

NEIL ABERCROMBIE
Governor



RUSSELL S. KOKUBUN
Chairperson, Board of Agriculture

SCOTT E. ENRIGHT
Deputy to the Chairperson

State of Hawaii
DEPARTMENT OF AGRICULTURE
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TESTIMONY OF RUSSELL S. KOKUBUN
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON FINANCE

TUESDAY, FEBRUARY 28, 2012
11:00 A.M.

HOUSE BILL NO. 283 H.D. 1 PROPOSED
RELATING TO STATE FUNDS

Chairperson Oshiro and Members of the Committee:

Thank you for the opportunity to comment on House Bill No. 283 HD1 Proposed. The purpose of this bill is to transfer moneys from the agricultural loan revolving fund to the pest inspection, quarantine, and eradication fund. The Department of Agriculture supports the bill with reservations.

The Department of Agriculture recognizes the importance of eradicating the coffee beetle borer and due to the relatively small amount of the transfer supports the transfer of funds. We are, however, concerned that any further transfers of monies will jeopardize the Agricultural Loan program's ability to remain solvent as the program's revenues have been severely curtailed due to historically low interest rates and the effect the slow economy has had on collections.

Due to the recent amount of introductions of pests into the island such as the coqui frog, nettle caterpillar, varroa mite and coffee borer the department suggests that a more appropriate and permanent means of funding must be developed to protect the State's fragile environment.

Thank you for the opportunity to testify and offer comments.



Hawaii Farm Bureau
F E D E R A T I O N

2343 Rose Street • Honolulu, Hawaii 96819
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www.hfbf.org

February 28, 2012

HEARING BEFORE THE
HOUSE COMMITTEE ON FINANCE

TESTIMONY ON HB 283, PROPOSED HD1
RELATING TO STATE FUNDS

Room 308
11:00 AM

Chair Oshiro, Vice Chair Lee, and Members of the Committee:

I am Brian Miyamoto, Chief Operating Officer and Government Affairs Liaison for the Hawaii Farm Bureau Federation (HFBF). Organized since 1948, the HFBF is comprised of 1,800 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interest of our diverse agricultural community.

HFBF is in strong support of HB 283, Proposed HD1, which authorizes the transfer of \$140,000 from the agricultural loan revolving fund to the pest inspection, quarantine, and eradication fund for a program to control and eradicate Coffee Berry Borer (CBB).

The recent discovery of CBB in Kona threatens the entire Hawaiian coffee industry. Shortly after its discovery, a small number of Ka'u Farms have been identified as hosting the beetle. Ka'u is different than Kona in that our affected farms are more centralized and are not surrounded by feral coffee. Feral coffee acts as reservoir for the pest, mitigating the impacts of even the best management techniques. Ka'u's aggressive response to CBB may not be easily replicated on neighbor islands. Large farms both on Maui and Kauai utilize machine harvesting, making good sanitation practices very costly, if not impossible.

While the full tally is yet to be made, Kona has been experiencing losses on the magnitude of 20-40%. Moreover, large quantities of coffee have been downgraded due to insect damage, reducing the farm gate value of the remaining crop. CBB is a serious threat to Hawaii's agriculture industry and the state's economy. While CBB is battled worldwide, no other coffee growing origin shares Hawaii's high labor costs and restrictions on pesticides.

The industry's response has been immediate and multi-faceted. An ad-hoc CBB task force has been formed, including growers, processors, HDOA, UH, USDA and county government. Industry has committed \$50,000 toward the effort. Countless private dollars continue to be expended in the fight. Legislation that proposed a self-imposed 1 cent per pound fee on all coffee grown or imported to the state failed earlier this session. Federal grant applications are currently being developed.

This appropriation should be viewed as an investment one of the state's largest agricultural products and one that brings fame to Hawaii and helps drives tourism.

HFBF respectfully request that you support this measure.

I can be reached at (808) 848-2074 if you have any questions. Thank you for the opportunity to comment on this matter.

Nancy Pisicchio

78-7240 Kuakini Hwy

Kailua-Kona, Hawaii 96740

npisicchio@hawaii.rr.com

(808) 322-3118

2/27/11

Re: HB283

Dear Lawmakers:

Speaking as a Kona County Farm Bureau Director and a coffee farmer, I hope you will approve this Bill to provide \$140,000 to begin what will be a long painful battle to control the Coffee Berry Borer in order to save Hawaii's coffee industry.

