

SB 1272

LINDA LINGLE
Governor



State of Hawaii
DEPARTMENT OF AGRICULTURE
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LATE

TESTIMONY OF SANDRA LEE KUNIMOTO
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS
WEDNESDAY, MARCH 4, 2009
9:30 A.M.
ROOM 211

SENATE BILL NO.1272, SD1
RELATING TO TAXATION

Chairperson Kim and Members of the Committee:

Thank you for the opportunity to provide testimony on Senate Bill No. 1272, SD 1. The purpose of this bill is to amend the transient accommodations tax to require that an unspecified dollar amount of the tax revenue go to special funds, including the department of agriculture's pest inspection, quarantine, and eradication fund. The department offers comments.

The department's Plant Quarantine Branch, is legally mandated to inspect disembarking passengers, baggage, and cargo to reduce the introduction of invasive species that are brought into the State as a result of the movement of people and goods. Last year, the Legislature amended the inspection fee to help defray the costs of inspection services provided by the Department.

The airport system transports the majority of the tourists that come into the State. The airport system runs 365 days a year, twenty-four hours a day. Unfortunately, there has never been sufficient staffing to cover the airport's operational hours. As a result, the majority of our staffing is assigned to the airports and the majority of our paid overtime funded by general funds is used to pay for holiday, pre-shift, and post-shift to maintain staffing levels to minimize inspection delays. Because of necessary fiscal

restraints, positions and general funds to pay for overtime will be lost unless these costs can be transferred over to the pest inspection, quarantine, and eradication fund.

Tourists come to Hawaii to enjoy the beauty of the islands. The welfare of our environment is dependent on our ability to prevent the introduction of invasive species. Based on the a study done in 2004 by the United States Department of Agriculture, National Wildlife Research Center, it was estimated that the impact on tourism from the introduction of just the Brown Tree Snake from Guam would be about \$137 million a year at that time. We have had eight confirmed finds on the island of Oahu thus far. The risk is far worse now as federal and state agencies are expecting 600 times more cargo from Guam moving within and around the Pacific Rim in 2010 due to the marine expansion in Guam.

Another joint study done in 2007 by Hawaii Pacific University, University of Hawaii, and the U.S. Geological Survey, Pacific Island Ecosystems Research Center, estimated that the impact of the red imported fire ant (RIFA) to recreation, tourism, and business, which includes golf courses, hotel/resort areas, and commercial businesses, would be nearly \$7 million a year and nearly \$135 million for forgone outdoor activities for households and tourists. We have had two interceptions of this ant thus far, and now this pest completely surrounds us because of its presence on the West Coast, Asia, and the Pacific.