under section 2 shall
2 not lapse at the end of the fiscal biennium for which the
3 appropriation is made; provided that all moneys from the
4 appropriation unencumbered as of June 30, 2016, shall lapse as
5 of that date.

6 PART III

7 SECTION 4. Section 149A-13.5, Hawaii Revised Statutes, is
8 amended by amending subsections (a) and (b) to read as follows:

9 "(a) There is established within the treasury of the
10 State, a pesticide use revolving fund. The fund shall be
11 administered by the department for the purposes of this section.
12 The fund shall consist of:

- 13 (1) Licensing and registration fees and charges collected
14 by the department under section 149A-13(b); [and]
15 (2) All fees collected by the department through the
16 collection of training fees in accordance with
17 subsection (c) [-]; and
18 (3) Funds appropriated for the pesticide subsidy program
19 established under Act , Session Laws of Hawaii
20 2014.

21 (b) Moneys in the pesticide use revolving fund shall be
22 expended by the department to support the pesticide program's



1 registration and licensing, certification and education, and
2 compliance monitoring activities. The department shall also
3 expend revolving fund moneys on the establishment of pesticide
4 training workshops, educational programs, development of
5 integrated pest management strategies, the pesticide subsidy
6 program created under Act , Session Laws of Hawaii 2014, and
7 other services for pesticide users such as the agricultural pest
8 control industry, the structural pest control industry, and
9 consumer users of pesticides, which provide pesticide
10 instruction in areas including the collection, disposal, and
11 recycling of pesticide containers and all other pesticide
12 services deemed necessary by the department. Moneys from the
13 revolving fund may be used for personnel, services, materials,
14 and equipment for the purposes of this section.

15 Moneys expended by the department from the pesticide use
16 revolving fund for training workshops, educational programs, and
17 other services for the agricultural pest control industry, the
18 structural pest control industry, and consumer groups shall be
19 expended in a manner that appropriately addresses the needs of
20 each category of pesticide user."

21 SECTION 5. (a) There is established in the department of
22 agriculture a pesticide subsidy program to be administered by



1 the department for five years beginning on July 1, 2014, and
2 ending on June 30, 2019. The department shall grant subsidies
3 to coffee growers to assist them in offsetting the costs of
4 purchasing any pesticide that is listed by the department
5 pursuant to subsection (f).

6 (b) Applications for subsidies by coffee growers shall be
7 submitted on a form furnished by the department and shall be
8 filed with accompanying documentation of the costs of purchasing
9 the pesticide; provided that:

10 (1) The applicant shall indemnify and hold harmless the
11 State and its officers, agents, and employees from all
12 claims arising out of or resulting from the pesticide
13 purchased; and

14 (2) The department may request an applicant to provide
15 necessary information for the purposes of verifying
16 the size or sale weight, as applicable, and amount of
17 the pesticide purchased.

18 (c) Documentation of pesticide costs, as requested by the
19 department, shall be filed for pesticides purchased within the
20 immediate preceding fiscal year of filing and shall be effective
21 for pesticide costs incurred after June 30, 2014, and before
22 July 1, 2019.



1 (d) Funds shall be disbursed from the pesticide use
2 revolving fund established under section 149A-13.5, Hawaii
3 Revised Statutes, upon approval on an annual basis by the
4 department to the coffee grower for up to seventy-five per cent
5 of the costs incurred for the purchase of the pesticide before
6 July 1, 2016, and for up to 50 per cent of the costs incurred
7 after June 30, 2016, and before July 1, 2019.

8 (e) The department shall aggregate the total subsidy
9 applications pursuant to this section and divide and distribute
10 the available subsidy funds on a pro rata basis; provided that
11 no single coffee producer shall receive subsidies that aggregate
12 to more than \$9,000 per year, or more than \$600 per year per
13 acre of land in coffee production.

14 (f) The department shall establish a list of pesticides
15 that are registered with the Environmental Protection Agency and
16 are licensed with the State that contain *Beauveria bassiana*, a
17 fungus known to eradicate the coffee berry borer, as an active
18 ingredient.

19 (g) Not later than twenty days prior to the convening of
20 the regular session of 2019, the department shall submit a
21 report of its findings and recommendations, including any
22 proposed legislation, to the legislature on the results of the

1 subsidy program and whether the program should be allowed to
2 expire or be extended, and if extended, with or without
3 modification.

4 (h) Actions taken by the department pursuant to this
5 section shall be exempt from the rulemaking requirements of
6 section 91-3, Hawaii Revised Statutes.

7 SECTION 6. There is appropriated out of the general
8 revenues of the State of Hawaii the sum of \$ or so
9 much thereof as may be necessary for fiscal year 2014-2015 for
10 deposit into the pesticide use revolving fund established under
11 section 149A-13.5, Hawaii Revised Statutes.

12 There is appropriated out of the pesticide use revolving
13 fund the sum of \$ or so much thereof as may be
14 necessary for fiscal year 2014-2015 for the department of
15 agriculture to develop, operate, and implement a pesticide
16 subsidy program established under section 5 of this Act;
17 provided that the department of agriculture may expend up to
18 \$50,000 to hire one temporary program specialist for the
19 pesticide subsidy program.

20 The sum appropriated shall be expended by the department of
21 agriculture for the purposes of this Act.



PART IV

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

4 SECTION 8. This Act shall take effect on July 1, 2030;
5 provided that section 5 shall be repealed on June 30, 2019;
6 provided further that the amendment made to section 149A-
7 13.5(b), Hawaii Revised Statutes, under section 4 of this Act
8 shall not be repealed when section 149A-13.5(b) is repealed and
9 reenacted on June 30, 2015, by section 4 of Act 168, Session
10 Laws of Hawaii 2010.

Report Title:

Coffee Berry Borer; Appropriations; Subsidy Program

Description:

Appropriates moneys for mitigation of, and education relating to, the coffee berry borer. Establishes a pesticide subsidy program until June 30, 2019, for the purchase of pesticides containing *Beauveria bassiana* to combat the coffee berry borer. Effective 7/1/2030. (SD2)

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