

JAN 26 2011

A BILL FOR AN ACT

RELATING TO AGRICULTURE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 157-22, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "~~§157-22 Application for license [and payment of fee].~~ An
4 applicant for an original or renewal license to operate as a
5 producer, producer-distributor, or distributor shall file an
6 application upon a form prepared by the board of agriculture,
7 containing such information which the board deems necessary for
8 the administration of this chapter. ~~[The board shall establish
9 a reasonable application fee for an original or renewal license
10 which the applicant shall remit when application is filed. An
11 agricultural cooperative all of whose producer members have
12 complied with the licensing provisions of this chapter shall be
13 exempt from the payment of the application fee.]~~

14 The license year shall be from July 1 to the following
15 June 30. All applications for renewal of licenses must be duly
16 made at least thirty days before the commencement of the license
17 year."



1 SECTION 2. Section 157-29, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "[~~+~~]**§157-29**[~~+~~] **Milk control special fund.** There is
4 established the milk control special fund to be administered by
5 the board of agriculture. All moneys received by the board of
6 agriculture [~~as application fees and for licenses or otherwise~~]
7 under this chapter, and any state appropriations or other moneys
8 made available to carry out the purposes of this chapter, shall
9 be deposited into the special fund. All interest earned or
10 accrued on moneys deposited in the special fund shall become
11 part of the special fund. Moneys in the special fund shall be
12 expended to cover all costs of administering this chapter
13 including [~~but not limited to~~] the costs of salaries, fringe
14 benefits, operating expenses, equipment, motor vehicles,
15 contracts for services, and promotional expenses. Moneys in the
16 special fund may be transferred to the general fund for salaries
17 and fringe benefits of other state employees assisting in
18 administering this chapter and other related costs. A reserve
19 shall be maintained in the special fund to cover contingency
20 costs including [~~but not limited to~~] accrued vacation leave,
21 unemployment insurance, and workers' compensation."



1 SECTION 3. Section 157-23, Hawaii Revised Statutes, is
2 repealed.

3 [~~"§157-23 License fees. In order to meet the expenditures~~
4 ~~necessary to administer this chapter, the board of agriculture~~
5 ~~shall establish license fees to be paid by producers, producer-~~
6 ~~distributors and distributors. In determining these fees, the~~
7 ~~board shall, at least thirty days before the new license year~~
8 ~~begins:~~

- 9 (1) ~~Project the reasonable expenditures necessary to~~
10 ~~administer the chapter for the license year;~~
- 11 (2) ~~Project the amount to be paid by applicants for~~
12 ~~original or renewal licenses for the license year;~~
- 13 (3) ~~Project the reasonable expenditures necessary to~~
14 ~~conduct an independent monthly audit;~~
- 15 (4) ~~Estimate the total volume of milk to be produced and~~
16 ~~processed for the license year;~~
- 17 (5) ~~Using (1), (2), (3), and (4) above, establish a~~
18 ~~reasonable rate per hundred weight or other unit as~~
19 ~~determined by the board; and~~
- 20 (6) ~~Collect such fees monthly, or at such other intervals~~
21 ~~as may be determined by the board, during the license~~
22 ~~year based on actual milk produced and processed.~~



1 ~~To facilitate the collection of license fees, the board may~~
2 ~~require a producer distributor or distributor to withhold from~~
3 ~~any payment owing to any producer a part or all of the license~~
4 ~~fee due under this chapter by such producer. For any such~~
5 ~~withholding required by the board, the producer distributor or~~
6 ~~distributor shall be paid a reasonable fee by the board. The~~
7 ~~amount of the fee shall be set by the board. An agricultural~~
8 ~~cooperative all of whose producer members have complied with the~~
9 ~~licensing provisions of this chapter shall be exempt from the~~
10 ~~payment of the license fee."]~~

11 SECTION 4. Statutory material to be repealed is bracketed
12 and stricken.

13 SECTION 5. This Act shall take effect upon its approval.

14

INTRODUCED BY: _____

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Report Title:

License Fees; Milk

Description:

Eliminates the application fee and license fees for milk producers, producer-distributors, and distributors.

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