Sincerely,

Nancy Pisicchio

February 27, 2012

TO: Finance Committee

FROM: H.C. Bittenbender

RE: Testimony in support of HB 283 HD1

I support bill HB 283 HD1 to transfer excess agriculture loan funds to agriculture inspection and coffee berry borer (CBB) eradication by destroying feral and abandoned coffee trees in Kona.

My comments are personal but based upon my experience as Coffee Extension Specialist for the University of Hawaii for the past 26 years.

The three principle strategies for controlling CBB are farm and mill sanitation to 'contain and kill' CBB which breaks the life cycle, trapping and spraying spores of the fungus *Beauveria Bassiana*.

CBB destroys the seed not the fruit or tree, so only after harvesting including paying for fertilization, pruning, and harvesting does the farmer realize the extent of damage. I expect many Kona coffee farmers particularly farmers who sell their cherry coffee will consider abandoning their coffees trees and not harvesting them. This will result in millions of CBB that are produced that will fly to find uninfested coffee on near by farms.

A community efforts to help fellow farmers is needed but a government funded program will greatly aid the effort particularly on farms and non-farm areas where offers to help are ignored or simply not heard.

Abandoned coffee can be controlled relatively easily by cutting the trees at ground level and treating with readily available herbicides.

If abandoned trees on farms are not destroyed this year the 2012 and subsequent Kona coffee crops will be smaller and more farmers will abandon coffee.

H.C. Bittenbender

2377 St. Louis Drive

Honolulu, HI 96816

FINTestimony

From: mailinglist@capitol.hawaii.gov
sent: Monday, February 27, 2012 4:29 PM
To: FINTestimony
Cc: gjstille@aol.com
Subject: Testimony for HB283 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB283

Conference room: 308
Testifier position: Support
Testifier will be present: Yes
Submitted by: Greg Stille
Organization: Maui Coffee Association
E-mail: gjstille@aol.com
Submitted on: 2/27/2012

Comments:

The Maui Coffee Association supports the transfer during fiscal year 2012-13 of \$140,000 from the agricultural loan revolving fund to the pest inspection, quarantine, and eradication fund. Appropriates \$140,000 for a program to control and eradicate the coffee borer beetle.
Mahalo,
Greg Stille
President; Maui Coffee Association

FINTestimony

From: mailinglist@capitol.hawaii.gov
ent: Monday, February 27, 2012 2:50 PM
To: FINTestimony
Cc: bluejourney@aol.com
Subject: Testimony for HB283 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB283

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Stefanie Delmont
Organization: Kona County Farm Bureau
E-mail: bluejourney@aol.com
Submitted on: 2/27/2012

Comments:

Aloha Chair Oshiro, Vice Chair Lee and Members of the Committee. KONA COUNTY FARM BUREAU strongly supports HB283 HD1. In the over year and a half since the existence in (at that time only) Kona of the Coffee Berry Borer (CBB) was officially acknowledged by the Department of Agriculture, the governor and assorted others involved in the Agricultural Community, the CBB has spread throughout Kona and is now in Ka'u. The research that has been done by the agricultural professionals (UH, Dept of Ag, by farmers on site and by various coffee groups has shown that there will be no magic bullet that will control/eradicate the CBB. The Dept of Agriculture provided coffee farmers with a good tool by approving the use in Hawaii of pesticides (both organic and non organic) containing a fungus that combats the CBB. The use of these pesticides requires coordination with coffee flowering, repeated sprayings, avoidance of harm to bees and, of course, money. Traps have also proved to be effective at monitoring and providing some control. Sanitation on coffee farms is also vital to trying to control the CBB. Sanitation involves removing all beans - from the ground, stripped from the trees at end of picking - removal and destruction of all prunings along with the beans. This is to prevent reinfestation of new growth from CBB emerging from beans left on the ground and starting cycle all over again. Farmers have taken this on to save their coffee - their livelihoods. However, the existence of feral coffee - on lands not being actively farmed and on properties where farmers have given up on their crop as being more expensive to pick and destroy infected beans than to just leave the entire crop unharvested - has left farmers with a significant problem and source of reinfestation. HB283HD1, if passed, can provide money to stump and clear feral and uncared for coffee. It could provide money for more traps, more education for farmers and landholders, money to help with farmers spray costs (including labor involved) - basically - whatever will help to control the CBB. Right now it appears a combination of spraying, traps, and very - maybe - most important, stripping of crop that won't be harvested and its destruction (burn/boil/bury) are what we have to work with.

