JOSH GREEN Lt. Governor



PHYLLIS SHIMABUKURO-GEISER
Acting Chairperson
Board of Agriculture

### State of Hawaii **DEPARTMENT OF AGRICULTURE**

1428 South King Street Honolulu, Hawaii 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613

# TESTIMONY OF THE DEPARTMENT OF AGRICULTURE BEFORE THE HOUSE COMMITTEE ON JUDICIARY

FEBRUARY 12, 2019 4:00 P.M. CONFERENCE ROOM 325

## HOUSE BILL NO. 1103 HD1 RELATING TO THE PESTICIDE SUBSIDY PROGRAM

Chairperson Lee and Members of the Committee:

Thank you for the opportunity to testify on House Bill 1103 HD1, relating to the Pesticide Subsidy Program. This bill will appropriate money to the Hawaii Department of Agriculture to continue the pesticide subsidy program established under Act 105, Session Laws of Hawaii 2014. The funds will be used towards assisting coffee farmers on Hawaii Island, Maui, and Oahu to control the coffee berry borer and mitigate the damage it causes to the coffee beans. The Department supports the intent of this measure and offers comments.

Invasive species are a primary threat to Hawaii's agriculture and economy. The coffee berry borer is a significant coffee pest in Hawaii and the world. The additional funds will allow the Department to continue to support coffee farmers through the duration of the program. We ask that the appropriation come from the general fund rather than the special fund identified.

Thank you for the opportunity to submit testimony.



<u>HB-1103-HD-1</u> Submitted on: 2/10/2019 8:08:15 AM

Testimony for JUD on 2/12/2019 4:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Alla Kostenko	Ka'u Mountain Farm	Support	Yes

Comments:



P.O. Box 253, Kunia, Hawai'i 96759 Phone: (808) 848-2074; Fax: (808) 848-1921 e-mail info@hfbf.org; www.hfbf.org

## HEARING BEFORE THE HOUSE COMMITTEE ON JUDICIARY



## TESTIMONY ON HB 1103, HD1 RELATING TO THE PESTICIDE SUBSIDY PROGRAM

Room 325 4:00 PM

Aloha Chair Lee, Vice Chair San Buenaventura, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,900 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interests of our diverse agricultural community.

The Hawaii Farm Bureau supports HB 1103, HD1, which appropriates funds to the Department of Agriculture for the pesticide subsidy program

Coffee is one of Hawaii's signature crops; one that helps bring fame and tourists to Hawaii. Coffee Berry Borer (CBB) threatens the entire Hawaiian coffee industry. While the full tally is yet to be made, farms on Hawaii Island have experienced deep losses. Some have failed. Moreover, large quantities of coffee have been downgraded due to insect damage, reducing the value of the remaining crop. CBB is a serious threat to Hawaii's agriculture industry and the state's economy. While CBB is battled worldwide, no other coffee growing origin shares Hawaii's high labor costs and restrictions on pesticides that may be used elsewhere to fight this destructive pest. This places the industry at a competitive disadvantage when compared to the rest of the coffee-growing world.

Fighting CBB is a priority in other coffee-producing countries. The USDA has expressed its support targeted toward research, education and mitigation. The industry's response has been immediate and multi-faceted. A non-profit CBB task force has been formed, including growers, processors, HDOA, UH, USDA and county government. CTAHR and HDOA have been responsive and effective in their combined efforts. Industry has committed countless private sector dollars and has leveraged both State and Federal funds. The State must continue to do its part.

A recent CTAHR economic analysis estimates FY2013 crop losses due to CBB at \$7.68 million, with a resultant \$571,000 annual loss in state tax revenues. The extension of the

CBB Pesticide Subsidy Program should be viewed as a modest investment one of the state's largest and most important agricultural industries.

Thank you for the opportunity to testify on this measure of great importance.



