The Honorable Donna Mercado Kim,
President
and Members of the Senate
Twenty-Seventh State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Joseph M. Souki,
Speaker and Members of the
House of Representatives
Twenty-Seventh State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kim, Speaker Souki, and Members of the Legislature:

This is to inform you that on June 19, 2014, the following bill was signed into law:

HB1931 HD1 SD2 CD1 RELATING TO AGRICULTURE
ACT 100 (14)

Sincerely,

NEIL ABERCROMBIE
Governor, State of Hawaii
A BILL FOR AN ACT

RELATING TO AGRICULTURE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAI'I:

SECTION 1. The legislature finds that macadamia nuts are among the five top-grossing agricultural commodities in Hawaii. According to the United States Department of Agriculture, National Agricultural Statistics Service, Hawaii harvested an estimated forty-four million pounds in macadamia nut crop during the 2012-2013 crop year. The estimated farm value of macadamia nuts for that same year was $35,200,000.

In March 2005, the macadamia felted coccid, Eriococcus ironsidei, was discovered on macadamia nut trees in South Kona. Originally from Australia, this insect can cause severe damage to macadamia nut trees when uncontrolled. Initially, insecticidal oils researched and recommended by the University of Hawaii's college of tropical agriculture and human resources were effective at controlling the spread of these insects.

After successful suppression of the original infestation in 2005, however, infestations of macadamia felted coccid were most recently found in the Pahala area. Although insecticidal oil treatment has been effective in eradicating the insect from
young sapling trees in the Pahala area, this treatment has
proven ineffective on older macadamia nut trees because the
trees are too large to receive adequate coverage of the
insecticidal oil. Because insecticidal oil is proving to be
ineffective, farmers must develop new methods to control the
infestation of macadamia felted coccid, which could devastate
the macadamia nut industry in Hawaii.

According to the department of agriculture, to develop new
methods to control the macadamia felted coccid, researchers
must:

(1) Investigate the role of tree canopy modification and
understory plants to encourage the presence of natural
enemies to the macadamia felted coccid;
(2) Analyze the potential of alternative pesticides;
(3) Determine the impact of macadamia felted coccid on
plant health;
(4) Determine action thresholds for macadamia felted
coccid management;
(5) Determine the phenology of macadamia felted coccid in
the field; and
(6) Identify and test biological control agents in Australia that could be introduced in Hawaii to control the macadamia felted coccid.

The legislature anticipates that the macadamia felted coccid will spread to other regions and counties of Hawaii if uncontrolled and could devastate the macadamia nut industry.

Accordingly, the purpose of this Act is to appropriate funds for research to develop new methods of preventing and treating macadamia felted coccid infestations.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of $360,000 or so much thereof as may be necessary for fiscal year 2014-2015 for the department of agriculture, in cooperation with the college of tropical agriculture and human resources at the University of Hawaii at Manoa, to research and develop methods for the prevention and treatment of macadamia felted coccid.

The sum appropriated shall be expended by the department of agriculture for the purposes of this Act.

SECTION 3. The appropriation made pursuant to section 2 of this Act shall not lapse at the end of the fiscal biennium for which the appropriation is made; provided that all moneys from
the appropriation unencumbered as of June 30, 2016, shall lapse as of that date.

SECTION 4. This Act shall take effect on July 1, 2014.

APPROVED this 19 day of JUN, 2014

GOVERNOR OF THE STATE OF HAWAII