JOSH GREEN Lt. Governor



PHYLLIS SHIMABUKURO-GEISER Chairperson, Board of Agriculture

> MORRIS M. ATTA Deputy to the Chairperson

State of Hawaii **DEPARTMENT OF AGRICULTURE** 1428 South King Street Honolulu, Hawaii 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613

#### TESTIMONY OF PHYLLIS SHIMABUKURO-GEISER CHAIRPERSON, BOARD OF AGRICULTURE

# BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

MONDAY, FEBRUARY 1, 2021 1:00 P.M. VIDEOCONFERENCE

SENATE BILL 129 RELATING TO COFFEE BERRY BORER

Chairperson Gabbard and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill 129, relating to the pesticide subsidy program. This bill extends the pesticide subsidy program to June 30, 2026, extends the position of the pesticide subsidy manager to June 30, 2027 and appropriates funding for the program and program manager for fiscal year 2021-2022. The Department supports this measure, provided that the measure does not impact the administration's executive budget.

Invasive species are a primary threat to Hawaii's agriculture and economy. The coffee berry borer (*Hypothenemus hampei*) is a significant coffee pest in Hawaii and the world. The extension of the subsidy program and program manager position will allow the Department to continue to support coffee farmers by partially offsetting the costs of purchasing certain pesticides that contain *Beauveria bassiana* as an active ingredient, in order to control the coffee berry borer and mitigate the damage it causes to the coffee beans.

The department respectfully suggests the intent of the previous bill, SB 128 and this measure could be best satisfied and require less additional resources by amending Act 105 SLH 2014 and Act 152 SLH 2015 to expand the types of pesticides for coffee pests and extend the sunsets dates.

Thank you for the opportunity to testify on this measure.





**UNIVERSITY OF HAWAI'I SYSTEM** 

Legislative Testimony

Testimony Presented Before the Senate Committee on Agriculture and Environment Monday, February 1, 2021 at 1:00 p.m. By Nicholas Comerford, Dean College of Tropical Agriculture and Human Resources University of Hawai'i at Mānoa

# SB129 - RELATING TO COFFEE BERRY BORER

Chair Gabbard, Vice Chair Nishihara and members of the Senate Committee on Agriculture and the Environment:

Thank you for this opportunity to testify in <u>support</u> of SB 129 relating to the coffee berry borer (CBB).

According to the 2018 State Agriculture overview published by the U.S. Department of Agriculture, Hawai'i produced 5.4 million pounds (green weight) of coffee grown on 7,100 harvested acres, with an average yield of 1.92 tons/acre, at a unit price of \$19.40/lb., for a value of \$50.16 million. These data show the high value of this crop to Hawai'i agriculture since that value is based on using just 0.65% of farm acres operated.

CBB is found in most coffee growing countries of the world and was discovered in Kona, Hawai'i in 2010. It has the potential to be a devastating disease for this industry. It is established on Hawai'i Island, and can be found now on other islands. CBB is endemic to Central Africa. It belongs to a subfamily of beetles that houses some of the most important pests world-wide. Female beetles bore into the berry and lay eggs inside the seed and the brood then feasts on the coffee seed. As this phase of the CBB life cycle occurs inside the berry and seed, it can be difficult to control.

An integrated pest management program (IPM) developed Best Management Practices to control CBB. Collaborative research has shown that sanitation along with biocontrol can be effective. Cooperative Extension Agents with the College of Tropical Agriculture and Human Resources (CTAHR) at the University of Hawai'i at Mānoa have estimated pre-pandemic that about 80% of coffee farmers are familiar with the IPM program. CTAHR Cooperative Extension Agents further estimate that the IPM program has directly saved more than \$11 million in farm gate value, and saved another \$11 million in efforts to control the spread of CBB. Realizing the direct and indirect effects highlights the value that this IPM program has for the coffee industry and the state of Hawai'i. The IPM program uses an insecticide (pesticide), known as a mycoinsecticide, to control the borer. A fungus, *Beauveria bassiana*, is a biological control material and is bought commercially. The Hawai'i Department of Agriculture was empowered in the past to develop and manage a CBB pesticide subsidy plan, allowing as much as \$600/acre for the grower. The basic approach of this bill is to maintain parts of that program into the future, until 2026.

The IPM program has been shown to be effective in the control of CBB. There is concern that without a full functioning subsidy program, efforts to apply IPM would be reduced; thereby reducing the on-farm and regional effectiveness of the strategy. A survey of coffee growers indicated that nearly 38% of growers would reduce the rate of the pesticide applied if the program was detrimentally affected. It is reasonable to assume that this would negatively affect the control and spread of CBB.

Given the estimated \$22 million/year effectiveness of the IPM program that includes a biological insecticide, we <u>support</u> SB 129 and will continue, through CTAHR's Cooperative Extension Service, to educate and train growers on the use of the IPM program. We thank the committee for the opportunity to submit testimony on this bill.

# <u>SB-129</u> Submitted on: 1/29/2021 10:45:45 AM Testimony for AEN on 2/1/2021 1:00:00 PM

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

### Comments:

The ongoing battle that coffee farmers are waging with CBB has been costly, not only in terms of expensive fungicide that we must use to control the insect, but also in lost revenue from decreased production. Extending the sunset date for the subsidy would be a much needed aid to farmers who are struggling to remain solvent during these difficult times.



