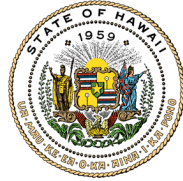


JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



State of Hawai'i
DEPARTMENT OF AGRICULTURE & BIOSECURITY
KA 'OIHANA MAHI'AI A KIA'I MEAOLA
1428 South King Street
Honolulu, Hawai'i 96814-2512
Phone: (808) 973-9560 FAX: (808) 973-9613

SHARON HURD
Chairperson
Board of Agriculture & Biosecurity

DEAN M. MATSUKAWA
Deputy to the Chairperson

**TESTIMONY OF SHARON HURD
CHAIRPERSON, BOARD OF AGRICULTURE AND BIOSECURITY
BEFORE THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT &
TECHNOLOGY**

**WEDNESDAY, MARCH 25, 2026
10:00 A.M.
CONFERENCE ROOM 423 & VIDEO CONFERENCE**

**SENATE BILL NO. 2925, SD1, HD1
RELATING TO COCONUT TREES**

Chair Ilagan, Vice Chair Hussey, and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill 2925, SD1, HD1, relating to coconut trees. This bill would establish an income tax credit for consumable coconut trees managed through natural management practices. The Hawaii Department of Agriculture and Biosecurity ("Department") respectfully offers comments on this bill.

The Department appreciates the intent to promote pest management for coconut rhinoceros beetles, CRB, by providing a tax credit for natural management. However, the Department is concerned that pesticides are not considered as one of the tools to combat CRB as it limits the options available to industry, agencies, and the public. The Department recommends the use of Integrated pest management, IPM, instead of "natural management" throughout the bill. IPM is a concept of pest management that assesses the current situation based on the pest and takes advantage of all appropriate pest management options, including pesticides. Some suggested language for defining IPM are below.

"Integrated pest management" is an environmentally sensitive approach for pest management that takes advantage of all appropriate pest management strategies, such as, but not limited to monitoring pest levels, mechanical control, biological control, habitat manipulation and the use of resistant varieties, and the judicious use of pesticides.

Pesticides are regulated by the United States Environmental Protection Agency to ensure their safe and effective use. This includes conducting risk assessments by reviewing studies regarding human health and the environment. Reevaluations of pesticide use are mandated to occur at least every fifteen years to account for new scientific literature. Any coconut tree “treated with pesticides...that render the coconuts unsafe for human consumption” would be a violation of the Federal Insecticide, Rodenticide, and Fungicide Act, FIFRA, and the Federal Food, Drug, and Cosmetic Act, FFDCFA. The Pesticides Branch at Department and the Food and Drug Branch at Department of Health would take action to enforce these federal laws. The Department recommends redefining “consumable coconut tree” to reflect existing regulations and suggested language is below.

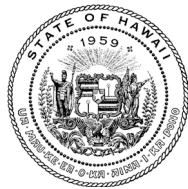
“Consumable coconut tree” means a coconut tree that is grown and managed using integrated pest management methods for food or feed use.

The Department does not have the resources to conduct the inspections pertaining to the tax credit eligibility as provided in subsection (c). As such, the Department is requesting two environmental health specialist IV positions to cover all islands. The Department may request additional positions in the future should the tax incentive inspections increase beyond the capacity of the two staff requested. The Department may also request additional funds to accommodate any new positions allocated to the Department.

Thank you for the opportunity to testify to this measure.

JOSH GREEN M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TAXATION

Ka 'Oihana 'Auhau
P.O. BOX 259

HONOLULU, HAWAII 96809
PHONE NO: (808) 587-1540
FAX NO: (808) 587-1560

GARY S. SUGANUMA
DIRECTOR

KRISTEN M.R. SAKAMOTO
DEPUTY DIRECTOR

**TESTIMONY OF
GARY S. SUGANUMA, DIRECTOR OF TAXATION**

TESTIMONY ON THE FOLLOWING MEASURE:

S.B. No. 2925, S.D.1, H.D.1, Relating to Coconut Trees

BEFORE THE:

House Committee on Economic Development & Technology

DATE: Wednesday, March 25, 2026

TIME: 10:00 a.m.

LOCATION: State Capitol, Room 423

Chair Ilagan, Vice-Chair Hussey, and Members of the Committee:

The Department of Taxation (DOTAX) offers the following comments regarding S.B. 2925, S.D.1, H.D.1, for your consideration.

