

JAN 22 2021

A BILL FOR AN ACT

RELATING TO COFFEE PEST CONTROL.

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 of Hawaii island, and more recently has
6 been detected on Oahu, Maui, Kauai, and Lanai. In 2020, coffee
7 leaf rust was discovered for the first time in the State on Maui
8 and Hawaii island. These two pests threaten the viability of
9 the State's entire coffee industry. Efforts to control the
10 coffee berry borer and coffee leaf rust are critical to the
11 coffee industry, and the State must continue to support these
12 efforts.

13 The legislature also finds that application of the organic
14 biological pesticide containing the fungus *Beauveria bassiana* is
15 known to cause high rates of mortality in the coffee berry borer
16 and is a primary method of pest control for the coffee berry
17 borer in other coffee-growing regions of the world. The



1 legislature further finds that the combination of a topical
2 contact fungicide with a systemic fungicide is the most
3 effective control method for coffee leaf rust. Research shows
4 that subsidizing the cost of pesticides is an effective and
5 necessary incentive to encourage farmers to adopt recommended
6 pest management strategies.

7 Act 105, Session Laws of Hawaii 2014, appropriated funds
8 for the development and implementation of a pesticide subsidy
9 program to assist coffee growers with offsetting the cost of
10 purchasing pesticides containing *Beauveria bassiana*. However,
11 it took longer than anticipated for Act 105 to be implemented,
12 and this assistance only became available from the State at the
13 end of 2016, more than two years later.

14 Act 152, Session Laws of Hawaii 2015, established a
15 pesticide subsidy program manager position as a full-time,
16 temporary position exempt from chapters 76 and 89, Hawaii
17 Revised Statutes.

18 Act 65, Session Laws of Hawaii 2017, extended the sunset
19 date of the pesticide subsidy program for two years, to June 30,
20 2021, so that the program can remain in effect for the number of
21 years that was intended when Act 105 was passed.



1 Act 32, Session Laws of Hawaii 2018, extended the pesticide
2 subsidy program manager position, including the exemption from
3 chapters 76 and 89, for two years to June 30, 2022, in order to
4 process applications for subsidies for costs incurred in the
5 final year of the program.

6 The purpose of this Act is to extend the sunset dates of
7 both the pesticide subsidy program and the program manager
8 position, including the position's civil service and collective
9 bargaining laws exemption, for two more years so that the
10 program can remain in effect to assist in responding to the
11 newly discovered coffee leaf rust, continue helping growers
12 manage coffee berry borer, and add control methods for coffee
13 leaf rust as an eligible reimbursable item.

14 SECTION 2. Act 105, Session Laws of Hawaii 2014, as
15 amended by section 1 of Act 152, Session Laws of Hawaii 2015, as
16 amended by section 2 of Act 65, Session Laws of Hawaii 2017, as
17 amended by section 2 of Act 32, Session Laws of Hawaii 2018, as
18 amended by section 43 of Act 111, Session Laws of Hawaii 2019,
19 is amended as follows:

20 1. By amending section 3 to read:



1 "SECTION 3. (a) There is established in the department of
2 agriculture a pesticide subsidy program to be administered by
3 the department beginning on July 1, 2014, and ending on June 30,
4 [~~2021~~] 2023. The department shall grant subsidies to coffee
5 growers to assist them in offsetting the costs of purchasing any
6 pesticide that is listed by the department pursuant to
7 subsection (f).

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

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

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

20 (c) Documentation of pesticide costs, as requested by the
21 department, shall be filed for pesticides purchased within the



1 immediate preceding fiscal year of filing and shall be effective
2 for pesticide costs incurred after June 30, 2014, and before
3 July 1, [~~2021-~~] 2023.

4 (d) Funds shall be disbursed upon approval on an annual
5 basis by the department to the coffee grower for up to seventy-
6 five per cent of the costs incurred for the purchase of the
7 pesticide before July 1, 2016, and for up to fifty per cent of
8 the costs incurred after June 30, 2016, and before July 1,
9 [~~2021-~~] 2023.