January 28, 2021

Senator Mike Gabbard, Chair Senator Clarence K. Nishihara, Vice Chair Senate Committee on Agriculture and Environment

Support of SB 129 Relating to Coffee Berry Borer (Extends the sunset date for the Coffee Berry Borer Pesticide Subsidy Program until June 30, 2026, for the purchase of pesticides containing *Beauveria bassiana* to combat the coffee berry borer; extends the program manager position to June 30, 2027; appropriates funds; takes effect on 07/01/2021.)

# Monday, February 1, 2021, at 1:00 p.m., via Videoconference

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers, and utility companies. LURF's mission is to advocate for reasonable, rational, and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources, and public health and safety.

LURF appreciates the opportunity to express its support of SB 129.

**SB 129.** This bill proposes to extend the pesticide subsidy program to June 30, 2026; extend the program manager position, including the position's civil service and collective bargaining laws exemption, until the year after the program sunsets (i.e., June 30, 2027); and make appropriations for the program and program manager position for fiscal year 2021-2022.

**LURF's Position.** The Coffee Berry Borer Pesticide Subsidy Program continues to support Hawaii coffee farmers by enabling them to purchase and use insecticide products which effectively aid in controlling the coffee berry borer beetle. The highly destructive pest has infested crops on Hawaii island and has recently been detected on Oahu and Maui as well. Extension of the program manager position is necessary to process the applications for subsidies for costs incurred by farmers pursuant to the Program.

Senate Committee on Agriculture and Environment January 28, 2021 Page 2

Invasive species such as insects, disease-bearing organisms, snakes, weeds, and other pests pose the greatest threat to Hawaii's economy, tourism, agriculture, the natural environment, and to the health and lifestyle of Hawaii's people, and already cause millions of dollars in crop losses, the extinction of native species, the destruction of native wet, moist, and dry land forests, and the spread of disease. Many more harmful pests, including the coffee berry borer, now threaten to invade all of the Hawaiian Islands and wreak further damage.

Supporting and helping local farmers including coffee growers, is essential not only to protect the livelihood of these farmers, but also to mitigate the threats and impacts of invasive species in Hawaii, and to effectively protect Hawaii's natural resources and native species. SB 129 will assist local coffee growers by further extending the sunset date of the Pesticide Subsidy Program and the manager position needed to help administer the Program as originally intended by Acts 105 (2014) and 152 (2015), which were specifically established to aid with the prevention and control of the coffee berry borer and ultimately, the protection of Hawaii's environment and economy.

For the above reasons, LURF **supports SB 129** and respectfully urges your favorable consideration.

Thank you for the opportunity to present testimony regarding this matter.

# <u>SB-129</u> Submitted on: 1/30/2021 7:28:57 AM Testimony for AEN on 2/1/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
John Koontz	Testifying for Konaloha Farms	Support	No

Comments:

Coffee Cherry Borer has been a major factor in many coffee farms closing their doors. The added expense of spraying for this pest, and the loss of revenue from the infected beans has drastically cut into the profitability of the farm. I want to thank you for your support over the last several years, and encourage you to continue to support the coffee farmers. Mahalo!



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

February 1, 2021

# HEARING BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

TESTIMONY ON SB 129 RELATING TO COFFEE BERRY BORER

> Videoconference 1:00 PM

Aloha Chair Gabbard, Vice Chair Nishihara, 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 1,800 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 SB 129,** which extends the sunset date for the Coffee Berry Borer Pesticide Subsidy Program until 6/30/2026, for the purchase of pesticides containing Beauveria bassiana to combat the coffee berry borer. Extends the program manager position to 6/30/2027.

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. The industry has

committed countless private sector dollars and has leveraged both State and Federal funds.

A 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 crops.

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

#### <u>SB-129</u> Submitted on: 1/31/2021 11:52:08 AM Testimony for AEN on 2/1/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Bruce Corker	Testifying for Rancho Aloha	Support	No

Comments:

Dear Chair Gabbard and Members of the Committee:

I am a coffee farmer in the North Kona District of Hawaii County, and I am a Director of the Kona Coffee Farmers Association. I support the intent of SB129 to extend and fund Coffee Berry Borer (CBB) Subsidy Program, but offer the following observations:

1—The inclusion of CLR within the current HDOA subsidy program for combatting CBB (as provided in HB236 and SB855) appears to be a better approach. The extension of the current program (with the inclusion of CLR subsidies) under HB236/SB855 should, however, be through 2026/27.

2—In order to prevent further introduction of coffee pests and diseases into Hawaii, the Legislature should require and fund a study into how CBB and CLR were introduced into the state—and mandate the HDOA to develop a vigorous program (similar to California's protections for its farmers) for preventing future introduction of other coffee pests and diseases into our state.