S.B. 2925, S.D.1, H.D.1, amends chapter 235, HRS, to create a new, nonrefundable “natural management of the coconut rhinoceros beetle tax credit” for individual taxpayers who implement natural management practices that result in “consumable coconut trees.” The credit amount is based on an unspecified percentage of the qualified cost or an unspecified annual cap, whichever is less. Eligibility standards and cost certifications are to be determined and verified by the Department of Agriculture and Biosecurity (DAB).

The taxpayer shall provide certification to DAB, or allow inspection at DAB’s request, to confirm that only approved natural management practices were used, and that no prohibited pesticides were used. The bill defines a “consumable coconut tree” as a tree managed without systemic or persistent pesticides that would render the coconut water or meat unsafe for human consumption.

The nonrefundable credit must be claimed within twelve months after the close of the taxable year. Taxpayers are prohibited from claiming the credit for expenses used to claim any other tax credit, and any credit that exceeds taxpayer's net income tax liability may be carried forward until exhausted.

The measure has a defective effective date of July 1, 3000, and the new credit would apply to "taxable years beginning" after December 31, 2026.

DOTAX defers to DAB regarding its ability to certify qualified costs, but requests that a third-party certification requirement be maintained.

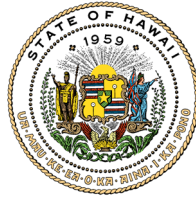
DOTAX also recommends that the bill be amended to include a five-year time limit to claim any credit carry forward, as credits claimed further from the year costs are incurred are more difficult to verify.

Lastly, DOTAX recommends amending the effective date to "costs incurred" rather than "taxable years beginning" after December 31, 2026.

Thank you for the opportunity to provide comments on this measure.

JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'
DEPARTMENT OF LAND AND NATURAL RESOURCES
KA 'OIHANA KUMUWAIWAI 'ĀINA
P.O. BOX 621
HONOLULU, HAWAII 96809

DAWN N.S. CHANG
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE
MANAGEMENT
RYAN K.P. KANAKA'OLE
FIRST DEPUTY
CIARA W.K. KAHAHANE
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AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
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HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

**Testimony of
RYAN K.P. KANAKA'OLE
Acting Chairperson**

**Before the House Committee on
ECONOMIC DEVELOPMENT AND TECHNOLOGY**

**Wednesday, March 25, 2026
10:00 AM
State Capitol, Conference Room 423**

**In consideration of
SENATE BILL 2925, SENATE DRAFT 1, HOUSE DRAFT 1
RELATING TO COCONUT TREES**

Senate Bill 2925, Senate Draft 1, House Draft 1 creates an income tax credit to promote natural management of coconut rhinoceros beetles that damage coconut trees suitable for consumption, applicable to taxable years beginning after 12/31/2026. **The Department of Land and Natural Resources (Department) supports this measure, as long as it does not replace or harm priorities outlined in the Executive Supplemental Budget request.**

The niu (coconut palm) represents resilience and sustainability in Hawaiian culture, closely connected to traditional practices, language, and daily life. Historically, coconut trees offered nourishment, medicine, building materials, and fiber for ropes and weaving. Recognizing niu as a reliable staple food is a step toward restoring and revitalizing its importance in our communities.

Hawai'i imports about 85–90 percent of its food, making the state highly vulnerable to supply chain disruptions. Niu is a versatile and nutritious food source, offering coconut water, milk, meat, and oil—all of which can support local food production and reduce dependence on imports. Promoting coconut cultivation boosts food sovereignty and offers accessible, nutrient-rich options for island residents.

Niu is an iconic tree that enriches Hawai'i's sense of place. As a drought- and salt-tolerant species, it plays a crucial role in stabilizing coastlines, preventing erosion, and capturing carbon. Promoting the planting and protection of coconut trees enhances Hawai'i's natural and cultural identity while supporting local sustainability efforts.

The Department's Division of Forestry and Wildlife runs a Community Coconut Project as part of the Kaulunani Urban and Community Forestry Program. The project aims to cultivate "niu as a relationship rooted in community and aloha 'āina" and focuses on sharing 'ike niu (coconut knowledge) to help revive Hawaiian coconut resources, including the Uluniu system and the Hawaiian niu gene banking practice, within our Hawai'i communities. The project aligns with this bill.

Hawai'i sees the coconut palm as more than just a crop—it's a sacred and vital resource that supports our land, people, and cultural heritage. This bill supports goals for food security, environmental stewardship, and cultural preservation.

The Department acknowledges the importance of safeguarding coconut consumers from pesticides. Labeling coconut trees that have been treated with pesticides or poisons would enhance that protection.

