

STAND. COM. REP. NO.

2

Honolulu, Hawaii

FEB 04 2021

RE: S.B. No. 128
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Agriculture and Environment, to which was referred S.B. No. 128 entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose and intent of this measure is to appropriate monies for the development and implementation of a pesticide subsidy program until June 30, 2026, to assist coffee growers with offsetting the cost of purchasing fungicides that combat coffee leaf rust.

Your Committee received testimony in support of this measure from the University of Hawai'i at Manoa, College of Tropical Agriculture and Human Resources; Konalicious Organic Coffee LLC; Konaloha Farms; Hawai'i Farm Bureau; Rancho Aloha; Hawaii Coffee Association; Kona Perfect; Kona Coffee Farmers Association; Synergistic Hawaii Agriculture Council; Huahua Farm; and two individuals. Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that to date, *Hemileia vasatrix* (coffee leaf rust) has been identified in Holualoa, Hawaii; Haiku, Maui; and on Lanai. If left untreated, researchers estimate losses between thirty percent and eighty percent per year. Your Committee further finds that there are a limited number of contact fungicides available to treat coffee leaf rust. Though costly,



systemic fungicides are needed to provide greater resistance and suppression for active infections of coffee leaf rust. The cost of the fungicide provided to the Department of Agriculture is estimated at \$27.89 per acre. Fungicides must be applied twice a year for successful control, doubling the cost to \$55.78 per acre annually. At the initial reimbursement rate of seventy-five percent for the first two years of the program, the \$900,000 allocation will provide approximately 21,500 acres with protection from coffee leaf rust. Therefore, your Committee finds that the fungicide subsidy program in the Department of Agriculture is needed to assist coffee growers with offsetting the costs of purchasing certain pesticides known to be effective against coffee leaf rust.

Your Committee notes that Act 152, Session Laws of Hawaii 2015, extended by Act 32, Session Laws of Hawaii 2018, established a pesticide subsidy program with nearly three hundred participating coffee farmers throughout Hawaii. The new fungicide subsidy program supported by the pesticide use revolving fund would require a new fungicide subsidy program manager to be established.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 128, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 128, S.D. 1, and be referred to your Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committee on Agriculture and
Environment,

A handwritten signature in black ink, appearing to read "Mike Gabbard", written over a horizontal line.

MIKE GABBARD, Chair



