

TAXBILLSERVICE

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TAX FOUNDATION OF HAWAII

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: INCOME, Tax checkoff for the spay and neuter special fund

BILL NUMBER: HB 2726, HD-1

INTRODUCED BY: House Committee on Health

BRIEF SUMMARY: Adds a new section to HRS chapter 235 to allow individual taxpayers whose state income tax refund for any taxable year is \$5 or more, to designate \$5 to be paid to the spay and neuter special fund. For joint taxpayers with an income tax refund of \$10 or more, each spouse may designate \$5 into the fund. Directs the director of taxation to revise the state income tax forms as necessary. Allows designations to be made by filing an amended income tax return if filed within 20 months and 10 days after the due date of the original return.

Adds a new section to HRS chapter 143 to establish a spay and neuter special fund to be administered by the department of budget and finance. The fund shall be used to cover costs to reduce the number of feral animals through spaying and neutering, educate the public regarding the importance of spaying and neutering pets, and prevent homeless animal overpopulation. Establishes an advisory committee to assist the department in establishing the eligibility criteria and procedures for making disbursements from the special fund.

EFFECTIVE DATE: Tax years beginning after December 31, 2011

STAFF COMMENTS: This measure adds the spay and neuter special fund to the growing list of programs for which taxpayers due an income tax refund may designate all or a portion of that refund.

A survey by the Federation of Tax Administrators found that the states that utilize checkoff programs have been experiencing a decline in the amount of moneys designated through the checkoff mechanism. The survey also found that due to the administrative costs associated with the checkoff programs, states that currently have the checkoffs are looking to adopt expiration clauses and other means to remove the less productive checkoffs. Lawmakers seem to view such checkoffs as absolution of their responsibility to deal with such problems by turning the response directly over to the taxpayer. However, in the long run, the cost of administering the checkoff merely siphons resources that should otherwise be used for providing needed public services. If lawmakers believe that earmarking funds through a checkoff system is appropriate, then they might consider placing all programs on the state income tax form for designation and consider repealing the legislative body as there will be no reason for the legislature to exist because decisions will have been made by the income taxpayer.

If lawmakers believe certain programs are of great importance, then they can prioritize those programs through the appropriations process. With the Hawaii tax burden already so heavy, why should taxpayers turn any more of their hard earned dollars over to government? What lawmakers also do not recognize is that by creating these checkoffs, they add to the cost of administering the law, a cost that steals funds from other programs like those enumerated for a checkoff designation. Although advocates may think this is "free" money, it is costing all other taxpayers and, therefore, all other programs precious tax dollars to administer and track these designated refunds.

Digested 2/27/12



Hawaiian Humane Society

People for animals. Animals for people.

2700 Waiatae Avenue Honolulu, Hawaii 96826
808.946.2187 • hawaiianhumane.org

To: Honorable Chair Oshiro
Vice-Chair Morikawa, and Committee Members

Committee on Finance
February 28, 2012, 12:00 pm, Room 308

Submitted by: Natalie Lukashovsky, Community Outreach Coordinator
Hawaiian Humane Society, nlukashevsky@hawaiianhumane.org

Date: February 27, 2012

RE: **Support HB2726;**
Relating to Animals: Spay and Neuter fund

Dear Honorable Chair Oshiro, Vice-Chair Lee and Members,

The Hawaiian Humane Society *strongly* supports the passage of this bill and supports the continued work of spay and neuter initiatives in Hawaii by other animal groups and rescue organizations. To this end, we recognize the need for continued and consistent funding of these efforts and believe that designating voluntary funds through individual tax returns is an excellent solution to this issue.

Our commitment to spaying and neutering animals as a direct solution to animal overpopulation is indicative through our numbers. In our most recent Annual Report to the Community from July 2010 – June 2011 we sterilized a total of 10,496 animals; 4,819 were animals made available for adoption, 2,011 feral cats through Trap, Neuter, Return and Manage initiatives, 3,249 "Neuter Now" sterilizations, and 417 of owned pets. Our veterinarians perform approximately 20 surgeries a day and we also utilize the service of private veterinarians for mass sterilization clinics for feral cats, spaying and neutering well over 100 cats in one day.

Pet overpopulation is driven by too many litters and lack of affordable and accessible spay and neuter options. While our partnership with the City and County of Honolulu for the Neuter Now program has proven successful in providing reduced-rate spay and neuter services for owned animals, the program often sells out within the first 6 months of its availability. The availability of low-cost or partially subsidized sterilization is a critical cornerstone to effective animal control programs and to reduce pet overpopulation and euthanasia.

Thank you for the opportunity to present to the committee and we hope for your support to save more animals' lives in Hawaii.