10 (e) The department shall aggregate the total subsidy
11 applications pursuant to this section and divide and distribute
12 the available subsidy funds on a pro rata basis; provided that
13 no single coffee grower shall receive subsidies that are more
14 than \$600 per year for coffee berry borer control and more than
15 \$600 per year for coffee leaf rust control per acre of land in
16 coffee production; provided further that no single coffee grower
17 shall receive subsidies that are more than \$9,000 per year[-];
18 provided further that no single coffee grower shall receive
19 subsidies that total more than \$6,000 per year for the period
20 after June 30, 2018, and before July 1, 2021[-]; and provided
21 further that no single coffee grower shall receive subsidies



1 that total more than \$12,000 per year for the period after June
2 30, 2021, and before July 1, 2023.

3 (f) The department shall establish a list of pesticides
4 that are registered with the Environmental Protection Agency and
5 are licensed with the State that contain *Beauveria bassiana*, a
6 fungus known to eradicate the coffee berry borer, as an active
7 ingredient. The department shall also establish a list of
8 pesticides that are registered with the United States
9 Environmental Protection Agency and are licensed with the State
10 that are contact and systemic fungicides, which in combination
11 are effective against coffee leaf rust.

12 (g) There is established within the department a pesticide
13 subsidy program manager position, which shall be a full-time,
14 temporary position exempt from chapters 76 and 89, Hawaii
15 Revised Statutes. The pesticide subsidy program manager shall
16 possess a requisite level of knowledge and expertise in the area
17 of program management necessary to carry out the duties of the
18 position. The pesticide subsidy program manager shall:

19 (1) Facilitate the efficient division and distribution of
20 available subsidy funds; and



1 (2) Manage the day-to-day coordination for the pesticide
2 subsidy program.

3 The pesticide subsidy program manager shall receive a
4 salary of not more than \$50,000 per year. The pesticide subsidy
5 program manager position, including the position's exemption
6 from chapters 76 and 89, Hawaii Revised Statutes, shall expire
7 on June 30, [~~2022-~~] 2024.

8 (h) Not later than twenty days prior to the convening of
9 the regular session of [~~2021-~~] 2023, the department shall submit
10 a report of its findings and recommendations, including any
11 proposed legislation, to the legislature on the results of the
12 subsidy program and whether the program should be allowed to
13 expire or be extended, and if extended, with or without
14 modification.

15 (i) Actions taken by the department pursuant to this
16 section shall be exempt from the rulemaking requirements of
17 section 91-3, Hawaii Revised Statutes."

18 2. By amending section 6 to read:

19 "SECTION 6. This Act shall take effect on July 1, 2014;
20 provided that:



S.B. NO. 855

1 (1) Section 3 shall be repealed on June 30, [~~2021~~] 2023,
2 except that section 3(g) shall be repealed on June 30,
3 ~~[2022]~~ 2024; and

4 (2) The amendment made to section 149A-13.5(b), Hawaii
5 Revised Statutes, under section 2 of this Act shall
6 not be repealed when section 149A-13.5(b), Hawaii
7 Revised Statutes, is repealed and reenacted on June
8 30, 2015, by section 4 of Act 168, Session Laws of
9 Hawaii 2010."

10 SECTION 3. Statutory material to be repealed is bracketed
11 and stricken. New statutory material is underscored.

12 SECTION 4. This Act shall take effect on June 29, 2021.

13

INTRODUCED BY: 



S.B. NO. 855

Report Title:

Coffee Berry Borer; Coffee Leaf Rust; Subsidy Program

Description:

Extends the sunset date for the coffee berry borer pesticide subsidy program and the program manager position, including the position's civil service and collective bargaining laws exemption, to 06/30/2024. Provides that no single coffee grower shall receive more than \$6,000 for each pest per year in subsidies between 06/30/2021, and 07/01/2023.

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

