
A BILL FOR AN ACT

RELATING TO INSPECTION FEES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the silent invasion
2 of Hawaii by alien invasive species threatens Hawaii's economy,
3 natural environment, human health, and lifestyle. The Hawaii
4 interagency biosecurity plan provides a coordinated path forward
5 to increase support for local agriculture, protect the
6 environment, and safeguard the health and lifestyle of Hawaii's
7 people by protecting against invasive species. The plan notes
8 that imports to the State, and specifically the importation of
9 plant material, is one of the main pathways for the introduction
10 of harmful pests and diseases, such as coqui frogs
11 (*Eleutherodactylus coqui*), nettle caterpillars (*Darna*
12 *pallivitta*), ohia rust (*Austropuccinia psidii*), and rapid ohia
13 death (*Ceratocystis fimbriata*).

14 The plan also notes that invasive species have massive
15 economic costs for the State, counties, local industries, and
16 residents. As of 2016, little fire ants (*Wasmannia*
17 *auropunctata*) cost Hawaii county \$174,000,000 per year alone in



1 management costs and economic damage to agriculture, nurseries,
2 residents, and other sectors.

3 The legislature further finds that the public are burdened
4 with the economic cost of mitigating and adjusting to invasive
5 species' spread as these species affect agriculture and food
6 security, native ecosystems, property values, and quality of
7 life. The costs of invasive species prevention and mitigation
8 should be borne at the source of their entry to the State, which
9 is predominantly freight imports.

10 The legislature also finds that under existing law, a
11 freight import fee is collected on shipments arriving into the
12 State via water. This fee has proven a reliable source of
13 steady funds to supplement general funds for the crucial
14 inspection and quarantine services performed by the Department
15 of Agriculture. Although the legislature acknowledges a 2012
16 ruling by the United States Department of Transportation found
17 that the State cannot make airlines or the air cargo import
18 companies collect or remit import fees, this ruling did not rule
19 against the State charging and collecting the fee on the air
20 cargo itself. The legislature concludes it is essential to



1 ensure that invasive species are caught and eradicated,
2 regardless of the means the species arrives in the State.

3 The purpose of this Act is to:

- 4 (1) Beginning July 1, 2022, establish an air cargo pest
5 inspection, quarantine, and eradication fee, to be
6 assessed on each air carrier delivering air cargo into
7 the State;
- 8 (2) Establish the air cargo pest inspection, quarantine,
9 and eradication fund, to be used solely by the
10 department of agriculture's air cargo inspection
11 program;
- 12 (3) Increase the inspection, quarantine, and eradication
13 service fee and charge from 75 cents to an unspecified
14 amount for every one thousand pounds of freight or
15 part thereof brought into the State; and
- 16 (4) Require the auditor to conduct an analysis on the air
17 cargo pest inspection, quarantine, and eradication fee
18 and report to the legislature.

19 SECTION 2. Chapter 150A, Hawaii Revised Statutes, is
20 amended by adding two new sections to be appropriately
21 designated and to read as follows:



1 "§150A-A Air cargo inspection, quarantine, and eradication

2 fee. (a) The department shall assess and collect a fee of

3 \$ from each air carrier delivering air cargo into the

4 State.

5 (b) The fee shall be used by the department's air cargo

6 inspection program, solely for the inspection, quarantine, and

7 eradication of invasive species contained in any air cargo

8 arriving into the State.

9 (c) The department shall deposit the fee into the air

10 cargo pest inspection, quarantine, and eradication fund

11 established pursuant to section 150A-B.

12 §150A-B Air cargo pest inspection, quarantine, and

13 eradication fund. (a) There is established in the state

14 treasury the air cargo pest inspection, quarantine, and

15 eradication fund, into which shall be deposited:

16 (1) Legislative appropriations for air cargo biosecurity
17 and inspection, quarantine, and eradication purposes;

18 (2) Service fees, charges, and penalties collected under
19 section 150A-B;

20 (3) All interest earned or accrued on moneys deposited in
21 the fund; and



1 (4) Any other moneys made available to the fund.

2 (b) The moneys in the air cargo pest inspection,
3 quarantine, and eradication fund shall be expended by the
4 department's air cargo inspection program, solely for the
5 inspection, quarantine, and eradication of invasive species
6 contained in any air cargo arriving into the State."

7 SECTION 3. Section 150A-5.3, Hawaii Revised Statutes, is
8 amended to read as follows:

9 "**§150A-5.3 Inspection, quarantine, and eradication service**
10 **fee and charge.** (a) There is imposed a fee for the inspection,
11 quarantine, and eradication of invasive species contained in any
12 freight, including marine commercial container shipment, [~~air~~
13 ~~freight,~~] or any other means of transporting freight, foreign or
14 domestic, but not including aggregate bulk freight, cement bulk
15 freight, coal bulk freight, or liquid bulk freight, that is
16 brought into the State. The transportation company shall bill
17 the fee to the person responsible for paying the freight charges
18 to the transportation company within fifteen days of the
19 delivery of the freight. The fee shall be paid by the person
20 responsible for paying the freight charges to the transportation
21 company within forty-five days of receipt of the bill. The



1 transportation company shall collect the fee from the person
2 responsible and forward the payment to the department at the
3 port of disembarkation within forty-five days of receipt of the
4 fee; provided that the transportation company shall not be
5 liable for any fee that is not paid by the person responsible
6 for paying the freight charges to the transportation company.

7 The department shall deposit the fee into the pest
8 inspection, quarantine, and eradication fund under
9 section 150A-4.5.

10 (b) The fee shall be assessed and collected on the net
11 weight of the imported freight computed on the basis of [75
12 ~~cents~~] \$_____ for every one thousand pounds of freight, or
13 part thereof, brought into the State."

14 SECTION 4. (a) The auditor shall conduct a sunrise
15 analysis on the air cargo inspection, quarantine, and
16 eradication fee established pursuant to section 2 of this Act.

17 (b) The auditor shall submit a report of its findings and
18 recommendations, including any proposed legislation, to the
19 legislature no later than twenty days prior to the convening of
20 the regular session of 2022.



1 SECTION 5. In codifying the new sections added by
2 section 2 of this Act, the revisor of statutes shall substitute
3 appropriate section numbers for the letters used in designating
4 the new sections in this Act.

5 SECTION 6. Statutory material to be repealed is bracketed
6 and stricken. New statutory material is underscored.

7 SECTION 7. This Act shall take effect upon its approval;
8 provided that section 2 shall take effect on July 1, 2022.



Report Title:

Department of Agriculture; Import Fee; Inspection, Quarantine, and Eradication Service Fee and Charge; Air Cargo; Air Cargo Inspection Program

Description:

Beginning 7/1/2022, establishes an air cargo pest inspection, quarantine, and eradication fee, to be assessed on each air carrier delivering air cargo into the State. Establishes the air cargo pest inspection, quarantine, and eradication fund, to be used solely by the department of agriculture's air cargo inspection program. Increases the inspection, quarantine, and eradication service fee and charge from 75 cents to an unspecified amount for every 1,000 pounds of freight or part thereof brought into the State. Requires the auditor to conduct an analysis on the air cargo pest inspection, quarantine, and eradication fee. (HD1)

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