**THE HUMANE SOCIETY
OF THE UNITED STATES**

TO: Honorable Chair Oshiro, Vice-Chair Lee and Committee Members

House Committee on Finance, 2-28-12, 12:00pm, Room 308

RE: Testimony in SUPPORT of HB2726; Spay-Neuter Special Fund, Income Check-Off

Submitted by: Inga Gibson, Hawaii State Director, The Humane Society of the United States,
P.O. Box 89131, Honolulu, HI 96830, igibson@hsus.org, 808-922-9910

Dear Honorable Chair Oshiro, Vice-Chair Lee and Committee Members,

On behalf of our more than 50,000 members and supporters in Hawaii, we thank the Committee on Finance for considering this important measure. This bill would allow a voluntary state income tax check-off option to create a statewide spay-neuter fund, and establish a voluntary advisory committee to manage the fund and create eligibility criteria and procedures for disbursements from the special fund to 501 (c)(3) animal care organizations in Hawaii.

More than 50,000 animals enter local humane societies and animal care and rescue groups across Hawaii each year. Sadly, thousands of these animals must be euthanized due to a lack of appropriate homes. The only proven way to reduce pet overpopulation and subsequently, euthanasia rates, is through spaying and neutering.

34 states that have a publicly funded mechanism for subsidizing the cost of spaying and neutering—12 of which have a tax check-off option such as that being proposed under this measure. Hawaii currently has no statewide funding program or mechanism to reduce pet overpopulation.

In addition to helping to reduce pet over-population, animals that are spayed or neutered live longer, healthier lives, are less likely to bite and become aggressive and less likely to engage in negative behaviors such as roaming.

Each year hundreds of thousands of taxpayer dollars, with an almost equal amount being subsidized dependent on private donations, goes to the care of homeless animals. The passage of this measure would help to get at the source of pet over-population and the associated costs by providing critical funding for local animal care agencies to sterilize more animals.

In closing, this measure helps animals, people, animal care organizations and the community as a whole, by reducing pet homelessness, animal control costs and public health and safety threats that may be exacerbated by unsterilized animals.

We respectfully urge your support of HB2726.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 9:03 AM
To: FINTestimony
Cc: aloharunner@hotmail.com
Subject: Testimony for HB2726 on 2/28/2012 12:00:00 PM

Testimony for FIN 2/28/2012 12:00:00 PM HB2726

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Stephanie McLaughlin
Organization: Individual
E-mail: aloharunner@hotmail.com
Submitted on: 2/27/2012

Comments:

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Sunday, February 26, 2012 8:24 PM
To: FINTestimony
Cc: feathers03@me.com
Subject: Testimony for HB2726 on 2/28/2012 12:00:00 PM

Testimony for FIN 2/28/2012 12:00:00 PM HB2726

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Margaret Sueoka
Organization: Individual
E-mail: feathers03@me.com
Submitted on: 2/26/2012

Comments:

This bill is a wonderful concept! Please pass it. It is one of many steps we need to take to stop our pet overpopulation problem.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 9:10 PM
To: FINTestimony
Cc: owlit1@gmail.com
Subject: Testimony for HB2726 on 2/28/2012 12:00:00 PM

Testimony for FIN 2/28/2012 12:00:00 PM HB2726

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Frances Pueo
Organization: Hui Pono Holoholona
E-mail: owlit1@gmail.com
Submitted on: 2/27/2012

Comments:

I, Frances Pueo, support HB 2726. Hui Pono Holoholona a 501 C3 non-profit animal organization, started in 2007 to fill a need in helping people with low cost spay/neuter for dogs/cats because of the animal overpopulation. Animal overpopulation leads to animal abuse, animal abandonment and contributes to the high ongoing euthanasia at the shelters in our community. Scientific data supports that if you make available low cost/ no cost animal sterilization, people will utilize the program, and it is the only long term solution in decrease animal overpopulation. It also has shown, that by doing so, it also educates the general public in accepting to be better animal stewards and pet responsible. Animal organizations like ours and even the Humane Society depends on fundraisers, donations and grants, yet it still is not enough to help all those requesting financial assistance. This Bill is important, please pass it.

FINTestimony

From: mailinglist@capitol.hawaii.gov
sent: Monday, February 27, 2012 6:06 PM
To: FINTestimony
Cc: Ahimsamary99999@gmail.com
Subject: Testimony for HB2726 on 2/28/2012 12:00:00 PM

Testimony for FIN 2/28/2012 12:00:00 PM HB2726

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Mary Markl
Organization: Individual
E-mail: Ahimsamary99999@gmail.com
Submitted on: 2/27/2012

Comments:

Please pass this so that our animal population have additional resources to be humanely controlled. I am also one of the citizens that have helped sterilize some feral cats. The fee went from \$5. with microchip to \$25. per cat. Since there are those who help do this public service, financial support is needed since we often also feed and help the animals to help alleviate suffering. Please pass this now. Thank you. Mary Markl