PO Box 168, Kealakekua, HI 96750 808-929-9550

#### **COMMITTEE ON JUDICIARY**

February 12, 2019 4:00 p.m. Conference Room 325

**RE: Testimony in Support of HB 1103 HD1** 

Aloha Chair Lee, Vice Chair Buenaventura and members of the Committee,

I am Chris Manfredi, President of Hawaii Coffee Association.

The Hawaii Coffee Association's (HCA) mission is to represent all sectors of the Hawaiian coffee industry, including growers, millers, wholesalers, roasters and retailers located throughout the State of Hawaii. The HCA's primary objective is to increase awareness and consumption of Hawaiian coffees. A major component of HCA's work is the continuing education of members and consumers.

The HCA strongly supports HB 1103 HD1. The Hawaiian green coffee industry is valued at more than \$62MM by USDA - not accounting for retail sales. The advent of Coffee Berry Borer (CBB) in Hawaii has threatened our industry to its core. Working together with commodity groups, HDOA, UHCTAHR, USDA, Hawaii Farm Bureau, SHAC, CBB Task Force, lawmakers, administrators, countless volunteers and stakeholders, together, we averted the collapse of Hawaiian coffee - one of Hawaii's signature crops.

The recent discovery of CBB on Maui is alarming to many of our members. Were it not for the support of the legislature via HDOA Pesticide Subsidy Program aimed at controlling Coffee Berry Borer, many more farms would have failed - with resulting unemployment, loss of revenue and potentially becoming a burden to the state. Moreover, abandoned farms act a reservoir for the pest, affecting neighboring farms, reducing crop yields and increasing the cost of control. HB1103 HD 1 represents a modest investment in the Hawaiian Coffee Industry - one that also contributes to tourism.

The cost of production of coffee in Hawaii is generally much higher than any other coffee growing region. The high cost of land, labor, transportation, farm inputs, and regulatory compliance place Hawaii's producers at a competitive disadvantage to our counterparts located beyond our shores. In many instances the cost of CBB management is far less expensive. While we are working as an industry to effect meaningful change in this area, the HDOA subsidy program helps level the playing field for Hawaii's producers.

**Thank you for your support of HB 1103 HD1** and for the opportunity to testify on this important measure.

<u>HB-1103-HD-1</u> Submitted on: 2/10/2019 8:59:24 AM

Testimony for JUD on 2/12/2019 4:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Lorie Obra	Rusty's Hawaiian LLC	Support	No

Comments:

Submitted on: 2/10/2019 1:23:43 PM

Testimony for JUD on 2/12/2019 4:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
David Gridley	Maui Coffee Association	Support	No	

#### Comments:

Hawaiian Coffee Farmers need the support of the State of Hawaii to help fight the stubborn CBB pest!

Submitted on: 2/10/2019 2:27:14 PM

Testimony for JUD on 2/12/2019 4:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Joseph Kohn MD	We Are One, Inc www.WeAreOne.cc - WAO	Oppose	No

#### Comments:

Strongly oppose state subsidies for use of pesticides. Modern sustainable farming methods could be as effective and much less toxic.

There is no rational reason to pollute our own environment or destroy ecosystems. www.WeAreOne.cc

<u>HB-1103-HD-1</u> Submitted on: 2/11/2019 8:13:12 AM

Testimony for JUD on 2/12/2019 4:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
David Bateman	Hawaii Coffee Association	Support	No

Comments:



**RE: Support for HB1103**RELATING TO PESTICIDE SUBSIDY PROGRAM HDOA, Pesticide Use Revolving Fund

Aloha Legislators,

The Kona Coffee Farmers Association stands in support of this Bill. We represent over 200 farms in the Kona districts and our mission is to protect the economic interests of our growers.

The coffee berry borer (CBB) is a devastating invasive pest that continues to spread around the state. Economically, many smaller farms struggle to keep up with the cost burdens that CBB has introduced. This subsidy increases the participation of growers in pest management and has made control much more effective regionally. By lowering the cost of the product, more growers are likely to treat the pest, and the overall quality of the crop increases.

