

Honolulu, Hawaii

FEB 18 2011

RE: S.B. No. 239
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committees on Education and Health, to which was referred S.B. No. 239 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII TOBACCO SETTLEMENT SPECIAL FUND,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Extend the appropriation of a portion of Hawaii Tobacco Settlement Special Fund monies for the annual operating expenses of the University of Hawai'i at Manoa John A. Burns School of Medicine (JABSOM) until June 30, 2015; and
- (2) Require JABSOM to report to the Legislature annually until the convening of the Regular Session of 2015.

Your Committees received testimony in support of this measure from the University of Hawai'i at Manoa John A. Burns School of Medicine; Hawai'i Pacific Health; and The Queen's Medical Center. Your Committees received testimony in opposition to this measure from the Coalition for a Tobacco-Free Hawai'i and the Hawaii COPD Coalition. Your Committees received comments on this measure from the Department of Health, the American Cancer Society, and the American Heart Association.



Your Committees find that JABSOM's authorization to use a portion of Hawaii Tobacco Settlement Special Fund monies for annual operating expenses to support the school's operations and train and graduate new physicians is set to expire on June 30, 2011. This measure will allow continued use of Tobacco Settlement Special Fund monies by JABSOM for annual operating expenses.

Your Committees recognize the concerns raised by certain testifiers about JABSOM's continued use of Tobacco Settlement Special Fund monies specifically for operating costs. Your Committees encourage JABSOM to develop and implement revenue generating practices that will allow JABSOM to become less reliant on Tobacco Settlement Special Fund monies for its annual operating costs.

Accordingly, your Committees have amended this measure by:

- (1) Reducing the amount of JABSOM's portion of Hawaii Tobacco Settlement Special Fund monies by one percent each fiscal year starting with fiscal year 2012-2013 until the fiscal year ending June 30, 2015, on which date the use of Hawaii Tobacco Settlement Special Fund monies for JABSOM's operating expenses shall no longer be authorized;
- (2) Increasing the amount of Hawaii Tobacco Settlement Special Fund monies that are credited to the General Fund by one percent each fiscal year starting with fiscal year 2012-2013 until the fiscal year ending June 30, 2015; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Based on the amendments to this measure, JABSOM shall receive a portion of Hawaii Tobacco Settlement Special Fund monies as follows:

- (1) Twenty-eight percent for fiscal year 2011-2012;
- (2) Twenty-seven percent for fiscal year 2012-2013;
- (3) Twenty-six percent for fiscal year 2013-2014; and
- (4) Twenty-five percent for fiscal year 2014-2015.



As affirmed by the records of votes of the members of your Committees on Education and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 239, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 239, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Education and
Health,



JOSH GREEN, M.D., Chair



JILL TOKUDA, Chair



The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Education
EDU

Bill / Resolution No.:* SB 239	Committee Referral: EDU/HTH, WAM	Date: 2-9-11		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TOKUDA, Jill N. (C)	/			
KIDANI, Michelle N. (VC)	/			
CHUN OAKLAND, Suzanne	/			
NISHIHARA, Clarence K.	/			
TANIGUCHI, Brian T.		/	/	
SLOM, Sam			/	
TOTAL	4	1	1	
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:right; font-family: cursive; font-size: 1.2em;">Michelle N. Kidani</div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes

