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State of Hawaii
DEPARTMENT OF AGRICULTURE
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SCOTT E. ENRIGHT
Chairperson, Board of Agriculture

PHYLLIS SHIMABUKURO-GEISER
Deputy to the Chairperson

**TESTIMONY OF SCOTT E. ENRIGHT
CHAIRPERSON, BOARD OF AGRICULTURE**

BEFORE THE SENATE COMMITTEE AGRICULTURE & ENVIRONMENT

**JANUARY 29, 2018
1:15 P.M.
CONFERENCE ROOM 224**

**SENATE BILL NO. 2125
RELATING TO COFFEE BERRY BORER**

Chairperson Gabbard and Members of the Committee:

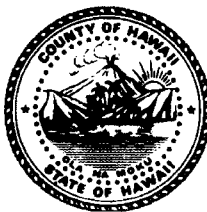
Thank you for the opportunity to present testimony on Senate Bill 2125. This bill extends the pesticide subsidy program manager position exemption to correspond to the two-year extension of the program by Act 65, SLH 2017, and to continue the position for a year beyond the program sunset date to process applications for subsidies of costs incurred in the final year of the program. The Department strongly supports this bill.

The civil service exemption of the program manager position, which is responsible for division and distribution of available subsidy funds, needs to be extended to correspond to the new program sunset date of June 30, 2021, as extended by Act 65, SLH 2017, and for a year beyond that sunset date because of the particular requirement as to when applications for subsidy must be filed. In order to provide continuous support for local coffee farmers, the pesticide subsidy manager position must be extended.

Thank you for the opportunity to testify on this measure.



Harry Kim
Mayor



Wil Okabe
Managing Director

Barbara J. Kossow
Deputy Managing Director

County of Hawai'i Office of the Mayor

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January 26, 2018

Senator Mike Gabbard, Chair
Committee on Agriculture and Environment
Hawai'i State Capitol
Honolulu, HI 96813

Dear Chair Gabbard and Committee members:

RE: SB 2125, pesticide subsidy program for the coffee berry borer
Public Hearing: 01-29-18 @ 1:15 pm – Conference Room 224

Thank you for this opportunity to testify in support of SB 2125.

As you know, coffee is a major industry for Hawaii Island, and I am informed that the coffee berry borer continues to be a substantial threat to coffee's economic survival. Any assistance the State can offer, including the pesticide subsidy that helps farmers manage the cost of controlling this terrible pest, is much appreciated.

I hope you will extend the pesticide subsidy program manager position through June 30, 2022, as set forth in SB 2125.

Respectfully submitted,

Harry Kim
Mayor



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HAWAII STATE SENATE
COMMITTEE ON AGRICULTURE AND ENVIRONMENT

Monday, January 29, 2018
1:15 p.m.
Conference Room 224

RE: Testimony in Support of SB 2125

Aloha Chair Gabbard, Vice Chair Riviere and members of the Committee,

I am Chris Manfredi, President of Hawaii Coffee Association.

The Hawaii Coffee Association's (HCA) mission is to represent all sectors of the Hawaiian coffee industry, including growers, millers, wholesalers, roasters and retailers located throughout the State of Hawaii. The HCA's primary objective is to increase awareness and consumption of Hawaiian coffees. A major component of HCA's work is the continuing education of members and consumers.

The HCA supports SB 2125.

According to the USDA's National Agriculture Statistics Service, (NASS), the Hawaiian Coffee industry is conservatively ranked as the second-highest value crop in Hawaii - not accounting for retail sales. The introduction of Coffee Berry Borer (CBB) to Hawaii has threatened our industry to its core. Working together with commodity groups, HDOA, UHCTAHR, USDA, SHAC, CBB Task Force, lawmakers, administrators, countless volunteers and stakeholders, together, we averted the collapse of Hawaiian coffee – clearly one of Hawaii's signature crops. Were it not for the past support of the legislature, many more farms would have failed, with resulting unemployment and loss of revenue. The CBB subsidy program and its staff represents a modest investment in the Hawaiian Coffee Industry - one that also contributes to Hawaii's tourism industry.

The full impact of CBB on Hawaii's farmers and related industries is not yet fully known. Its recent discovery on Maui is alarming to many of our members. While we have largely adapted to a post-CBB environment, Hawaii remains at a competitive disadvantage when compared to our counterparts located in other coffee-growing origins.

The HCA applauds the introducers and supporters of SB 2125, that extends the pesticide subsidy program manager position until June 30, 2022.

This position has been vital to the success of the program, while significantly increasing its efficiency and effectiveness.

Thank you for your support of SB 2125.

HAWAII COFFEE COMPANY™

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Written Testimony of
Daniel Dinell
President, Hawaii Coffee Company
before the
Senate Committee on Agriculture and the Environment
January 29, 2018; 1:15 pm
State Capitol, Conference Room 224

RE: SB 2125 RELATING TO COFFEE BERRY BORER.

Chair Gabbard, Vice Chair Riviere, and Members of the Committee:

Hawaii Coffee Company (HCC) **supports** SB 2125, which extends the pesticide subsidy program manager position, including the civil service and collective bargaining exemptions for the position, through June 30, 2022.

HCC has been in the coffee roasting business since 2000 and today is the world's largest roaster of Kona Coffee. Our 100 plus team members at our plant in Kalihi and other locations around the state, including in Captain Cook, the heart of the South Kona coffee district, earn a livelihood milling, roasting, packing, distributing, and retailing coffee. We have a major retail presence throughout Hawaii, are a leading provider of coffee to Hawaii hotels and restaurants as well as an exporter of products around the globe.

HCC does not own or operate any coffee farms, but we support coffee farmers by buying millions of dollars of coffee cherry in the Kona district, pulping and drying it into coffee parchment and milling it into green coffee beans.

We help with education and even facilitate labor and equipment to assist farmers in the rigorous and proven CBB control method that includes application of *Beauveria bassiana*. This Committee, relevant other Committees, and the entire Legislature have acted positively to help coffee farmers combat this pest and afford this very expensive fungicide to control CBB. The manager position is essential to continue this good work.

We thank Chair Gabbard along with the other Senators who co-sponsored this measure. Mahalo for the opportunity to provide this testimony.

SB-2125

Submitted on: 1/28/2018 2:24:17 PM

Testimony for AEN on 1/29/2018 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Dale Sandlin	Hawaii Cattlemens Council	Support	Yes

Comments:



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January 29, 2018

HEARING BEFORE THE
SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

TESTIMONY ON SB 2125
RELATING TO COFFEE BERRY BORER

Room 224
1:15 pm

Aloha Chair Gabbard, Vice Chair Riviere, and Members of the Committee:

I am Randy Cabral, President of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,900 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.

HFB is in strong support of SB 2125, which extends the pesticide subsidy program manager position, including the civil service and collective bargaining exemptions for the position, through June 30, 2022.

Coffee is one of Hawaii's signature crops; one that helps bring fame and tourists to Hawaii. Coffee Berry Borer (CBB) threatens the entire Hawaiian coffee industry. While the full tally is yet to be made, farms on Hawaii Island have experienced deep losses. Some have failed. Moreover, large quantities of coffee have been downgraded due to insect damage, reducing the 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 that may be used elsewhere to fight this destructive pest. This places the industry at a competitive disadvantage when compared to the rest of the coffee-growing world.

Fighting CBB is a priority in other coffee-producing countries. The USDA has expressed its support targeted toward research, education and mitigation. The industry's response has been immediate and multi-faceted. A non-profit CBB task force has been formed, including growers, processors, HDOA, UH, USDA and county government. CTAHR and HDOA have been responsive and effective in their combined efforts. Industry has committed countless private sector dollars and has leveraged both State and Federal funds. The State must continue to do its part.

A recent CTAHR economic analysis estimates FY2013 crop losses due to CBB at \$7.68 million, with a resultant \$571,000 annual loss in state tax revenues. The CBB Pesticide Subsidy Program should be viewed as a modest investment one of the state's largest and most important agricultural industries and the pesticide subsidy program manager position is critical to its success.

Thank you for this opportunity to provide our opinion on this important matter.