The Department advocates active management of CRB through integrated pest management. All legally approved and scientifically proven methods must be incorporated.

Mahalo for the opportunity to comment on this measure.



IN SUPPORT OF SB2925

The Libertarian Party of Hawaii recognizes the deep cultural, practical, and self-reliant value that coconut trees hold for the people of Hawai‘i. SB2925 takes meaningful steps toward affirming these values without imposing heavy-handed mandates often seen today on the topic of agriculture. Coconut trees are a vital, multi-generational source of food, water, building materials, and cultural significance in Native Hawaiian traditions. In a time of increasing concerns over food security, and heavy reliance on imported resources, recognizing the coconut tree as a source of food and water, and as a cultural treasure, promotes self-sufficiency and honors Hawai‘i's heritage. This symbolic and practical affirmation aligns with libertarian principles of empowering individuals and communities to sustain themselves rather than depending on centralized systems.

We particularly appreciate provisions that direct the Department of Agriculture and Biosecurity to establish rules allowing the use of coconut tree seed banks. Seed banks preserve genetic diversity and enable private individuals, farmers, and cultural practitioners to propagate trees freely while reducing barriers to voluntary conservation and local food production.

We are also in favor of establishing an income tax credit for consumable coconut trees maintained through natural management practices. This is a targeted, voluntary incentive that rewards responsible stewardship without forcing compliance or punishing non-participants.

Finally, we support the bill's requirements for signage on landscape palms and labeling standards for non-consumable palms treated with pesticides that render their coconuts unsafe for human consumption. This is a practical preventative measure that ensures consumers are clearly aware of potential risks from treated fruit. It achieves a reasonable balance by promoting consumer and environmental awareness without overly restricting pesticide options or imposing broad prohibitions. We do, however, urge the committee to ensure any implementing rules remain minimal, transparent, and fully respectful of property owners' rights.

SB2925 advances positive recognition and incentives that empower people to care for their ‘āina and resources. Protecting and promoting coconut trees supports resilience, cultural preservation, and economic freedom for farmers and homeowners alike. We respectfully urge the committee to **pass SB2925**.

Mahalo nui loa for the opportunity to submit testimony.

Abbra Green | LPHI Secretary | LibertarianHawaii.com | (808)824-LPHI



House of Representatives
Committee on Economic Development & Technology
Wednesday, March 25, 2026
10:00 am Conference Room 423 & Videoconference
State Capitol

Testimony in Support of SB 2925 HD1

Aloha Chair Hagan, Vice Chair Hussey, and Members of the Committee,

The Coordinating Group on Alien Pest Species (CGAPS) is **in support of SB 2925 HD1** *Relating to Coconut Trees*. This bill provides a tax credit to encourage the use of natural management techniques to manage the coconut rhinoceros beetle (CRB) in consumable coconut trees.

Coconut trees are important for food, cultural arts and products, natural infrastructure, and aesthetics, and the spread of CRB across Oahu and Kauai, and now on Hawaii Island, is heartbreaking. For each of these islands, the use of pesticides is vital during an eradication attempt due to their efficacy. While pesticides are effective at killing CRB, their use requires the removal of flowers to prevent impacts to bees and prevents the harvest of coconuts for consumption. On islands where this pest has become established, it is important to provide the public with a variety of management options and find some balance between the need to control CRB in some coconut trees while utilizing other control options in trees that could be used for consumption or propagation.

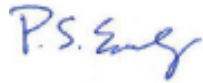
We note that the HD1 version of SB 2925 omits the language recognizing the coconut tree as a cultural treasure of the State. We respectfully request that this Committee restore that language.

Mahalo for the opportunity to support SB 2925 HD1 and for your consideration of our testimony.

Aloha,

A handwritten signature in blue ink, appearing to read 'C. Martin'.

Christy Martin
CGAPS Program Manager

A handwritten signature in blue ink, appearing to read 'P.S. Easley'.

Stephanie Easley
CGAPS Legal Fellow



March 23, 2026

To: Chair Greggor Ilagan, Vice Chair Ikaika Hussey, and the House Committee on Economic Development & Technology

Subject: **SB2925 SD1 HD1**, Relating to Coconut Trees

Aloha,

I am writing to support SB2925 SD1 HD1, which would establish an income tax credit to incentivize the natural management of coconut rhinoceros beetle (CRB) for consumable coconut trees. This measure would help address a devastating invasive species issue, while also protecting our access to coconuts as a food and water source.

Coconut trees, or kumu niu, are culturally significant across the Pacific, and Hawai'i is no exception. They are often called the tree of life. From coconut we can get water, milk, oil, meat, sugar, and building and crafting materials. Coconut has been found to help stabilize coastlines through controlling erosion¹. They are a symbol of resilience and sustainability, and it's a shame that to some they are known only for their role in landscaping. Now more than ever, it is apparent that the coconut tree needs to be protected with the presence of CRB on our islands. Our coconut tree population is being significantly impacted by CRB, which have been detected on O'ahu, Hawai'i Island, Kaua'i, and Maui, and has affected the growth of many coconut trees.

When pesticides and poisons are used to manage pests it is no longer safe to consume the fruit. Through their development of organic CRB deterrent, Aloha Organic have proved that the use of natural management practices can combat the insect without needing to use chemicals that are harmful to public health. Economically incentivizing individuals to maintain their coconut trees using natural management practices would allow there to be more coconut trees available for consumption— and as mentioned earlier, the ways in which coconut can be consumed are numerous, so doing so would help increase Hawai'i's ability to be self-sustainable.

I urge the committee to pass SB2925 SD1 HD1 to protect our coconut trees by incentivizing natural management of CRBs through an income tax credit. This bill is important for food sovereignty, sustaining traditional Hawaiian culture, and ecological resource protection and preservation.

¹ *Pick the Right Plant*. (n.d.). Retrieved March 2, 2026, from <https://www.ctahr.hawaii.edu/rnre/downloads/plants%20%20control.pdf>

The Food+ Policy internship develops student advocates who learn work skills while increasing civic engagement to become emerging leaders. We focus on good food systems policy because we see the importance and potential of the food system in combating climate change and increasing the health, equity, and resiliency of Hawai'i communities.

In 2026, the cohort of interns are undergraduate and graduate students and young professionals working in the food system. They are a mix of traditional and nontraditional students, including parents and veterans, who have backgrounds in education, farming, public health, nutrition, and Hawaiian culture.



**HAWAI'I
FOOD+
POLICY**

Honolulu, HI 96813
food@purplemaia.org

I appreciate the opportunity to testify on this measure and thank you for your consideration.

Mahalo,
Sydney Haas & the Food+ Policy Team
#fixourfoodsystem

The Food+ Policy internship develops student advocates who learn work skills while increasing civic engagement to become emerging leaders. We focus on good food systems policy because we see the importance and potential of the food system in combating climate change and increasing the health, equity, and resiliency of Hawai'i communities.

In 2026, the cohort of interns are undergraduate and graduate students and young professionals working in the food system. They are a mix of traditional and nontraditional students, including parents and veterans, who have backgrounds in education, farming, public health, nutrition, and Hawaiian culture.

**Testimony of The Nature Conservancy
Supporting SB2925 SD1 HD1, Relating to Coconut Trees
Committee on Economic Development & Technology
March 25, 2026 at 10:00 am
Conference Room 423 and via Videoconference**

Dear Chair Ilagan, Vice Chair Hussey, and Members of the Committee:

Mahalo for the opportunity to testify today. The Nature Conservancy (TNC) Hawai'i and Palmyra supports SB2925 SD1 HD1, which establishes an income tax credit for qualified costs to implement natural management of coconut rhinoceros beetles that result in consumable coconut trees and applies to taxable years beginning after 12/31/2026.

Coconut trees are deeply important in Hawai'i as a source of food, cultural arts and products, and natural infrastructure. They contribute to shoreline stability, community food resources, and cultural practices. The continued spread of the coconut rhinoceros beetle (CRB) across O'ahu, Kaua'i, and now Hawai'i Island poses a serious threat to these values. We recognize that during active eradication efforts, particularly in areas where CRB has recently been detected, the use of pesticides can be vital due to their efficacy. At the same time, pesticide use often requires the removal of coconut flowers to prevent impacts to pollinators such as bees and prevents the harvest of coconuts for food and water. On islands where CRB has become established, it is important to provide the public with a variety of management options and to find a balance between controlling CRB in some trees while utilizing other approaches for trees intended for consumption or propagation.

This bill supports that balanced approach by establishing a state income tax credit to encourage natural, non-toxic management practices for CRB that result in consumable coconut trees. Mahalo for the opportunity to testify in support of SB2925 SD1 HD1.

Guided by science, TNC is a non-profit organization dedicated to the preservation of the lands and waters upon which all life depends. The Conservancy has helped protect more than 200,000 acres of natural lands in Hawai'i and Palmyra Atoll. We manage 84,000 acres in 13 nature preserves and 18 managed areas and have supported over 50 coastal communities to help protect and restore the nearshore reefs and fisheries of the main Hawaiian Islands.

