## HOUSE OF REPRESENTATIVES TWENTY-SEVENTH LEGISLATURE, 2014 STATE OF HAWAII

# A BILL FOR AN ACT

1514

H.D. 1

S.D. 2

C.D. 1

H.B. NO.

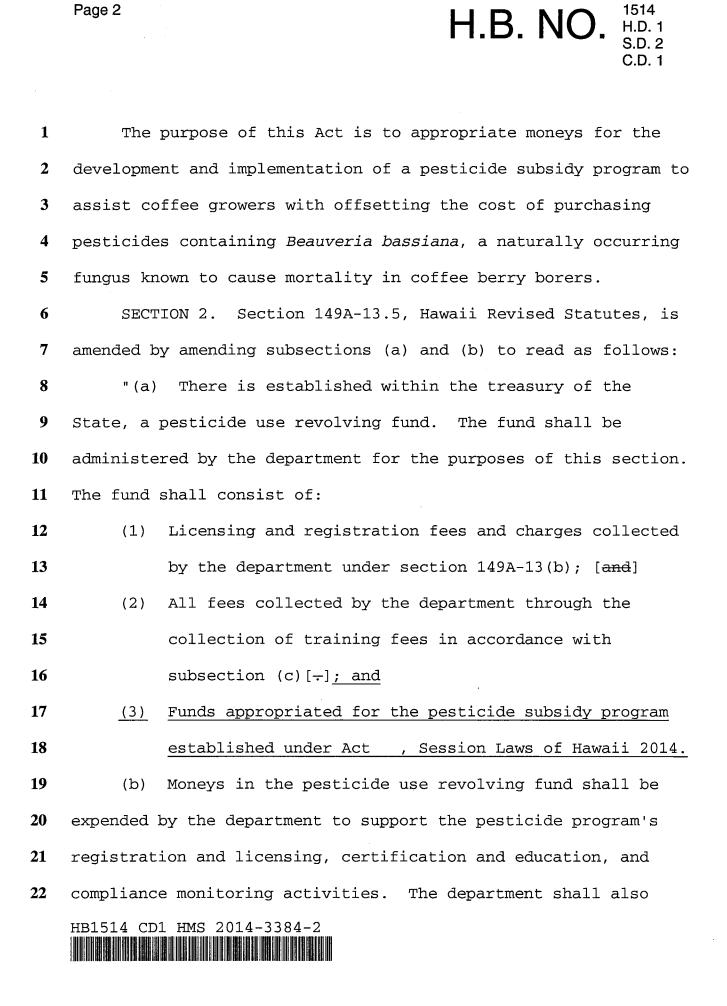
RELATING TO AGRICULTURE.

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

1 SECTION 1. The legislature finds that coffee is one of the 2 largest agricultural crops in the State and is a highly valued 3 commodity in Hawaii's economy. In recent years, the coffee 4 berry borer, a small beetle, has infested coffee crops in the 5 Kona and Kau regions, and this infestation threatens the 6 viability of Hawaii's entire coffee industry. The legislature 7 also finds that ongoing efforts to control the coffee berry borer are critical, and the State must take immediate action to 8. 9 support these efforts.

10 The legislature also finds that application of the organic 11 biological pesticide containing the fungus Beauveria bassiana is 12 known to cause high mortality in the coffee berry borer, and is 13 a primary method of pest control for the coffee berry borer in 14 other coffee-growing regions of the world. Research shows that 15 subsidizing the cost of pesticides is an effective and necessary 16 incentive to encourage farmers to adopt recommended pest 17 management strategies.





H.B. NO. <sup>1514</sup> H.D. 1 S.D. 2 C.D. 1

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

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

19 SECTION 3. (a) There is established in the department of 20 agriculture a pesticide subsidy program to be administered by 21 the department for five years beginning on July 1, 2014, and 22 ending on June 30, 2019. The department shall grant subsidies HB1514 CD1 HMS 2014-3384-2 HB1514 CD1 HMS 2014-3384-2

Page 4



1 to coffee growers to assist them in offsetting the costs of 2 purchasing any pesticide that is listed by the department 3 pursuant to subsection (f).

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

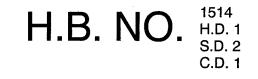
8 (1) The applicant shall indemnify and hold harmless the
9 State and its officers, agents, and employees from all
10 claims arising out of or resulting from the pesticide
11 purchased; and

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

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

(d) Funds shall be disbursed from the pesticide use
revolving fund established under section 149A-13.5, Hawaii





Revised Statutes, upon approval on an annual basis by the
 department to the coffee grower for up to seventy-five per cent
 of the costs incurred for the purchase of the pesticide before
 July 1, 2016, and for up to fifty per cent of the costs incurred
 after June 30, 2016, and before July 1, 2019.

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

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

(g) Not later than twenty days prior to the convening of
the regular session of 2019, the department shall submit a
report of its findings and recommendations, including any
proposed legislation, to the legislature on the results of the
subsidy program and whether the program should be allowed to
HB1514 CD1 HMS 2014-3384-2



Page 6

expire or be extended, and if extended, with or without
 modification.

1514 H.D. 1

H.B. NO.

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

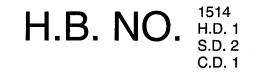
6 SECTION 4. There is appropriated out of the general
7 revenues of the State of Hawaii the sum of \$500,000 or so much
8 thereof as may be necessary for fiscal year 2014-2015 for
9 deposit into the pesticide use revolving fund established under
10 section 149A-13.5, Hawaii Revised Statutes.

11 There is appropriated out of the pesticide use revolving 12 fund the sum of \$500,000 or so much thereof as may be necessary 13 for fiscal year 2014-2015 for the department of agriculture to 14 develop, operate, and implement a pesticide subsidy program 15 established under section 3 of this Act; provided that the 16 department of agriculture may expend up to \$50,000 to hire one 17 temporary program specialist for the pesticide subsidy program. 18 The sum appropriated shall be expended by the department of 19 agriculture for the purposes of this Act.

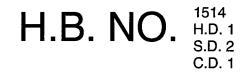
20 SECTION 5. Statutory material to be repealed is bracketed21 and stricken. New statutory material is underscored.



HB1514 CD1 HMS 2014-3384-2



SECTION 6. This Act shall take effect on July 1, 2014;
 provided that section 3 shall be repealed on June 30, 2019;
 provided further that the amendment made to section 149A 13.5(b), Hawaii Revised Statutes, under section 2 of this Act
 shall not be repealed when section 149A-13.5(b), Hawaii Revised
 Statutes, is repealed and reenacted on June 30, 2015, by section
 4 of Act 168, Session Laws of Hawaii 2010.



# Report Title:

Coffee Berry Borer; Appropriations; Subsidy Program

#### Description:

Establishes a Pesticide Subsidy Program until June 30, 2019, for the purchase of pesticides containing *Beauveria bassiana* to combat the coffee berry borer. (HB1514 CD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

