

JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



**STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'
DEPARTMENT OF LAND AND NATURAL RESOURCES
KA 'OIHANA KUMUWAIWAI 'ĀINA**

P.O. BOX 621
HONOLULU, HAWAII 96809

**Testimony of
DAWN N. S. CHANG
Chairperson**

**Before the Senate Committee on
WAYS AND MEANS**

**Tuesday, February 28, 2023
10:00 AM
State Capitol, Conference Room 211**

**In consideration of
SENATE BILL 744
RELATING TO INVASIVE SPECIES**

Senate Bill 744 proposes to require the Hawai'i Invasive Species Council (HISC) to classify coffee leaf rust as an invasive species in its administrative rules and to direct available funding for mitigation efforts, research, and prevention or control actions for coffee leaf rust. **The Department of Land and Natural Resources (Department) offers the following comments.**

The Hawai'i Invasive Species Council was established in 2003 codified as Chapter 194, Hawaii Revised Statutes (HRS), and is administered under the Department. The Council is co-chaired by the chairs of the Hawai'i Department of Agriculture (HDOA) and the Department and members include representatives from the Departments of Transportation, Health, Business, Economic Development and Tourism, and the University of Hawai'i that provide policy level direction, coordination, and planning for the control and eradication of harmful invasive species infestations throughout the state and for preventing the introduction of other invasive species that may be potentially harmful. As part of their mandate, HISC disburses state funding to support interagency invasive species projects via an intra-governmental grant process wherein state, county, and federal offices may submit requests for funding and collaboratively draft a recommended budget for HISC review and final approval.

The measure calls for HISC to designate coffee leaf rust as an invasive species under its administrative rules, however HISC does not currently have administrative rules under Chapter 194, HRS. The Department does recognize coffee leaf rust as a major agricultural threat in Hawai'i, and agrees that additional coordination and resources are needed to manage its spread.

DAWN N.S. CHANG
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE
MANAGEMENT

LAURA H.E. KAAKUA
FIRST DEPUTY

M. KALEO MANUEL
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE
MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES
ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

HDOA is leading the response effort for coffee leaf rust and has already listed the invasive plant pathogen *Hemileia vastatrix* (coffee leaf rust) under Chapter 69A, Hawai'i Administrative Rules, as a pest for response and control under the authority of Section 141-3, HRS. HISC and the Department will continue to coordinate with HDOA as necessary on response efforts.

The Department is currently requesting an increase in recurring funds to be dedicated to HISC for the early detection, response, and control of invasive species, and these additional funds could be used to combat coffee leaf rust and other invasive species throughout the State.

Mahalo for the opportunity to comment on this measure.

JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



SHARON HURD
Chairperson, Board of Agriculture

MORRIS M. ATTA
Deputy to the Chairperson

State of Hawai'i
DEPARTMENT OF AGRICULTURE
KA 'OIHANA MAHI'AI
1428 South King Street
Honolulu, Hawai'i 96814-2512
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**TESTIMONY OF SHARON HURD
CHAIRPERSON, BOARD OF AGRICULTURE**

BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS

**FEBRUARY 28, 2023
10:00 AM
CONFERENCE ROOM 211**

**SENATE BILL NO. 744
RELATING TO INVASIVE SPECIES**

Chairperson Dela Cruz and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill No. 744. This bill requires the Hawaii Invasive Species Council (HISC) to classify coffee leaf rust (CLR) as an invasive species in its administrative rules. The Department supports the intent of this bill and offers comments.

