

JAN 27 2021

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**A BILL FOR AN ACT**

RELATING TO THE ANIMAL INDUSTRY SPECIAL FUND.

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

1           SECTION 1. The animal industry special fund was  
2 established to receive moneys from the use or rental of animal  
3 industry division properties or facilities and utilize them to  
4 assist with division operation expenditures.

5           The state veterinary laboratory is in the animal industry  
6 division. The veterinary laboratory provides laboratory  
7 services and diagnostic support; conducts disease surveillance  
8 projects involving poultry, swine, dairy, and other livestock  
9 and aquaculture industries. The state veterinary laboratory  
10 assists industries, practicing veterinarians, the state animal  
11 quarantine branch, and other governmental animal health agencies  
12 by providing a variety of testing services, including pathology,  
13 histopathology, parasitology, and serology.

14           The state veterinary laboratory functionality was reduced  
15 over recent years due to loss of positions and serious  
16 facilities problems. Those problems were resolved with the  
17 completed renovation of the roof and air conditioning system in

1 2019. All vacant positions in the lab were filled in 2019.  
2 Therefore, the state veterinary laboratory is positioned to  
3 perform at optimal capacity. The amendments to section 142-3.6,  
4 Hawaii Revised Statutes, will allow the animal industry division  
5 to deposit fees generated by the veterinary laboratory into the  
6 fund to assist with its operations.

7 SECTION 2. Section 142-3.6, Hawaii Revised Statutes, is  
8 amended to read as follows:

9 "[~~f~~]**\$142-3.6**[~~]~~ **Animal industry special fund.** There is  
10 established the animal industry special fund to be administered  
11 by the board of agriculture. Moneys received by the board of  
12 agriculture from:

13 (1) The use or rental of the division of animal industry's  
14 properties or facilities, including the animal  
15 quarantine property or facilities pursuant to section  
16 142-3.5; [~~or~~]

17 (2) Appropriations or other moneys made available, and

18 (3) Revenue from fees for diagnostic, surveillance, and  
19 other work by the animal industry division veterinary  
20 laboratory and animal disease control branch,

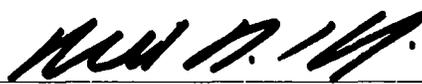
21 shall be deposited into the special fund. All interest earned  
22 or accrued on moneys deposited in the special fund shall become  
23 part of the special fund. Moneys in the special fund shall be

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1 expended to cover costs of the division of animal industry,  
2 including the costs of salaries, fringe benefits, operating  
3 expenses, equipment, motor vehicles, contract with any qualified  
4 person or entity for livestock handling services, and operating  
5 and maintenance of the animal industry facilities; provided that  
6 moneys in the special fund may be used to fund the department's  
7 resource management and planning programs. A reserve shall be  
8 maintained in the special fund to cover contingency costs,  
9 including accrued vacation leave, unemployment insurance, and  
10 workers' compensation."

11 SECTION 3. Statutory material to be repealed is bracketed  
12 and stricken. New statutory material is underscored.

13 SECTION 4. This Act shall take effect upon its approval.

INTRODUCED BY:   
BY REQUEST

S.B. NO. 1026

**Report Title:**

Department of Agriculture; Animal Industry Special Fund

**Description:**

Adding new sources of revenue generated by the State Veterinary Laboratory and Animal Disease Control Branch that can be deposited into the animal Industry Special Fund.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

JUSTIFICATION SHEET

DEPARTMENT: Agriculture

TITLE: A BILL FOR AN ACT RELATING TO THE ANIMAL INDUSTRY SPECIAL FUND.

PURPOSE: To add new sources of revenue generated by the state veterinary laboratory and animal disease control branch to be deposited into the animal industry division special fund.

MEANS: Amend section 142-3.6, Hawaii Revised Statutes.

JUSTIFICATION: The state veterinary laboratory is positioned to perform at optimal capacity. The amendments to section 142-3.6, Hawaii Revised Statutes, will allow the animal industry division to deposit fees generated by the veterinary laboratory into the fund to assist with its operations.

Impact on the public: When developed, the state veterinary laboratory will be capable of providing some veterinary diagnostics in-state. Currently private veterinarians must submit test samples to diagnostic laboratories located outside the State for diagnostics they are unable to run in their hospitals. Out-of-state veterinary laboratories are associated with additional transport time delays and cost.

Impact on the department and other agencies: The proposed amendment will provide the ability for the department to acquire some funds to assist with improving the division. The amendment is not expected to impact other agencies.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM  
DESIGNATION: AGR 132.

OTHER AFFECTED  
AGENCIES: None.

EFFECTIVE DATE: Upon approval.