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# A BILL FOR AN ACT

RELATING TO AGRICULTURE.

**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, and this infestation threatens the  
6 viability of Hawaii's entire coffee industry. The legislature  
7 also finds that ongoing efforts to control the coffee berry  
8 borer are critical, and the State must take immediate action to  
9 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 mortality in the coffee berry borer, and is  
13 a primary method of pest control for the coffee berry borer in  
14 other coffee-growing regions of the world. Research shows that  
15 subsidizing the cost of pesticides is an effective and necessary  
16 incentive to encourage farmers to adopt recommended pest  
17 management strategies. In addition, outreach and education to  
18 farmers is needed to ensure that farmers know how to properly



1 implement a pest management program and are aware of the  
2 availability of the subsidy.

3 The purpose of this Act is to appropriate moneys for:

4 (1) Education and mitigation activities to combat the  
5 coffee berry borer; and

6 (2) The development and implementation of a pesticide  
7 subsidy program to assist coffee growers with  
8 offsetting the cost of purchasing pesticides  
9 containing *Beauveria bassiana*, a naturally occurring  
10 fungus known to cause mortality in coffee berry  
11 borers.

12 SECTION 2. 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 2014-2015 for  
15 education and mitigation activities to combat the coffee berry  
16 borer.

17 The sum appropriated shall be expended by the college of  
18 tropical agriculture and human resources at the University of  
19 Hawaii for the purposes of this Act.

20 SECTION 3. The appropriation made under section 2 shall  
21 not lapse at the end of the fiscal biennium for which the  
22 appropriation is made; provided that all moneys from the



1 appropriation unencumbered as of June 30, 2016, shall lapse as  
2 of that date.

3 SECTION 4. (a) There is established in the department of  
4 agriculture a pesticide subsidy program to be administered by  
5 the department for five years beginning on July 1, 2014, and  
6 ending on June 30, 2019. The department shall grant subsidies  
7 to coffee growers to assist them in offsetting the costs of  
8 purchasing any pesticide that is listed by the department  
9 pursuant to subsection (f).

10 (b) Applications for subsidies by coffee growers shall be  
11 submitted on a form furnished by the department and shall be  
12 filed with accompanying documentation of the costs of purchasing  
13 the pesticide; provided that:

14 (1) The applicant shall indemnify and hold harmless the  
15 State and its officers, agents, and employees from all  
16 claims arising out of or resulting from the pesticide  
17 purchased; and

18 (2) The department may request an applicant to provide  
19 necessary information for the purposes of verifying  
20 the size or sale weight, as applicable, and amount of  
21 the pesticide purchased.



1 (c) Documentation of pesticide costs, as requested by the  
2 department, shall be filed for pesticides purchased within the  
3 immediate preceding fiscal year of filing and shall be effective  
4 for pesticide costs incurred after June 30, 2014, and before  
5 July 1, 2019.

6 (d) Funds shall be disbursed upon approval on an annual  
7 basis by the department to the coffee grower for up to 75 per  
8 cent of the costs incurred for the purchase of the pesticide  
9 before July 1, 2016, and for up to 50 per cent of the costs  
10 incurred after June 30, 2016, and before July 1, 2019.

11 (e) The department shall aggregate the total subsidy  
12 applications pursuant to this section and divide and distribute  
13 the available subsidy funds on a pro rata basis; provided that  
14 no single coffee producer shall receive subsidies that aggregate  
15 to more than \$9,000 per year, or more than \$600 per year per  
16 acre of land in coffee production.

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



1 (g) Not later than twenty days prior to the convening of  
2 the regular session of 2019, the department shall submit a  
3 report of its findings and recommendations, including any  
4 proposed legislation, to the legislature on the results of the  
5 subsidy program and whether the program should be allowed to  
6 expire or be extended, and if extended, with or without  
7 modification.

8 (h) Actions taken by the department pursuant to this  
9 section shall be exempt from the rulemaking requirements of  
10 section 91-3, Hawaii Revised Statutes.

11 SECTION 5. There is appropriated out of the general  
12 revenues of the State of Hawaii the sum of \$ or so  
13 much thereof as may be necessary for fiscal year 2014-2015 for  
14 the department of agriculture to develop, operate, and implement  
15 a pesticide subsidy program established under section 4 of this  
16 Act; provided that the department of agriculture may expend up  
17 to \$50,000 to hire one temporary program specialist for the  
18 pesticide subsidy program.

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

21 SECTION 6. This Act shall take effect on July 1, 2030;  
22 provided that section 4 shall be repealed on June 30, 2019.



**Report Title:**

Coffee Berry Borer; Appropriations; Subsidy Program

**Description:**

Appropriates moneys for mitigation of, and education relating to, the coffee berry borer. Establishes a pesticide subsidy program until June 30, 2019, for the purchase of pesticides containing *Beauveria bassiana* to combat the coffee berry borer. Effective July 1, 2030. (SD1)

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