Although the HISC, through Hawaii Revised Statutes (HRS) §194-2(a), can promulgate administrative rules, the HISC has not engaged in active rulemaking at this time to create a list of invasive species necessary to include the coffee leaf rust, CLR. The Department has listed the invasive plant pathogen *Hemileia vastatrix*, the coffee leaf rust under Hawaii Administrative Rules Chapter 4-69A as a pest for response and control under the authority of Hawaii Revised Statutes RS §141-3. As such, the Department believes it has sufficient authority to act and respond to CLR issues. However, the Department does not currently have the funds to support mitigatory efforts, research, and prevention or control actions for CLR other than maintaining the existing restrictions on importation of coffee into the State and to fund the pesticides subsidy program for Coffee Berry Borer and CLR. As long as it does not impact other



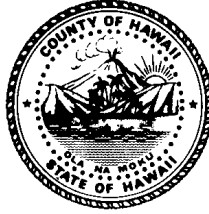
SB744
Page 2
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items and initiatives included in the administration's budget, the Department requests an appropriation of \$200,000 to address prevention, control and research for CLR.

The Department is a member agency of HISC and looks forward to working with HISC on invasive pests such as CLR.

Thank you for the opportunity to submit testimony.

Dr. Holeka Goro Inaba
Council Member, District 8, N. Kona



Office: (808) 323-4280
Email: holeka.inaba@hawaiicounty.gov

HAWAI'I COUNTY COUNCIL

County of Hawai'i
West Hawai'i Civic Center, Bldg. A
74-5044 Ane Keohokalole Hwy.
Kailua-Kona, Hawai'i 96740

February 25, 2023

Committee on Ways and Means
Senator Donovan M. Dela Cruz, Chair
Senator Gilbert S. C. Keith-Agaran, Vice Chairs

Re: Support for SB744 Relating to Invasive Species
Hearing: February 28, 2023 at 10:00 a.m.

Aloha Senators,

On behalf of myself and constituents of Council District 8 in North Kona, I am expressing strong support for SB744 relating to Invasive Species

We support this measure that would require the Hawaii Invasive Species Council to classify coffee leaf rust as an invasive species in its administrative rules and direct available funding for mitigation efforts, research, and prevention or control actions for coffee leaf rust.

The long-term effects of coffee leaf rust has a significant impact if it is not properly treated, and controlling the coffee leaf rust is critical to sustaining the coffee industry here in Kona.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Holeka Goro Inaba". The signature is fluid and cursive.

DR. HOLEKA GORO INABA, Council Member
District 8, North Kona



Hawaii Coffee Association
PO Box 168, Kealahou, HI 96750

SENATE COMMITTEE ON WAYS AND MEANS
February 28, 2023

RE: Testimony in Support of SB744; RELATING TO INVASIVE SPECIES

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran and Senators,

I am Chris Manfredi, Executive Director of Hawaii Coffee Association (HCA) testifying in support of SB744.

Coffee leaf rust (CLR) has been discovered on Hawaii Island, Kauai, Maui, Oahu and Lanai. CLR poses a devastating threat to Hawaii's coffee industry. CLR is known to spread rapidly and leads to defoliation and tree death. The discovery of Coffee Leaf Rust in Hawaii is an emergency and requires an emergency response.

A report released on January 21, 2022 by USDA National Agricultural Statistics Service (NASS) suggests the value of Hawaii's green coffee crop in the 2021-22 season is \$113,013,600. This figure places coffee at the top of the charts in crop value, and does not account for upstream and downstream revenue in terms of value-added products and ancillary businesses. It's also important to note the coffee industry promotes tourism, and preserves open space, view planes and watersheds.

The typical coffee farm in Hawaii is a small family farm, yet the largest farm in the state is also a coffee farm. For more details regarding Hawaii's coffee industry impacts on the State's economy, please see the attached document: *What's at Stake: The Loss of Hawaii's Coffee Industry, A Major Economic Driver.*

The Hawaii Invasive Species Council (HISC) was formed to provide policy level direction, coordination, and planning among state departments, federal agencies, and international and local initiatives for the control and eradication of harmful invasive species infestations throughout the State and for preventing the introduction of other invasive species that may be potentially harmful. HISC fulfills its mandate by issuing resolutions, providing plans, and strategically disbursing funds to enhance invasive species prevention, control, outreach, and research.

