

STATE OF HAWAII
DEPARTMENT OF AGRICULTURE
HONOLULU, HAWAII

REPORT TO THE TWENTY-FIRST LEGISLATURE, 2002 REGULAR SESSION

IN RESPONSE TO ACT 154
OF THE TWENTIETH LEGISLATURE 2000, REGULAR SESSION
REQUIRING THE BOARD OF AGRICULTURE TO REPORT ANNUALLY
ON ALL MONEYS DEPOSITED INTO AND DISBURSED FROM
THE PESTICIDE USE REVOLVING FUND

January 2002

**PESTICIDE USE REVOLVING FUND
Annual Report to Legislature for Fiscal Year 2001**

Background

In the Twentieth State Legislature, Regular Session of 2000, Act 154 was passed which amended Chapter 149A-13.5 to add a subsection (f), which requires the Department of Agriculture to submit an annual report to the legislature on all moneys deposited into, and disbursed from the pesticide use revolving fund. The following information is reported:

1. Licensing and registration fees and charges collected by the department for pesticides products and training fees;
2. Expenditures for registration and licensing, certification and education, and compliance monitoring activities;
3. Fees set for educational services and training;
4. Interest earned on the deposit or investment of the funds; and
5. Balance lapsed into the State general fund.

Executive Summary

This report covers the period from July 1, 2000 to June 30, 2001. The budget was increased from \$250,000 to \$450,000 for this fiscal year. The means of financing for four positions in the registration and certification section was changed from the general fund to this fund. Personnel costs accounted for about \$190,000 of the \$450,000 budget. Approximately \$485,100 was collected from pesticide product licensing. No fees were collected for training. Interest earned was \$28,412.92. The amount of cash returned to the general fund was \$3,150.

Funds encumbered in prior fiscal years affect the balance reported in the fund. To show all fund activity regardless of the year the funds were encumbered, the following summary is provided:

Fund balance on July 1, 2000	.	.	.	.	.	.	\$245,133
Receipts	.	.	.	.	.	.	\$615,550
FY-2001 expenditures	.	.	.	.	.	.	\$305,134
All outstanding encumbrances	.	.	.	.	.	.	\$303,813
Fund balance on June 30, 2001	.	.	.	.	.	.	\$555,549

A. Pesticide Use Revolving Fund Revenue:

Licensing and registration fees and charges collected by the department for pesticides products and training fees are the two sources of revenue to the Pesticides Use Revolving Fund. In fiscal year 2001, \$485,100 in licensing fees was collected. The remaining

receipts reported above include credit of vacation leave from the general fund for staff now funded from the pesticide use revolving fund and interest. No training fees were collected.

B. Pesticide Use Revolving Fund Expenditures

Expenditures for registration and licensing, certification and education, and compliance monitoring activities are based on the amount of funds spent or encumbered for Fiscal Year 2001. Funds encumbered in fiscal years prior to FY 2001 are not shown.

1. Registration and Licensing

Personnel costs for four staff in the Certification and Registration Section were charged to the pesticide use revolving fund. These personnel are the section chief and registration specialists, who are most directly related to the licensing of pesticides and collecting of pesticide-licensing fees. Personnel costs were \$185,814.48.

The following projects were funded in this area:

Project	Contractor	Amount
Evaluating papaya extract for snail control	Hawaii Agriculture Research Center	\$10,780
Evaluating Banana Insecticides	University of Hawaii	\$13,000
Quality Assurance for Pesticide Projects	University of Hawaii	\$25,939
Evaluating Telone 2 for Phytotoxicity to Pineapple	University of Hawaii	\$ 5,589
Research alternative nematode control strategies (methyl bromide replacements)	University of Hawaii	\$16,798
Evaluating safer nematocides to control coffee decline	University of Hawaii	\$18,000
Improving Soils Data in Ground Water Model	University of Hawaii	\$24,000

Miscellaneous expenses for this activity area included funding travel for some of the projects listed above, storage space for old pesticide labels and material safety data sheets. Total support from the pesticide use revolving fund for the pesticides registration and licensing was approximately \$300,000.

2. Certification and Education

The following projects were funded in this area:

Costs associated with printing a newsletter and printing pesticide safety brochures. Total support from the pesticide use revolving fund for pesticide education and certification activities was approximately \$8,000.

3. Compliance Monitoring

The following project was funded in this area:

Project	Contractor	Amount
Developing and Demonstrating Agricultural Bioremediation	University of Hawaii	\$70,000

Miscellaneous expenses in this activity area included purchase of equipment and supplies for the Chemical Analyses Laboratory, and office supplies. Total support from the pesticide use revolving fund for compliance monitoring was about \$85,000.

4. Integrated Pest Management Strategy Development:

The following projects were related to the use of integrated pest management strategies were:

Project	Contractor	Amount
Sponsor sustainable agriculture workshop	University of Hawaii	\$6,000
Demonstration of living sod in pineapple production	University of Hawaii	\$6,000

C. Training Fees Established: None

D. Interest earned: \$28,412.92

E. Funds returned to General Fund: \$3,150