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# A BILL FOR AN ACT

RELATING TO COFFEE BERRY BORER BEETLE.

**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 and Maui. This infestation threatens the  
7 viability of Hawaii's entire coffee industry. Ongoing efforts  
8 to control the coffee berry borer are critical, and the State  
9 must continue to support these efforts.

10           The legislature also finds that application of the organic  
11 biological pesticide containing the fungus *Beauveria bassiana* is  
12 known to cause high rates of mortality in the coffee berry borer  
13 and is a primary method of pest control for the coffee berry  
14 borer in other coffee-growing regions of the world. Research  
15 shows that subsidizing the cost of pesticides is an effective  
16 and necessary incentive to encourage farmers to adopt  
17 recommended pest management strategies.



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

8 The purpose of this Act is to extend the sunset date of the  
9 pesticide subsidy program for two years so that the program can  
10 remain in effect for the number of years that was intended when  
11 Act 105 was passed.

12 SECTION 2. Act 105, Session Laws of Hawaii 2014, as  
13 amended by Act 152, Session Laws of Hawaii 2015, is amended as  
14 follows:

15 1. By amending section 3 to read:

16 "SECTION 3. (a) There is established in the department of  
17 agriculture a pesticide subsidy program to be administered by  
18 the department [~~for five years~~] beginning on July 1, 2014, and  
19 ending on June 30, [~~2019-~~] 2021. The department shall grant  
20 subsidies to coffee growers to assist them in offsetting the



1 costs of purchasing any pesticide that is listed by the  
2 department pursuant to subsection (f).

3 (b) Applications for subsidies by coffee growers shall be  
4 submitted on a form furnished by the department and shall be  
5 filed with accompanying documentation of the costs of purchasing  
6 the pesticide; provided that:

7 (1) The applicant shall indemnify and hold harmless the  
8 State and its officers, agents, and employees from all  
9 claims arising out of or resulting from the pesticide  
10 purchased; and

11 (2) The department may request an applicant to provide  
12 necessary information for the purposes of verifying  
13 the size or sale weight, as applicable, and amount of  
14 the pesticide purchased.

15 (c) Documentation of pesticide costs, as requested by the  
16 department, shall be filed for pesticides purchased within the  
17 immediate preceding fiscal year of filing and shall be effective  
18 for pesticide costs incurred after June 30, 2014, and before  
19 July 1, [~~2019.~~] 2021.

20 (d) Funds shall be disbursed [~~from the pesticide use~~  
21 ~~revolving fund established under section 149A-13.5, Hawaii~~



1 ~~Revised Statutes,~~] upon approval on an annual basis by the  
2 department to the coffee grower for up to seventy-five per cent  
3 of the costs incurred for the purchase of the pesticide before  
4 July 1, 2016, and for up to fifty per cent of the costs incurred  
5 after June 30, 2016, and before July 1, [~~2019-~~] 2021.

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

16 (f) The department shall establish a list of pesticides  
17 that are registered with the Environmental Protection Agency and  
18 are licensed with the State that contain *Beauveria bassiana*, a  
19 fungus known to eradicate the coffee berry borer, as an active  
20 ingredient.



1 (g) There is established within the department a pesticide  
2 subsidy program manager position, which shall be a full-time,  
3 temporary position exempt from chapters 76 and 89, Hawaii  
4 Revised Statutes. The pesticide subsidy program manager shall  
5 possess a requisite level of knowledge and expertise in the area  
6 of program management necessary to carry out the duties of the  
7 position. The pesticide subsidy program manager shall:

8 (1) Facilitate the efficient division and distribution of  
9 available subsidy funds; and

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

12 The pesticide subsidy program manager shall receive a salary of  
13 not more than \$50,000 per year.

14 (h) Not later than twenty days prior to the convening of  
15 the regular session of [~~2019~~] 2021, the department shall submit  
16 a report of its findings and recommendations, including any  
17 proposed legislation, to the legislature on the results of the  
18 subsidy program and whether the program should be allowed to  
19 expire or be extended, and if extended, with or without  
20 modification.



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

4 2. By amending section 6 to read:

5 "SECTION 6. This Act shall take effect on July 1, 2014;  
6 provided that section 3 shall be repealed on June 30, [~~2019;~~  
7 2021; provided further that the amendment made to section 149A-  
8 13.5(b), Hawaii Revised Statutes, under section 2 of this Act  
9 shall not be repealed when section 149A-13.5(b), Hawaii Revised  
10 Statutes, is repealed and reenacted on June 30, 2015, by section  
11 4 of Act 168, Session Laws of Hawaii 2010."

12 SECTION 3. There is appropriated out of the general  
13 revenues of the State of Hawaii the sum of \$ or so  
14 much thereof as may be necessary for fiscal year 2017-2018 and  
15 the same sum or so much thereof as may be necessary for fiscal  
16 year 2018-2019 for the pesticide subsidy program established  
17 under Act 105, Session Laws of Hawaii 2014, as amended.

18 The sums appropriated shall be expended by the department  
19 of agriculture for the purposes of this Act.



1 SECTION 4. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3 SECTION 5. This Act shall take effect on July 1, 2017.



**Report Title:**

Coffee Berry Borer; Subsidy Program; Appropriation

**Description:**

Extends the sunset date for the Coffee Berry Borer Pesticide Subsidy Program until June 30, 2021, for the purchase of pesticides containing *Beauveria bassiana* to combat the coffee berry borer. Provides that no single coffee grower shall receive more than \$6,000 per year in subsidies between June 30, 2018, and July 1, 2021. Appropriates funds. (SD1)

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