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 2:50 PM
To: FINTestimony
Cc: theresa_pickard@yahoo.com
Subject: Testimony for HB2726 on 2/28/2012 12:00:00 PM

Testimony for FIN 2/28/2012 12:00:00 PM HB2726

Conference room: 308
Testifier position:
Testifier will be present: No
Submitted by: Theresa Donnelly
Organization: Hawaii Military Pets
E-mail: theresa_pickard@yahoo.com
Submitted on: 2/27/2012

Comments:

Please support this bill. Our community wants to donate to this important fund and this bill will give all of us an easy way to do so. Its a great idea to help curb pet overpopulation.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 28, 2012 8:16 AM
To: FINTestimony
Cc: sussmanr@hawaii.edu
Subject: Testimony for HB2726 on 2/28/2012 12:00:00 PM

Testimony for FIN 2/28/2012 12:00:00 PM HB2726

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Rachel Sussman
Organization: Individual
E-mail: sussmanr@hawaii.edu
Submitted on: 2/28/2012

Comments:

We need more financial resources to help spay and neuter animals on the island! Both feral and owned. The City and County of Honolulu runs out of money for the Neuter Now program way too early. Asking for a \$5 donation from each tax payer should help reduce overpopulation and the number of homeless pets in animal shelters.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 28, 2012 9:06 AM
To: FINTestimony
Cc: TECH409@YAHOO.COM
Subject: Testimony for HB2726 on 2/28/2012 12:00:00 PM

Testimony for FIN 2/28/2012 12:00:00 PM HB2726

Conference room: 308
Testifier position: Support
Testifier will be present: Yes
Submitted by: JOHNNY KELLY
Organization: Individual
E-mail: TECH409@YAHOO.COM
Submitted on: 2/28/2012

Comments:

Please pass this bill. It would be an easy way for everyone in Hawaii to take part in the spay/neuter program. Please make sure the fund is monitored so there will be no abuse or misuse of the money.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 28, 2012 10:21 AM
To: FINTestimony
Cc: ngk002@hawaii.rr.com
Subject: Testimony for HB2726 on 2/28/2012 12:00:00 PM

Testimony for FIN 2/28/2012 12:00:00 PM HB2726

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Kitty Ng
Organization: Individual
E-mail: ngk002@hawaii.rr.com
Submitted on: 2/28/2012

Comments:

Any help in obtaining much needed help for spay neuter programs is absolutely necessary. The high cost of spay/neuter is a big reason why people do not do this. The more spay neuter is supported the less animals in shelters, the healthier the animal and less likely to roam and get lost. Bottom line we need the financial support for this program to benefit the animals and people alike.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 28, 2012 8:51 AM
To: FINTestimony
Cc: kdavid19@msn.com
Subject: Testimony for HB2726 on 2/28/2012 12:00:00 PM

Testimony for FIN 2/28/2012 12:00:00 PM HB2726

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Kristin Davidson
Organization: Individual
E-mail: kdavid19@msn.com
Submitted on: 2/28/2012

Comments:

FINTestimony

From: mailinglist@capitol.hawaii.gov
ent: Monday, February 27, 2012 1:24 PM
To: FINTestimony
Cc: starfire-retreat@hawaii.rr.com
Subject: Testimony for HB2726 on 2/28/2012 12:00:00 PM

Testimony for FIN 2/28/2012 12:00:00 PM HB2726

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Torun and David Almer
Organization: Individual
E-mail: starfire-retreat@hawaii.rr.com
Submitted on: 2/27/2012

Comments:

This is a great opportunity to raise funds to spay and neuter cats and dogs to decrease the number of unwanted kittens and puppies euthanized for lack of a home.

FINTestimony

From: mailinglist@capitol.hawaii.gov
sent: Monday, February 27, 2012 8:17 AM
To: FINTestimony
Cc: caroline@azelski.net
Subject: Testimony for HB2726 on 2/28/2012 12:00:00 PM

Testimony for FIN 2/28/2012 12:00:00 PM HB2726

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Caroline Azelski
Organization: Individual
E-mail: caroline@azelski.net
Submitted on: 2/27/2012

Comments:

FINTestimony

From: mailinglist@capitol.hawaii.gov
ent: Monday, February 27, 2012 5:19 PM
fo: FINTestimony
Cc: care4petservices@yahoo.com
Subject: Testimony for HB2726 on 2/28/2012 12:00:00 PM

Testimony for FIN 2/28/2012 12:00:00 PM HB2726

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Tina Bounds
Organization: Individual
E-mail: care4petservices@yahoo.com
Submitted on: 2/27/2012

Comments:

