

# OVERVIEW

THE AUDITOR  
STATE OF HAWAII

## Sunset Evaluation Update: Pest Control Operators

### Summary

We evaluated the regulation of pest control operators under Chapter 460J, *Hawaii Revised Statutes*, and conclude that the public interest is best served by reenactment of the statute.

The State should continue to regulate pest control businesses because of the danger to health, property, and the environment posed by unskilled, negligent, or dishonest operators. The toxic materials used in pest control have great potential for harm and should be handled only by experienced persons aware of their properties and dangers.

The use of pesticides is governed by federal and state laws. The state Department of Agriculture enforces both the federal and state pesticide laws. It licenses pesticide products and routinely examines the application methods and equipment of pest control businesses. The Pest Control Board attached to the Department of Commerce and Consumer Affairs regulates pest control operators. It licenses the operators and enforces other provisions of the pest control operator law, Chapter 460J.

We concluded in our 1986 sunset report that coordination between the two agencies was inadequate and recommended that the pest control program be placed under the Department of Agriculture. However, we also suggested a number of improvements should the Legislature choose to continue regulation under the Pest Control Board--which is what it chose to do.

In the years since, a cooperative arrangement between the two departments has strengthened the regulatory program. Several areas, however, still need attention. Right now the board has no public members to represent consumer concerns. Some rules do not reflect recent statutory changes, and examinations have not kept pace with the industry. The statutes, we found, are not clear on the nature of the board's responsibility for the control of birds, and in two provisions regulating pest control businesses, the statutes have created unnecessary categories of licenses. We also found deficiencies in the termite inspection reports that highlighted a need for industry standards.

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## Recommendations and Response

The Legislature should amend Chapter 460J to include two public members on the board of pest control, to remove licensing distinctions among types of businesses, to include birds under the definition of "household pests," and to clarify that the director of the Department of Commerce and Consumer Affairs should approve general liability insurance policies for pest control businesses. The board should update its rules to reflect recent changes in the law, revise its examinations to reflect current practices and regulations, and reduce the types of licenses it issues. Finally, it should develop minimum standards for termite inspections and revise the inspection form.

We also recommended that the director of the Department of Commerce and Consumer Affairs should guide the board on the kinds of insurance carriers allowed to issue general liability insurance policies for pest control.

The board and the department concurred with most recommendations. The board, however, did not agree with our recommendation on its composition. Members believe the board needs expertise in the three areas of pest control that it licenses and that industry membership should not be limited to two. In reviewing our recommendations, the department noted that it has assisted the board in developing policies on insurance requirements and that the board recently adopted a policy allowing licensees to purchase insurance from non-admitted carriers through insurance agents licensed to sell surplus coverage.

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## Background

The practice of pest control is concerned with eradicating undesirable insects and animals from households and commercial premises. Pest control operators perform a variety of tasks--they inspect structures, locate infestations, prepare inspection reports, recommend appropriate remedies, and eliminate infestations.

The law divides pest control into three areas--fumigation pest control, general pest control, and fumigation termite control. For each area the licensing requirements are essentially the same, but applicants must have experience in the branch for which they are applying. The board issues operator licenses for each branch, licenses for responsible managing employees and field representatives, and a special Branch 1 "fumigator operator license." The board also licenses businesses. There are now about 270 licensees in pest control; most of them own or manage a pest control business.

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