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SB-2925-HD-1

Submitted on: 3/22/2026 4:35:27 PM

Testimony for ECD on 3/25/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Glen Kagamida	Individual	Support	Written Testimony Only

Comments:

STRONG SUPPORT!!! MAHALO!

To: Rep. Greggor, Chair
Rep. Hussey, Vice Chair
Members of the House Committee on Economic Development and Technology

Hearing: 03/25/2026, 10:00am

Re: STRONG SUPPORT for SB2925 SD1 HD1

Aloha Chair, Vice Chair, and Members of the Committee on Economic Development and Technology,

My name is Vivienne Hill, a student at the University of Hawai‘i at Mānoa. I respectfully submit testimony in strong support of SB 2925 SD1 HD1.

This bill recognizes something that should be very straightforward: coconut trees are a source of food and water, and they carry deep cultural importance in Hawai‘i. Niu has long supported daily life. Treating coconut trees only as landscaping overlooks both its history and continuing practical importance.

I support the bill's clear distinction between consumable coconut trees and landscape palms. If a tree has been treated with pesticides that make the coconuts unsafe to eat, that information should be clear to the community. Using signs is a simple transparency measure that protects public health and reduces confusion.

The inclusion of coconut seed banks and focus on natural management of the coconut rhinoceros beetle are important. Addressing invasive species is obviously necessary, but the methods we use also matter. Encouraging non-toxic practices helps make sure that coconut trees remain safe for consumption.

For these reasons, I respectfully urge your support for SB 2925 SD1.

Mahalo for the opportunity to testify,

Vivienne Hill
Aiea, HI 96701

SB-2925-HD-1

Submitted on: 3/23/2026 1:43:30 PM

Testimony for ECD on 3/25/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Yanrong Chen	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Ilagan, Vice Chair Hussey, and members of the Committee on Economic Development and Technology,

Thank you for the opportunity to testify in support of SB2925 SD1 HB1, which recognizes coconut trees as vital food, water, and cultural resources; regulates their labeling and management; and provides tax incentives for naturally maintained consumable coconut trees.

My name is Yanrong Chen and I am a sophomore at ‘Iolani School testifying in support. I am both a youth group leader of the Oceans & Biodiversity Group in Climate Future Forum, and a committee member of Hawai‘i Youth Food Council. In recent years I have grown to become more climate conscious than ever whether that be for our mountains, our streams or our oceans, and I urge the public and our government to call for long-term solutions.

Coconut trees are often overlooked as ornamental landscaping trees planted on the side of Waikiki, but Coconut trees, or niu, have long been a vital part of Hawaiian culture and sustenance. Traditionally, every part of the tree served a purpose: from the fruit providing nourishing food and clean drinking water, to the leaves and husks being used for weaving, shelter, and tools. More than just a resource, the niu symbolizes life, resilience, and connection between people and the ‘āina. By recognizing and protecting these trees, we preserve not only a food source but also an important part of heritage and identity.

However, our coconut resources now face a serious threat from the invasive Coconut Rhinoceros Beetle, which destroys trees from the crown and prevents them from regenerating. Many of the remaining coconut trees are aging or being removed due to infestation risks, leaving fewer edible coconuts available for communities. By offering a tax credit for maintaining consumable coconut trees grown through natural and sustainable practices, this bill encourages residents to preserve these vital food sources, protect healthy trees, and strengthen local food security.

Hawai'i is currently facing a long-term threat of Coconut Rhinoceros Beetles and it is important that we create plans for this problem. Hawai'i must take a multi-pronged approach to environmental management and protection to ensure the viability of the land and people.

This bill helps achieve those goals efficiently and equitably, and I'd love to discuss this further if there are any concerns or questions.

Mahalo!

Yanrong Chen, Kapahulu/Mo'ili'ili

SB-2925-HD-1

Submitted on: 3/23/2026 3:22:38 PM

Testimony for ECD on 3/25/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Bianca West	Individual	Support	Written Testimony Only

Comments:

3/23/26

To The House Committee on Economic Development and Technology

I am writing in support of SB2925 SD1 HD1. The non-toxic management of CRB is a priority for the health of our communities, natural resources, and ecosystems, as the coconut is an essential food crop with deep cultural significance. Incentivizing the natural management of CRB benefits our food system and helps to ensure coconut remains an essential part of our local food economy. Please move SB2925 Sd1 HD1 forward.

Thank you,

Bianca West