My family has three generations who farm coffee and we support ourselves on 100% Kona. Thank you for considering support to this bill. Your attention makes a difference in the lives of hundreds of farmers.

Mahalo nui loa!

Suzanne Shriner

President

Submitted on: 2/11/2019 9:50:45 AM

Testimony for JUD on 2/12/2019 4:00:00 PM

	Submitted By	Organization	Testifier Position	Present at Hearing	
ſ	Jean Orlowski	Hala Tree	Support	No	

#### Comments:

Managing CBB is a additional cost for the farmers. I support the subsidy to :

- Reduce the cost of spraying against CBB
- Help farmers to spray more to improve the quality of the Koan coffee we are producing.

Thank you

Submitted on: 2/11/2019 10:02:20 AM

Testimony for JUD on 2/12/2019 4:00:00 PM

 Submitted By	Organization	Testifier Position	Present at Hearing
Alan Wells	Konalicious Organic Coffee	Support	No

#### Comments:

We support this bill. Profit margins for coffee farmers, especially for organic coffee farmers, are very small, and the subsidies are important for allowing us to continue in business. Thank you.

<u>HB-1103-HD-1</u> Submitted on: 2/11/2019 3:56:30 PM

Testimony for JUD on 2/12/2019 4:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i	Support	No

Comments:

Submitted on: 2/11/2019 1:17:48 PM

Testimony for JUD on 2/12/2019 4:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Lee Sugai	Sugaikonacoffee	Support	No

#### Comments:

My name is Lee Sugai and I own Sugai Kona Coffee. I am a Kona coffee farmer and a member of KCFA. I strongly support this bill. Without this subsidy, it would be impossible to afford to spray for CBB and I would lose my Kona coffee crop to insect damage. This would put me out of business.

Submitted on: 2/11/2019 1:16:13 PM

Testimony for JUD on 2/12/2019 4:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Mark Shultise	LavaRock Farm	Support	No	

#### Comments:

I support this bill as many of us cannot afford the spray on our own.

I own my own coffee farm, am responsible for another coffee farm and I am a Kona Coffee Farmers Association founding member.

Aloha Chair Creagan and Members of the House Agriculture Committee:

As a small coffee farmer on the Big Island, and member of the Kona Coffee Farmers Association, I am submitting this written testimony in support of the Hawaii Department of Agriculture's HB1103. Our company owns and maintains two coffee farms and sells only single estate 100% Kona coffee. We believe that Kona coffee is arguably the best coffee in the world. HB1103 is crucial for the survival of all Hawaiian coffee farmers as the plague of the Coffee Berry Borer will destroy ALL coffee if left unchecked. As the prices of Botanigard and similar products are quite high, this takes a toll on small and large farms alike.

We spend not only an enormous amount of money on Botanigard, but time and labor costs as well. The subsidy program allows us to recuperate at least some of these costs to reinvest in other areas of the coffee process. Not passing HB1103 would be a disservice to ALL coffee farmers in Hawaii.

### Hawaii's coffee farmers ask for you to vote for HB1103.

Thank you for your support.

Sincerely,

T. Michael Gomes Vice President of Operations, Absolutely! Kona Coffee www.absolutely.kona.com Absolute Palate, LLC (808) 322-0652 78-7007 Mana Opelu Lane Holualoa, HI 96725

<u>HB-1103-HD-1</u> Submitted on: 2/11/2019 2:47:15 PM

Testimony for JUD on 2/12/2019 4:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Thomas Greenwell	Greenwell Farms Inc	Support	No	

#### Comments:

I humbly request your support for HB1103.