Respectfully submitted,

**Bruce Corker** 

Holualoa, Hawaii County



#### Hawaii Coffee Association PO Box 168, Kealakekua, HI 96750

#### SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT February 1, 2021

RE: Testimony in Support of SB129

Aloha Chair Gabbard, Vice Chair Nishihara and Senators,

I am Chris Manfredi, President of Hawaii Coffee Association (HCA) testifying in support of SB128.

The Hawaii Coffee Association strongly supports SB129. The CBB Pesticide Subsidy Program has been a success story for Hawaii's coffee producers. It helps offset some of the high costs of coffee production, making Hawaii a bit more competitive with growers located across the globe.

Thank you for your support for this measure.

Thank you for the opportunity to testify and for your support for Hawaii's coffee industry.

# <u>SB-129</u> Submitted on: 1/31/2021 3:53:17 PM Testimony for AEN on 2/1/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Harold M Hoogasian	Testifying for Kona Perfect (Member of KCFA)	Support	No

# Comments:

The support for this continuing for growers is an important support for our coffee industry.

### <u>SB-129</u> Submitted on: 1/31/2021 7:06:27 PM Testimony for AEN on 2/1/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Cynthia Maryanoff	Testifying for KCFA	Support	No

#### Comments:

Dear Committee Members:

### SB129

# EXTENSION AND FUNDING OF CBB SUBSIDY

We, and every coffee farmer in Hawaii, can provide compelling evidence of the importance of extending and providing continued funding for the pesticide subsidy program to assist farmers in battling the damage threatening the future of coffee growing in Hawaii.

**Please pass** SB129 to extend the HDOA's existing subsidy program for Beauveria bassiana to combat the coffee berry borer. Please extend the sunset date for the Coffee Berry Borer Pesticide Subsidy Program, for the purchase of pesticides containing Beauveria bassiana to combat the coffee berry borer. Extend the program manager position to 6/30/2027.

On behalf of the more than 300 members of the Kona Coffee Farmers Association, we are submitting this written testimony **to please extend SB129**. Our two Kona coffee farms [Honalo Farm; Cynthiana Farm] have annual infestations of coffee borer beetles. As fledgling farmers, we were shocked to realize how vulnerable our coffee crop was to beetle damage, **and how much work it was for each farm to battle this harmful pest.** Indeed, it is a lot of work for every coffee farmer to battle the beetle. Thus, we really appreciate your continued support of the current HDOA-administered subsidy program for Botanigard and Mycotrol, which are rather expensive pest-control materials. Without this governmental support, we (and other coffee farmers) could not maintain the economic viability of the coffee business. Having enough quality coffee at the end of the growing season is exceedingly important. The volcanic VOG was harmful for coffee as well so yields have been affected badly. For us, the investment to get started was huge and then to have to battle the beetle; it's been work, work, work, spend, spend. We thank you for the support thus far. Then came the pandemic and the collapse of wholesale sales.

The threat of Coffee Berry Borer (CBB) creates a risk that Hawaii-grown coffee will join sugar and pineapple as lost Hawaii-heritage agriculture crops. CBB is now present on three of our islands—Hawaii, Oahu and Maui. Piled on top one of our farms have leaf rust!

The most effective way to reduce the damage caused by CBB is the application of the fungus *Beauveria bassiana*. The current HDOA-administered subsidy program for *Beauveria bassiana* is assisting farmers to develop effective integrated pest management (IPM) to mitigate CBB damage and to protect the economic viability of Hawaii-grown coffee. The extension of the current HDOA subsidy through 6/30/2027, is a reasonable step toward continuing to save the coffee growing industry in Hawaii, the sole center of commercial production in the USA.

Hawaii's coffee farmers ask for your support and ask that you please support SB129 so that the subsidy can be extended until 6/30/2027. We, as small farm owners/operators, request your continued support to mitigate this agricultural problem.

Mahalo in advance for your support.

Sincerely,

Bruce and Cynthia Maryanoff

cmaryanoff@comcast.net

Co-CEOs, Absolute Palate LLC

31 Jan 2021



**RE: SUPPORT for SB129** RELATING TO COFFEE BERRY BORER Coffee Berry Borer; Subsidy Program; Appropriation (\$)

Aloha Chair and Committee Members,

The Synergistic Hawaii Agriculture Council stands in support of this Bill. Our three founding associations - the Hawaii Papaya Industry Association, the Hawaii Floriculture and Nursery Association, and the Hawaii Coffee Association - represent 560 businesses, from growers to processors and shippers, stretching across the State of Hawaii.

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. Close to 1,000 farms have been impacted by the beetle. 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.

For every \$50 in subsidy costs spent per acre, approximately \$600 in improved crop value is returned to the farmer. This has the potential to increase income by up to \$2.4 million across our Kona, Ka'u and Maui coffee communities. The University of Hawaii estimates that each agricultural dollar circulates 11 times through the community, via local wages, goods and services. <u>Supporting ag is good for the economy.</u>

# This program should be funded at a minimum of \$200,000 per year to continue the current rate of subsidy, including the provision for program staffing.

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 Administrator

<u>SB-129</u> Submitted on: 1/31/2021 11:37:14 AM Testimony for AEN on 2/1/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Benton Kealii Pang, Ph.D.	Individual	Support	No

Comments:

I am in support.