This measure is designed to empower HISC to help our industry address and survive this crisis. It will unlock resources and expertise otherwise unavailable to Hawaii's coffee farmers.

Please pass this measure to help our industry, our economy and the countless families that depend on Hawaii's coffee industry.

Thank you for the opportunity to testify and for your support for Hawaii's coffee.



Hawaii Coffee Association
PO Box 168, Kealahou, HI 96750
February 2022

What's at Stake: The Loss of Hawaii's Coffee Industry, A Major Economic Driver

As growers of one of the State's most important agricultural crops, we are nearly 1,500 strong tending more than 10,000 acres. Not only do we preserve open space and watersheds, we are a pillar of the local economy: For the 2021-2022 season, the USDA values Hawaii's unroasted coffee at \$113.01 million¹. The roasted equivalent is worth more than \$161.45 million². These narrow statistics fall short of accounting for upstream and downstream revenues from increased tourism and ancillary businesses. They do not account for the countless citizens and their families who depend on Hawaii-grown coffee for their livelihoods.

After more than 200 years of growing coffee on these islands, our industry is facing the most destructive coffee disease in the world: Coffee Leaf Rust (CLR), a fungus that can kill an entire farm in a matter of weeks. Annually, CLR causes \$3 billion in damage and lost income around the world.

In Hawaii, the stakes are higher than elsewhere. While most other coffee-growing regions have planted rust-resistant varieties, all of the ones commercially grown in Hawaii are not resistant. And the best fungicides used to fight this disease have not been approved here.

CLR has been found and is spreading rapidly on Hawaii Island, Maui, Oahu, Kauai and Lanai. Its spores are spread by wind, workers, rain, equipment and tourists. As a result, farmers are facing defoliation, a loss of yield up to 70% or more and significantly higher production costs. So far, in the 2021-2022 season, many farmers have had to raise their prices for unroasted coffee between \$1.50 and \$3.00+ per pound.

¹ 2021-2022 season estimate, pounds of utilized production (green beans) x price per pound: 5,208,000 pounds x \$21.70/pound = \$113.01 million. Source: USDA-NASS. Jan 2022. "Coffee".

https://www.nass.usda.gov/Statistics_by_State/Hawaii/Publications/Fruits_and_Nuts/Coffee%20Data%20Release%202022.pdf

² This is a wholesale roasted estimate of the value of the 2021-2022 season crop, priced at \$31.00 per pound: 5,208,000 pounds of green beans x \$31.00/pound = \$161.45 million. The \$31.00/pound is an average statewide value for the season that takes into account the lower wholesale prices of mechanically harvested coffee (Kauai, Oahu and Maui beans) and the higher prices of hand-harvested beans (Kona, Ka'u). It also reflects rising cost of production due to CLR.

To help save our industry, as well as the communities and families that depend on it, we need State, Federal and private support and we need it NOW.

Without action, we stand to lose hundreds of millions of dollars in Hawaii's economy – a contribution that far exceeds the value of the beans themselves. To grow our coffee, we hire thousands of workers and buy from local industries such as transportation and vendors of agricultural supplies. For the 2021-2022 season, this so-called “downstream economic impact” is estimated at about \$231.67 million³.

Then there is the “upstream economic impact” of Hawaiian coffee, which is unquantified. Compared to most other crops grown here, coffee offers two advantages: 1) Its worldwide popularity boosts the tourism potential of events such as the Kona Coffee Festival. 2) It is shelf stable. That makes Hawaiian coffee a major attraction for the souvenir market, drawing tourists to shops, cafes and agritourism operations statewide. In turn, these visitors create more worldwide demand for Hawaiian coffee once they return home. For example, foreign exports of coffee from Hawaii, valued at \$10.60 million⁴ in 2020, are an ongoing international advertisement for the Hawaii islands.

The economic losses from CLR would have an outsized impact in rural areas, where few other industries exist. Remember the collapse of the local sugar industry? We can expect similar results: dramatically increasing unemployment – especially of historically underserved and minority populations – accompanied by increasing crime and drug use. Not to mention the harm to the cultural heritage of our islands.