Submitted on: 2/11/2019 5:25:27 PM

Testimony for JUD on 2/12/2019 4:00:00 PM



Submitted By	Organization	Testifier Position	Present at Hearing
Colehour Bondera	KANALANI OHANA FARM	Support	No

#### Comments:

Aloha Chair and Committee Members:

Please approve the appropriation of funds for this program which is vital for the many small-scale coffee farmers in Kona to ensure that they are helping themselves and their neighbors by applying the fungus that is subsidized in order to controll the CBB pest.

As an organic small-scale farmer, our farm, like many others, would not use enough of this product if we did not have a subsidy helping with costs.

Yours,

Colehour Bondera

KANALANI OHANA FARM

Submitted on: 2/11/2019 9:48:30 PM

Testimony for JUD on 2/12/2019 4:00:00 PM



Submitted By	Organization	Testifier Position	Present at Hearing
james Kimo Falconer	Hawaii Coffee Growers Assn.	Support	No

#### Comments:

On behalf of the HCGA, which represents over 70% of the growing coffee acreage in the State, I ask you to support HB1103. This continued support for battling this pest has been invaluable for the industry. This is especially important for the areas in the State where CBB has newly established itself such as Maui. These growers need help adjusting their practices to fight this and helping with this abrupt cost lessens the hardship.

Mahalo for your consideration.

James 'Kimo' Falconer, President

Hawaii Coffee Growers Association



<u>HB-1103-HD-1</u> Submitted on: 2/11/2019 11:19:38 PM

Testimony for JUD on 2/12/2019 4:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Dale Sandlin	Hawaii Cattlemens Council	Support	No

Comments:

Submitted on: 2/12/2019 4:00:09 PM

Testimony for JUD on 2/12/2019 4:00:00 PM



Submitted By	Organization	Testifier Position	Present at Hearing	
Stephen Braund	Braund Farms	Support	No	

#### Comments:

I hae been a Kona coffee farmer since 1985 and am a long time member of the Kona Coffee Farmers Association as well as the Kona Coffee Council. I support HD 1103 which provides Beauveria funding through 2021 which is highly beneficial to coffee farms trying to control CBB. This assistance reduces my costs significantly to purchase the espensive Botanigard, encourages me to spray more often, and thus reduces damage to my coffee as well as my neighbor's coffee. Please pass this bill! Thank you.

Submitted on: 2/11/2019 8:34:24 AM

Testimony for JUD on 2/12/2019 4:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Franz Weber	Individual	Support	No

#### Comments:

I am a member of the Kona Coffee Farmers Association and support this bill to assist with fighting the Coffee Borer

Submitted on: 2/11/2019 8:50:36 AM

Testimony for JUD on 2/12/2019 4:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Cecelia Smith	Individual	Support	No	1

#### Comments:

I would like to urge you to support this and fund the CBB Subsidy program. The cost support has assisted our farm and many others in combating CBB. Growers are able to reduce their costs significantly, and are more likely to spray often, reducing damage for themselves and their neighbors. **Please support HB1103.** 

Mahalo Cecelia Smith www.smithfarms.com Honaunau mauka

Submitted on: 2/11/2019 10:07:26 AM

Testimony for JUD on 2/12/2019 4:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Gail Pressnall	Individual	Support	No

#### Comments:

Hawaii's coffee industry is important. Coffee makes up the second largest worlwide market, only exceeded by oil. The cost of growing coffee in Hawaii is high. If Hawaiian farmers are to compete in this market, and to maintain and grow this vital industry, they need help to face such challenges as the coffee borer beetle. The cost of subsidising pest control for CBB is small compared to the loss of income that would result from doing nothing. I join with many other in urging the passage of this bill.

