
A BILL FOR AN ACT

RELATING TO MILK PRODUCTION.

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

1 SECTION 1. The legislature finds that chapter 157, Hawaii
2 Revised Statutes, was put into effect to respond to issues
3 prevalent to the dairy industry of the 1960s. At that time,
4 over-production of milk and unfair pricing schemes threatened to
5 undermine the industry. Chapter 157, Hawaii Revised Statutes,
6 commonly referred to as the Milk Control Act, aimed to address
7 those problems by creating a system of quotas and price
8 guarantees. However, in the fifty years since the Milk Control
9 Act, Hawaii's dairy industry has suffered from a different
10 problem. Namely, the complex regulatory hurdles created under
11 the Milk Control Act have imposed high costs on local producers
12 and have decreased their ability to compete against dairy
13 products produced outside the State. At the same time, the
14 barriers to local production created by the Milk Control Act
15 have increased the cost of milk for local consumers. It is
16 evident that the State no longer benefits from the regulatory
17 burdens imposed by the Milk Control Act.



1 The purpose of this Act is to relieve the regulatory
2 burdens placed on producers and consumers by repealing the Milk
3 Control Act codified in chapter 157, Hawaii Revised Statutes.
4 In doing so, the State will encourage local milk production and
5 increase Hawaii's food security and resiliency.

6 SECTION 2. Chapter 157, Hawaii Revised Statutes, is
7 repealed.

8 SECTION 3. Notwithstanding any law to the contrary, all
9 unencumbered moneys remaining in the milk control special fund
10 established pursuant to section 157-29, Hawaii Revised Statutes,
11 shall be used to refund license fees paid by licensees within
12 the two-year period preceding the effective date of this Act.
13 Any balance remaining thereafter shall be paid to the Department
14 of Agriculture, which shall be used to assist the dairy industry
15 to promote cooperatives for the purpose of continued local
16 production of milk in the State.

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



Report Title:

Milk Control Act; Chapter 157; Repeal

Description:

Repeals Chapter 157, Hawaii Revised Statutes, commonly referred to as the Milk Control Act. Requires any funds remaining in the Milk Control Special Fund to be used to reimburse fees paid by licensees within the past two years and to promote dairy cooperatives to continue local milk production in the State.
(SD1)

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