What We Need:

- Statewide approval of the most effective CLR fungicides, and subsidies for farmers to purchase them.
- Support for development of the best CLR-management strategies in Hawaii, as well as support to educate farmers of them.
- Support for research of the best CLR-resistant varieties that will maintain the quality of Hawaii coffees. Also support for the importation, propagation and distribution of CLR resistant varieties, including expanded plant-quarantine facilities. (This is a 5–10-year project.)
- Support for farmers to replace their existing fields with rust-resistant varieties.
- *Support for other ways to build capacity and resilience within farm communities.*

Contact:

- Chris Manfredi Executive Director, Hawaii Coffee Association, cmanfredi@hawaiicoffeeassoc.org
- Suzanne Shriner Administrator, Synergistic Hawaii Ag Council, suzanne@shachawaii.org

³ Using multiplier of 2.05, applied to the 2021-2022 season value of the State's green beans: \$113.01 million x 2.05 = \$231.67 million. Multiplier from correspondence between HDOA chair P. Shimabuku and USDA Secretary S. Perdue, dated November 19, 2020.

⁴ Worldwide exports of \$4.46 million in roasted coffee from Hawaii + \$6.14 million in unroasted coffee (green beans) from Hawaii. Source: USDA Global Agricultural Trade System. 2020 data.



IN SUPPORT OF SB744

RELATING TO AGRICULTURE

Hawai'i Invasive Species Council; Administrative Rules; Coffee Leaf Rust

Aloha Chair, and Esteemed Committee Members,

The Kona Coffee Farmers Association stands in strong support of SB744. The KCFA represent over 180 farms and agribusinesses in the Kona districts and our mission is to protect the economic interests of our growers.

Coffee leaf rust represents a real and direct threat against the future of coffee in Hawaii. This fungus, first discovered in Maui in late 2020, is responsible for reducing the 2022 Kona crop by 50% or more on most farms. It has had a devastating impact on tree health, crop yields and farmer incomes. Coffee's downstream economic impact on small rural businesses is significant. The crop supports year-round employment, cottage industries, cafes and agritourism.

Empowering the Invasive Species Council to focus attention on coffee leaf rust is vital to bringing more statewide resources to combat this issue.

Thank you for considering this bill. Your attention makes a difference in the lives of hundreds of farmers.

Mahalo nui loa!

Suzanne Shriner
Vice President



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Phone: (808) 848-2074; Fax: (808) 848-1921
e-mail info@hfbf.org; www.hfbf.org

February 28, 2023

HEARING BEFORE THE
SENATE COMMITTEE ON WAYS AND MEANS

TESTIMONY ON SB 744
RELATING TO INVASIVE SPECIES

Conference Room 211 & Videoconference
10:00 AM

Aloha Chair Dela Cruz, Vice-Chair Keith-Agaran, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate and advance the social, economic, and educational interests of our diverse agricultural community.

The Hawai'i Farm Bureau supports SB 744, which requires the Hawaii Invasive Species Council to classify coffee leaf rust as an invasive species in its administrative rules and to direct available funding for mitigation efforts, research, and prevention or control actions for coffee leaf rust.

Invasive species have become one of the most devastating problems impacting Hawai'i. Many invasive species are damaging Hawai'i's environment and economy. Agriculture has a vested interest in this matter. Agriculture suffers when invasive species are introduced. Every year, numerous new pests are introduced into the State, such as the coqui frog, coffee berry borer, macadamia felted coccid, little fire ant, coconut rhinoceros beetle, small hive beetle, and varroa mite, to name a few.

A new threat, *Hemileia vasatrix* (coffee leaf rust), threatens the entire Hawai'ian coffee industry. Coffee Leaf Rust (CLR) is known to spread rapidly and leads to defoliation and tree death that can result in up to 70% loss of yield. CLR has already been identified on Hawai'i Island, Maui, and Oahu. CLR is the most destructive coffee disease in the world and can kill an entire farm in a matter of weeks. This fungus is a serious threat to Hawai'i's agriculture industry and the state's economy.