Gail Pressnall, Captain Cook

<u>HB-1103-HD-1</u> Submitted on: 2/11/2019 10:47:25 AM

Testimony for JUD on 2/12/2019 4:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Donna Woolley	Individual	Support	No

Comments:

Submitted on: 2/11/2019 10:30:24 AM

Testimony for JUD on 2/12/2019 4:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Peter Goulding	Individual	Support	No	

#### Comments:

I am a small coffee farmer in Kailua-Kona on the Big Island and a member of Kona Coffee Farmers association. I support HB1103 because it encourages farmers to control CBB by reducing their costs to spray, encouraging farmers to spray more often, reducing damage to coffee crops. I recently sampled my trees and found 10% CBB in my beans. I need to spray and count on this subsidy to reduce my costs.

Thank you

Pete Goulding

Submitted on: 2/11/2019 10:57:02 AM

Testimony for JUD on 2/12/2019 4:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Judy	Individual	Support	No	

#### Comments:

As a KCFA member and a small coffee farm owner, please pass this bill. We need help to fight the CBB and the cost to do this is very expensive. Thank you for supporting the coffee farmers.

<u>HB-1103-HD-1</u> Submitted on: 2/11/2019 12:12:49 PM

Testimony for JUD on 2/12/2019 4:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Bob Smith	Individual	Support	No

Comments:

Submitted on: 2/11/2019 1:24:18 PM

Testimony for JUD on 2/12/2019 4:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
KATHLEEN DIXON	Individual	Support	No	

#### Comments:

I am a small Kona coffee farmer and a member of Kona Coffee Farmers Association.

I strongly support this bill. It is very expensive to spray Botanigaurd to minimize CBB insect damage to my Kona coffee crop. Without this subsidy, I would not be able to protect my crop.

Aloha,

My husband and I have been growing and selling Kona coffee for 20 years near the village of Holualoa. The coffee berry borer has added significantly to the cost of producing our coffee. We have participated in the HDOA subsidy program since it was established and it has been very beneficial. We are concerned that if the program is not continued, costs would be such that we would not be able to spray Botanigard as frequently as is necessary to control the pest.

Along with other KCFA members we strongly support this bill.

Clare Wilson Huahua Farm

Submitted on: 2/11/2019 3:01:17 PM

Testimony for JUD on 2/12/2019 4:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
randal merrick	Individual	Support	No

#### Comments:

#### Aloha

My wife, Cheryl, and I are small scale coffee farmers in South Kona and proud members of the Kona Coffee Farmers Association. We work hard to control the population of coffee berry borer beetle that has infested our area. For instance we recently strip picked all remaining berrys from last seasons crop and removed all that may have fallen to the ground we could find and disposed of them in order to eliminate any beetles within.

The beauveria subsidy program has been a boon to us and enabled us to spray as often as needed throughout the year. Many small Kona coffee farmers are retired on a fixed income and without this subsidy may not be able to spray as often as they should. That allows the beetle to find safe havens and then fly with the wind to a new home on the neighbors property as they mature.

Please continue funding this subsidy and we will continue working hard attempting to control this invasive specie.

mahalo, randal merrick

Submitted on: 2/11/2019 2:11:49 PM

Testimony for JUD on 2/12/2019 4:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Janelle Gomes	Individual	Support	No	

#### Comments:

To whom it may concern

I (Janelle E. Gomes) am a small Kona Coffee Farmer and KCFA Member. The amount of monies we spend each year on fighting off or at least controlling the Coffee Berry Borer is astronomical. The Subsidy money helps us coffee farmers especially the small coffee farms, like ourself, off set the cost of the Botanigard used each year to control the beetle. Without the subsidy monies we would not be able to spay as much as is recommended and the damage done to the crop would be devastating. In the past the money received has helped us keep up on the CBB. It is a huge help for the farmers.

Mahalo

Janelle E Gomes

Submitted on: 2/11/2019 3:37:12 PM

Testimony for JUD on 2/12/2019 4:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Cynthia Maryanoff	Individual	Support	No

#### Comments:

Dear Representatives,

Please represent Hawaii small farm coffee growers and support HB1103 to provide \$350,000 in Beauveria funding through 2021. The cost support has assisted our farm as well as many small farms in combating CBB. We reached 3% this year! WOW! THANKYOU so much for that support! We never would have reached that level if we did not have the subsidy help!