FINTestimony

From: mailinglist@capitol.hawaii.gov
ent: Tuesday, February 28, 2012 4:39 AM
ro: FINTestimony
Cc: Bonnieosaki@gmail.com
Subject: Testimony for HB2726 on 2/28/2012 12:00:00 PM

Testimony for FIN 2/28/2012 12:00:00 PM HB2726

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Bonnie Osaki
Organization: Individual
E-mail: Bonnieosaki@gmail.com
Submitted on: 2/28/2012

Comments:

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 28, 2012 5:36 AM
To: FINTestimony
Cc: Allanschildknecht@hawaii.rr.com
Subject: Testimony for HB2726 on 2/28/2012 12:00:00 PM

Testimony for FIN 2/28/2012 12:00:00 PM HB2726

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Allan G. Schildknecht
Organization: Individual
E-mail: Allanschildknecht@hawaii.rr.com
Submitted on: 2/28/2012

Comments:

Passage of this Bill will be a Win-Win for the State. Please pass this into Legislation.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 28, 2012 6:49 AM
to: FINTestimony
Cc: diyonnehawaii@yahoo.com
Subject: Testimony for HB2726 on 2/28/2012 12:00:00 PM

Testimony for FIN 2/28/2012 12:00:00 PM HB2726

Conference room: 308
Testifier position: Support
Testifier will be present: Yes
Submitted by: diyonne raines
Organization: Individual
E-mail: diyonnehawaii@yahoo.com
Submitted on: 2/28/2012

Comments:
I support hb2726, this is desperately needed

FINTestimony

From: mailinglist@capitol.hawaii.gov
ent: Tuesday, February 28, 2012 6:51 AM
fo: FINTestimony
Cc: alohashoes@hawaii.rr.com
Subject: Testimony for HB2726 on 2/28/2012 12:00:00 PM

Testimony for FIN 2/28/2012 12:00:00 PM HB2726

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Karen Scharff
Organization: Individual
E-mail: alohashoes@hawaii.rr.com
Submitted on: 2/28/2012

Comments:

Please support this and reduce the number of suffering animals.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 28, 2012 6:52 AM
To: FINTestimony
Cc: diyonneinhawaii@yahoo.com
Subject: Testimony for HB2726 on 2/28/2012 12:00:00 PM

Testimony for FIN 2/28/2012 12:00:00 PM HB2726

Conference room: 308
Testifier position: Support
Testifier will be present: Yes
Submitted by: diyonne raines
Organization: Individual
E-mail: diyonneinhawaii@yahoo.com
Submitted on: 2/28/2012

Comments:
I support hb2726, this is desperately needed

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 28, 2012 6:57 AM
To: FINTestimony
Cc: cfrith@fbsmgt.com
Subject: Testimony for HB2726 on 2/28/2012 12:00:00 PM

Testimony for FIN 2/28/2012 12:00:00 PM HB2726

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Cynthia Frith
Organization: Individual
E-mail: cfrith@fbsmgt.com
Submitted on: 2/28/2012

Comments:

We have a terrible problem on this island of overpopulation of domesticated animals. Spay and neutering is the ONLY way we can even begin to address the problem. Please support this bill-it's the humane thing to do.

FINTestimony

From: mailinglist@capitol.hawaii.gov
ent: Tuesday, February 28, 2012 7:19 AM
ro: FINTestimony
Cc: monnieruiz@gmail.com
Subject: Testimony for HB2726 on 2/28/2012 12:00:00 PM

Testimony for FIN 2/28/2012 12:00:00 PM HB2726

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Monica Ruiz
Organization: Individual
E-mail: monnieruiz@gmail.com
Submitted on: 2/28/2012

Comments:

As an animal advocate and passionate volunteer and supporter of our Hawaiian Humane Society, I support this measure wholeheartedly and I hope our legislature will as well.

FINTestimony

From: mailinglist@capitol.hawaii.gov
ent: Tuesday, February 28, 2012 7:54 AM
ro: FINTestimony
Cc: jacquelinejust@yahoo.com
Subject: Testimony for HB2726 on 2/28/2012 12:00:00 PM

Testimony for FIN 2/28/2012 12:00:00 PM HB2726

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: jacqueline just
Organization: Individual
E-mail: jacquelinejust@yahoo.com
Submitted on: 2/28/2012

Comments:

FINTestimony

From: mailinglist@capitol.hawaii.gov
ent: Tuesday, February 28, 2012 8:58 AM
fo: FINTestimony
Cc: barkingdogblankets@yahoo.com
Subject: Testimony for HB2726 on 2/28/2012 12:00:00 PM

Testimony for FIN 2/28/2012 12:00:00 PM HB2726

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: ginger edmunds
Organization: Individual
E-mail: barkingdogblankets@yahoo.com
Submitted on: 2/28/2012

Comments:
please support spay and neuter programs in Hawaii!