

**REPORT TO THE TWENTY-FIFTH LEGISLATURE  
2010 REGULAR SESSION**

**ANNUAL REPORT ON ALL MONEYS DEPOSITED INTO AND DISBURSED FROM  
THE PESTICIDE USE REVOLVING FUND**

**IN RESPONSE TO ACT 154, SESSION LAWS OF HAWAII 2000**



**STATE OF HAWAII  
DEPARTMENT OF AGRICULTURE  
HONOLULU, HAWAII**

**DECEMBER 2009**

## **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:

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

This report covers the period from July 1, 2008 to June 30, 2009.

### **A. Pesticide Use Revolving Fund Revenue**

The primary sources of revenue are licensing of pesticide products and training fees. The current pesticide product license fee is \$330 for a three-year license. This is an increase of \$30 for the calendar year beginning January 1, 2009. Approximately \$950,343 was collected from pesticide product licensing.

A total of \$394 in training fees was collected. 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 the Landscape Industry Council of Hawaii. These organizations charge a fee and the Department's staff participate in these activities without compensation. A few other trainers provide fee for service training and to avoid State competition where either the University or private trainers can provide training at a reasonable cost, Department staff will only provide training when there is a shortage of training expertise, and in those situations, fees of \$25.00 per hour and travel costs are charged.

#### **Other Deposits to the Revolving Fund**

Refunds and reimbursements of prior period expenditures totaled \$2,352.

Interest earned from the pesticide use revolving fund was \$20,996.

Transfer of funds for vacation leave credit was \$20,086.

Total deposits for FY 2009 into the Pesticide Use Revolving Fund: \$994,171.

## B. Pesticide Use Revolving Fund Expenditures

FY 09 operating expenditures totaled \$713,949. Expenditures for registration and licensing, certification and education, and compliance monitoring activities using funds from prior fiscal years and disbursed during FY 2009 totaled \$462,512. Fiscal Year 09 funds expended or obligated in FY 2009 totaled \$251,437.

### 1. Registration and Licensing

Personnel costs for four (4) 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 \$197,919.

The following project was funded as part of this activity:

<b>Project</b>	<b>Contractor</b>	<b>Amount</b>
Review of Groundwater Data For Selected Chemicals to Determine Leachability in Hawaii's Soils	University of Hawaii, Water Resources Research Center	\$9,000

Miscellaneous expenses for this activity area include office supplies, subscriptions, postage and delivery charges, and other miscellaneous expenses. Total support from the pesticide use revolving fund for pesticides registration and licensing was approximately \$212,938 of which \$211,138 was expended from FY 09 funds.

### 2. Certification and Education

A consumer education contract with the Keiki Injury Prevention Coalition was executed. This project is used to provide poison prevention information and strategies 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.

<b>Project</b>	<b>Contractor</b>	<b>Amount</b>
Pesticide Poison Prevention & Education	Keiki Injury Prevention Coalition	\$73,500
Hawaii Pesticide Applicator Training Program	University of Hawaii	\$45,871

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

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 \$121,180 of which \$16,642 was expended from FY 09 funds.

**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. In addition funding is used to pay for utility costs at the Chemical Analyses Laboratory. The following project was funded as a Compliance Monitoring activity:

<b>Project</b>	<b>Contractor</b>	<b>Amount</b>
Waimea Canyon School Ambient Air Monitoring	University of Hawaii, College of Tropical Agriculture and Human Resources, Molecular Bioscience and Biochemical Engineering	\$100,000

Total funds spent in compliance monitoring and other expenses was approximately \$123,437 of which \$23,657 was expended from FY 09 funds.

**C. Funds returned to 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, 2008.....	\$1,012,412
FY 2009 Receipts .....	\$994,171
FY 2009 expenditures.....	\$713,949
All outstanding encumbrances as of June 30, 2009.....	\$512,569
Fund balance on June 30, 2009 .....	\$780,065
Funds retained in the Revolving Fund as of July 1, 2009 .....	\$250,000
Funds returned to General Fund.....	\$530,065