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A BILL FOR AN ACT

RELATING TO AGRICULTURAL MARKETING.

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

1           SECTION 1. Chapter 148, Hawaii Revised Statutes, is  
2 amended by adding to part V a new section to be appropriately  
3 designated and to read as follows:

4           "§148-           Seal of quality special fund. (a) There is  
5 established in the state treasury the seal of quality special  
6 fund, into which shall be deposited all revenues from the  
7 operations of the seal of quality program and any appropriations  
8 made by the legislature to the fund.

9           (b) Moneys in the special fund may be expended for all  
10 costs associated with the seal of quality program, including,  
11 but not limited to, conducting trade shows, retail shows,  
12 conferences, seminars, other promotional activities, expenses  
13 for designs, program labels, items and materials, displays,  
14 brochures, media advertisements, inspection, review and  
15 investigative activities relating to application and enforcement  
16 of the program, printing, mailing, airfare and per diem, lei,  
17 decors, rental of facilities and audio visual equipment, display  
18 and booth fees, participation fees, and general supplies."

H.B. NO. 1220

1 SECTION 2. New statutory material is underscored.

2 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY:

Calvin K. Long

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BY REQUEST

JAN 22 2007

## JUSTIFICATION SHEET

DEPARTMENT: Agriculture

TITLE: A BILL FOR AN ACT RELATING TO AGRICULTURAL MARKETING.

PURPOSE: Establish a special fund to collect revenues from the Hawaii Seal of Quality program.

MEANS: Add a new section to part V, chapter 148, Hawaii Revised Statutes (HRS).

JUSTIFICATION: The Seal of Quality program is an important program which captures the value of Hawaii's name for authentic quality agricultural products produced here. Promotion is essential to achieve consumer awareness and add value to the seal.

This special fund is established to facilitate the Seal of Quality program to become revenue-neutral and self-sufficient in the long run.

Impact on the public: The special fund will reduce dependence on public funds necessary to administer the Seal of Quality program.

Impact on the department and other agencies: The Hawaii Department of Agriculture will be able to utilize fees collected from private sources participating in the Seal of Quality program to offset costs relating to administration of the program and thus become less dependent on general funds. It is anticipated that the program will become increasingly revenue neutral and self-sufficient in the long run. There is no impact on other state agencies.

GENERAL FUND: None.

OTHER FUNDS: None.

HB1220

PPBS PROGRAM  
DESIGNATION: AGR 192.

OTHER AFFECTED  
AGENCIES: None.

EFFECTIVE DATE: Upon approval.