

STATE OF HAWAII
DEPARTMENT OF AGRICULTURE
HONOLULU, HAWAII

REPORT TO THE TWENTY-FOURTH LEGISLATURE, 2007 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 2007

PESTICIDE USE REVOLVING FUND

Annual Report to Legislature for Fiscal-Year 2006

Background

In the Twentieth State Legislature, Regular Session of 2000, Act 154 was passed which amended Chapter 149A-13.5 to add 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, 2005 to June 30, 2006.

Revenue: The primary source of revenue is from licensing pesticide products. The current pesticide license fee is \$225 for a three-year license. Approximately \$648,175.00 was collected from pesticide product licensing. There are no fees charged for training. Most of the educational activities of the pesticides program staff are associated with other programs offered by the University of Hawaii, the Hawaii Pest Control Association, and Crop Care Hawaii. Most of these organizations charge a fee and the Department's staff participate in these activities without compensation. Interest earned from the pesticide use revolving fund was \$20,040.38.

Expenditures: Four (4) positions in the registration and certification section are charged to this fund. Personnel costs accounted for about \$277,658 of the \$701,007 expenditures. Five contracts were issued during fiscal year 2006, encumbering \$275,258. Total operating expenses, including amounts paid on current contracts was \$423,749. No funds were returned to the general fund.

Funds encumbered in prior fiscal years affect the balance reported in the fund. The following summary shows all fund activity regardless of the year the funds were encumbered:

Fund balance on July 1, 2005	\$709,246
Receipts	\$668,215
FY-2006 expenditures.	\$701,007
All outstanding encumbrances	\$518,375
Fund balance on June 30, 2006	\$665,441

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 for the Pesticides Use Revolving Fund. In FY 2006, \$648,175 in licensing fees was collected. 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 FY 2006. Disbursement of funds encumbered in fiscal years prior to FY 2006 is 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 \$277,658.

The following projects were funded in this area:

Project	Contractor	Amount
Melon Fly Lure Research (2 years)	Pacific Basin Agricultural Research Center	\$105,000
Little Fire Ant Control Research	University of Hawaii	\$85,743
Research Virulence of Biological Pesticide <i>Beauveria bassania</i>	Pacific Basin Agricultural Research Center	\$32,140

Miscellaneous expenses for this activity area include, subscriptions to reference materials, postage and delivery charges, office supplies and other miscellaneous expenses. Total support from the pesticide use revolving fund for pesticides registration and licensing was approximately \$505,000.

2. Certification and Education

A consumer education project with Kapiolani Health-Hawaii has discontinued its poison prevention program. A new contractor, the Keiki Injury Prevention Coalition was trained by Kapiolani staff to provide these services. This project is used to provide poison prevention information and cabinet locks to prevent children from opening cleaner and pesticides storage cabinets. It also provides funds for a toxicologist to visit Hawaii to provide training for physicians in the recognition and management of pesticide poisonings.

The University of Hawaii, Pesticide Risk Reduction Program received funding to print quarterly newsletters, and provide other pesticide education services.

Project	Contractor	Amount
Consumer Education	Keiki Injury Prevention Coalition	\$24,900
Certified Applicator Continuing Education	University of Hawaii	\$24,663

Miscellaneous expenses for this activity include office supplies and intrastate travel associated with administering certification tests on Kauai. Total support from the pesticide use revolving fund for the certification and education program was approximately \$85,000.

3. Compliance Monitoring

Compliance monitoring expenses were related to purchasing scientific supplies, laboratory equipment, other materials and supplies and rental, repair and maintenance of equipment. A liquid chromatograph/mass spectrophotometer, which will enable the Department's Chemical Analysis Laboratory to test for n-methyl carbamates, including methomyl and carbaryl, was purchased. The total cost of this equipment was \$125,000, of which \$84,000 from this fund was used. Total support from the pesticide use revolving fund for compliance monitoring was about \$110,000.

C. Training Fees Established: None

D. Interest Earned: \$20,040.38.

E. Funds returned to General Fund: None