The Hawai'i Invasive Species Council plays a critical role in the protection of Hawai'i's environment and economy and the health and lifestyle of its people through the support of invasive species prevention, control, research, outreach, and planning. Coffee leaf rust

should be classified as an invasive species in HISC's administrative rules to utilize available funding to protect Hawai'i's iconic coffee industry.

Thank you for the opportunity to testify on this measure of great importance.

LATE

SB-744

Submitted on: 2/28/2023 9:49:33 AM
Testimony for WAM on 2/28/2023 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Johann Besserer	Testifying for Kona Restoration Farm, board member of KCFA	Support	Written Testimony Only

Comments:

Coffee leaf rust is an industry threatening pathogen recently introduced to Hawaii. The devastating impacts of this fungus have been well observed in all other coffee growing regions since the 1980s.

We will need ALL hands on deck in research, legislation, and funding if we want to save Hawaiian coffee. Under current circumstances Hawaiian coffee will disappear in the next 5-10 years.

SB-744

Submitted on: 2/25/2023 4:34:56 PM

Testimony for WAM on 2/28/2023 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Will Caron	Individual	Support	Written Testimony Only

Comments:

Please support SB744.

SB-744

Submitted on: 2/25/2023 10:17:13 PM

Testimony for WAM on 2/28/2023 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ken Farm	Individual	Support	Written Testimony Only

Comments:

SB744 will be helpful for all coffee farmers and all consumers of Hawaii coffees. This fungus, first discovered in Maui in late 2020, is responsible for reducing the 2022 Kona crop by 50% or more on most farms. *Hemileia vasatrix* (coffee leaf rust), threatens the entire Hawaii coffee industry.

Please support this legislation

Mahalo,

Ken Farm

SB-744

Submitted on: 2/25/2023 10:17:44 PM

Testimony for WAM on 2/28/2023 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ken Farm	Individual	Support	Written Testimony Only

Comments:

SB744 will be helpful for all coffee farmers and all consumers of Hawaii coffees. This fungus, first discovered in Maui in late 2020, is responsible for reducing the 2022 Kona crop by 50% or more on most farms. *Hemileia vasatrix* (coffee leaf rust), threatens the entire Hawaii coffee industry.

Please support this legislation

Mahalo,

Ken Farm

SB-744

Submitted on: 2/26/2023 10:42:08 AM

Testimony for WAM on 2/28/2023 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
James Kimo Falconer	Testifying for Hawaii Coffee Growers Association	Support	Written Testimony Only

Comments:

Please support SB-744 as a vote of support for the Hawaii Invasive Species Council.

SB-744

Submitted on: 2/26/2023 5:57:17 PM

Testimony for WAM on 2/28/2023 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Franz Weber	Individual	Support	Written Testimony Only

Comments:

labeling CLR as invasive species will allow to reduce the impact on the coffee industry

SB-744

Submitted on: 2/27/2023 9:37:49 AM

Testimony for WAM on 2/28/2023 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Erika Zemby	Individual	Support	Written Testimony Only

Comments:

As a small farmer and a new member of the Kona Coffee Farmers Association Board of Directors, I **strongly support SB744**. It is imperative for our farmers that this bill passes. Thank you for your vote and support.

SB-744

Submitted on: 2/27/2023 9:59:29 AM

Testimony for WAM on 2/28/2023 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Mark Petersen	Individual	Support	Written Testimony Only

Comments:

As a coffee farmer and member of the Kona Coffee Farmers Association I am asking you to support SB744. You know coffee is a major contributor to the Agricultural Economy of the state. Coffee Leaf Rust (CLR) is a devastating disease that has placed a huge burden on the industry. Classifying CLR as a invasive will assist in developing mitigation measures that may improve the sustainability of Hawaiian coffee.