But the beetles are still here!! And there are vacant parcels with wild coffee trees that have **HUGE** numbers of beetles. Some growers, like us, have to spray even more often on our borders where the next leased property is fallow and infested.

There is feral coffee along roadsides and car/truck traffic can help continually spread the beetle!

The cost of Botanigard is still VERY high and it is a financial BURDEN many small farmers **cannot** assume on their own and their crops [and certainly the future of KONA COFFEE] will be at risk.

In general, **because of past help from the state of HI**, growers were able to reduce their costs significantly, and did spray often, reducing damage for themselves and their neighbors.

My husband and I own two small Kona coffee farms. The trees are dry-farmed (i.e., not irrigated). WE hand pick the coffee cherry and process it. We exclusively custom-roast in small batches with a fluidized-bed air roaster. We work HARD! We appreciate the state of HI help!

We thank you for your past support, especially with the CBB problems.

Please continue to support small farms in Hawaii and support this HB1103.

We are member of the Kona Coffee Farmers Association.

Please support HB1103 to provide \$350,000 in Beauveria funding through 2021.

Sincerely

Cynthia A Maryanoff

Submitted on: 2/11/2019 5:48:05 PM

Testimony for JUD on 2/12/2019 4:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Gloria Camba	Individual	Support	No

#### Comments:

It is very important that this funding for the eradication of CBB is extended. Without it; the burden of control, monitoring and eradication of CBB will be a huge financial burden on the farmers, which they will not be able to support. Government help is very much needed.

Submitted on: 2/11/2019 5:54:17 PM

Testimony for JUD on 2/12/2019 4:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Miles Mayne	Individual	Support	No

#### Comments:

Very important that coffee farmers get the financial support to fight the CBB infestation, which if left unattended, will decimate the coffee crop, making it not marketable.

Submitted on: 2/11/2019 8:52:29 PM

Testimony for JUD on 2/12/2019 4:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Howard Stang	Individual	Support	No

#### Comments:

I am a coffee grower in Holualoa. I own a 5 acre farm and I'm a member of KCFA. HB 1103 has enabled me to afford treating my coffee trees with Botanigard these past 2 years. This program has greatly helped me to run my small farm. Without the support of HB 1103, I would not be able to continue to spray my crops on a regular basis, which would greatly reduce my production, and would also likely have an adverse impact on neighboring farms.

Submitted on: 2/11/2019 9:28:44 PM

Testimony for JUD on 2/12/2019 4:00:00 PM



Submitted By	Organization	l estifier Position	Present at Hearing
Carolyn Witcover	Individual	Support	No

#### Comments:

I have seen a significant decrease in CBB on my farm since I started using Botanigard. It's use early in the season is especially critical and continuous applications hold the line. Coffee farming is hardly profitable and every dollar saved has a lot of meaning. Without the subsidy, I would spray fewer times and take the risk of less sales and tarnishing the Kona Coffee reputation. I am a member of KCFA and through them more and more farmers are learning about how important it is to spray. Unfortunately we all know that hard economic choices involve risk. Please continue the subsidy and perhaps we can significantly eradicate it's presence.

Submitted on: 2/12/2019 9:40:54 AM

Testimony for JUD on 2/12/2019 4:00:00 PM



Submitted By	Organization	Testifier Position	Present at Hearing
Susan Dursin	Individual	Support	No

#### Comments:

I urge you to vote yes on the HB1103. The pesticide support program has been very helpful in assisting coffee farmers to battle CBB. As much as we work to keep our orchards clean and follow all directives to meet standards, we do need to continue with Botanigard, which is costly if not impossible for many of us to buy in the amounts neede to provide adequate coverage.

The program has been well administered and will continue so.

Thak you for considering my testimony.

Susan Dursin, Captain Cook