Coffee farmers can't do this alone without support. We are really at a critical phase where infusion of money for many of the approaches to controlling CBB is vitally needed. Kona Coffee has the reputation of a superior and specialty coffee. This reputation also covers other Hawaiian coffees adding not just prestige but reputation for high quality that justifies the high prices for Kona and other Hawaiian coffees. We may be growing a Third World crop but we are doing it at First World costs and expertise.

Kona coffee is a vital part of the agricultural community, culture and history; it is part of diversified agriculture, provides for wonderful tourism experiences for visitors and adds to the local and state economies.

Aloha for your time and attention in considering our strong support for HB283HD1.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 7:41 PM
To: FINTestimony
Cc: bruce.corker@gmail.com
Subject: Testimony for HB283 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB283

Conference room: 308
Testifier position: Oppose
Testifier will be present: No
Submitted by: Bruce Corker
Organization: Rancho Aloha Organic Coffee
E-mail: bruce.corker@gmail.com
Submitted on: 2/27/2012

Comments:

Dear Chair Oshiro and Members of the Committee:

I am Bruce Corker, a coffee farmer in Holualoa in the North Kona District, Hawaii County, and offer this testimony in OPPOSITION to SB 283/HB1.

HB283/HD1 represents a poorly crafted, ill-advised rush to legislation. From the bill status sheet, it appears that this bill did not exist in its current form until on or after 2/22/12. HB283 was referred to the House Agriculture Committee, but that committee appears not to have considered the bill or held a hearing on it. No input has been sought from coffee farmers of Hawaii County as to whether this bill adequately addresses the emergency Coffee Berry Borer crisis we face. Is this good legislative practice?

This bill raises serious questions about the priorities of the State of Hawaii and its Legislature for agriculture.

Coffee farmers in Hawaii County are in a dire emergency because of the recent introduction of coffee berry borer. The future of Hawaii's premier specialty agriculture crop (Kona coffee) is uncertain because of this pest. Yet in more than one and a half years since CBB was discovered here, the HDOA has been unable to come up with the relatively small amount of money to hire and assign an entomologist to Kona to focus on developing a program for mitigation of CBB. The HDOA repeatedly cites lack of resources from the State Legislature as the reason for its inaction.

This bill now appears to make a factual finding that in the face of the CBB crisis, the Legislature and the HDOA has left "at least \$140,000" unspent. How did that happen?

HB283/HD1 is clearly inadequate both in the amount of its monetary appropriation and in its designated use for that money.

\$140,000 for the CBB crisis is a grossly inadequate to address the scope of the emergency. Puerto Rico has spent close to \$1 million addressing its CBB emergency--putting Hawaii to shame. If the State does not have the resources that Puerto Rico has devoted to their CBB crisis, the Hawaii Legislature should raise the money to save its coffee industry by, for example, placing a fee on green coffee grown in or imported into Hawaii to fund a CBB program--at least of the scale implemented by Puerto Rico.

With respect to the designated use of the appropriation, a rational approach would be to put entomologists on the ground in Hawaii County to develop and implement--on an emergency basis--a CBB mitigation program tailored to the environment in Hawaii County, and with cost/benefit analyses of the various program elements. To blindly plunge into mandated CBB eradication and destruction of coffee trees (as this bill would do)before developing a rational plan, is foolish.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 9:40 PM
To: FINTestimony
Cc: diannaderosa@yahoo.com
Subject: Testimony for HB283 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB283

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Dianna DeRosa
Organization: Individual
E-mail: diannaderosa@yahoo.com
Submitted on: 2/27/2012

Comments:

The CBB is Ruining our coffee crops here in the Kona area. The price to help in eradicating this pest is expensive and many farms can't afford to use this fungus on a continual basis to help get rid of this CBB. I am one of the farm owners that are having difficulty finding a way to pay for this.

100% Kona coffee is world renown for it's coffee as you know, without funding, our coffee could all be ruined. One farm could be doing all that we know to eradicate this pest, but the next farm may not be able to. Plus this drought is weakening our coffee trees so they are more susceptible to infestation.

Mahalo,
Dianna DeRosa

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 4:12 PM
To: FINTestimony
Cc: jwayman@hicoffeeco.com
Subject: Testimony for HB283 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB283

Conference room: 308
Testifier position: Support
Testifier will be present: Yes
Submitted by: Jim Wayman
Organization: Hawaii Coffee Association
E-mail: jwayman@hicoffeeco.com
Submitted on: 2/27/2012

Comments:

STRONG SUPPORT FOR HB 283. The Entire Hawaiian Coffee industry is in serious trouble due to infestation by the Coffee Berry Borer Beetle (CBB). Millions of dollars of crop value was lost in 2011 and this Trend will continue if we do not get the situation under control. Funds are needed to provide research and other solutions.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 10:16 AM
To: FINTestimony
Cc: theresainhawaii@gmail.com
Subject: Testimony for HB283 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB283

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Theresa Fernandez
Organization: HFBF
E-mail: theresainhawaii@gmail.com
Submitted on: 2/27/2012

Comments:

YES! I am in favor of HD1 to HB283. It is important to all of us - not just Hawaii Island but the entire State of Hawaii. Support here affects us all - now and in the future.

Thank you.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 8:56 PM
To: FINTestimony
Cc: jkimof@msn.com
Subject: Testimony for HB283 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB283

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Kimo Falconer
Organization: Hawaii Coffee Growers Assn
E-mail: jkimof@msn.com
Submitted on: 2/27/2012

Comments:

Dear Chair and members of the committee, I am writing in support of HB-283 HD1 representing the Hawaii Coffee Growers Association, who also represent better that 70% of the coffee produced in this State. The CBB is the single most serious threat to us as an industry ever! To date through this legislature there has been impressive action on the part of you as our lawmakers, to help battle this pest and it's spread.

Thank you for understanding the importance of this growing agricultural industry and what it means to the strengthening of that particular sector of our economy. This will be money very well spent.

Please pass this bill through.

Sincerely, James Kimo Falconer, President Hawaii Coffee Growers Assn.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 9:26 PM
To: FINTestimony
Cc: mauimmartha@hawaiiantel.net
Subject: Testimony for HB283 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB283

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Martha Lind
Organization: Individual
E-mail: mauimmartha@hawaiiantel.net
Submitted on: 2/27/2012

Comments:

HB283 HD1: The proposed transfer of funds from the agricultural fund to fight the coffee borer beetle is SO important, not only to the coffee farmers in HI, but also to the state of HI. As you know, Hawaii is the only state in the U.S. which grows coffee, and we would like HI to remain the state which grows coffee. Coffee farmers and their crops on the Big Island have already been devastated by this pest. It is therefore imperative that this pest is eradicated on the Big Island, and not allowed to migrate to any of the other Hawaiian Islands. Mahalo for your support for HI coffee farmers by passing this bill.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 9:30 PM
To: FINTestimony
Cc: caveguy@hawaiiantel.net
Subject: Testimony for HB283 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB283

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Lars Lind
Organization: Individual
E-mail: caveguy@hawaiiantel.net
Submitted on: 2/27/2012

Comments:

HB283 HD1: I am a coffee farmer on Maui. My coffee trees have not yet matured--I have about another 2 years until they will start producing coffee cherries. I am asking for your support for this bill. It is so important for HI coffee farmers as well as for the State of Hawaii that funds be appropriated so that this pest can be identified and eradicated. I hope that my trees will mature and I will produce great Hawaiian coffee without my crop being wiped out by this terrible pest. Thank you for your support for this bill.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 9:04 PM
To: FINTestimony
Cc: page@princessradhafarm.com
Subject: Testimony for HB283 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB283

Conference room: 308
Testifier position: Oppose
Testifier will be present: No
Submitted by: Page Trygstad
Organization:
E-mail: page@princessradhafarm.com
Submitted on: 2/27/2012

Comments:

We, Kona coffee farmers need that money on the ground helping us. Until all Kona coffee farmers can perform control and mitigation procedures on their own farms it is futile to waste money cutting down feral coffee.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 6:19 PM
To: FINTestimony
Cc: mmartinagehawaii@msn.com
Subject: Testimony for HB283 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB283

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Michael Martinage
Organization: Individual
E-mail: mmartinagehawaii@msn.com
Submitted on: 2/27/2012

Comments:
"Yes I am in favor of HD1 to HB283";

FINTestimony

From: mailinglist@capitol.hawaii.gov
ent: Monday, February 27, 2012 2:15 PM
To: FINTestimony
Cc: jlenhart@hicoffeeco.com
Subject: Testimony for HB283 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB283

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Jim Lenhart
Organization: Individual
E-mail: jlenhart@hicoffeeco.com
Submitted on: 2/27/2012

Comments:

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 1:47 PM
To: FINTestimony
Cc: hcbitt@hawaii.edu
Subject: Testimony for HB283 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB283

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: HC Bittenbender
Organization: Individual
E-mail: hcbitt@hawaii.edu
Submitted on: 2/27/2012

Comments: