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# A BILL FOR AN ACT

RELATING TO THE HAWAII TOBACCO SETTLEMENT SPECIAL FUND.

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

1           SECTION 1. The legislature finds that the John A. Burns  
2 school of medicine was authorized under Act 264, Session Laws of  
3 Hawaii 2007, to use a portion of Hawaii tobacco settlement  
4 special fund moneys for annual operating expenses to support the  
5 school's operations and train and graduate new physicians. This  
6 authorization was repealed on June 30, 2011.

7           The purpose of this Act is to re-instate the authorization  
8 that allows the John A. Burns school of medicine to use a  
9 portion of Hawaii tobacco settlement special fund moneys for  
10 annual operating expenses until 2015 while reducing the portion  
11 of fund moneys by one per cent per fiscal year starting with  
12 fiscal year 2013-2014 until the fiscal year ending on June 30,  
13 2015.

14           SECTION 2. Section 328L-2, Hawaii Revised Statutes, is  
15 amended by amending subsection (b) to read as follows:

16           "(b) The fund shall be used for the purpose of receiving,  
17 allocating, and appropriating the tobacco settlement moneys as  
18 follows:



- 1           (1) Fifteen per cent shall be appropriated into the  
2           emergency and budget reserve fund under section  
3           328L-3; provided that for fiscal years 2012 and 2013,  
4           this percentage shall be deposited into the general  
5           fund;
- 6           (2) Twenty-five per cent shall be appropriated to the  
7           department for purposes of section 328L-4;
- 8           (3) Six and one-half per cent shall be appropriated into  
9           the Hawaii tobacco prevention and control trust fund  
10          under section 328L-5; provided that for fiscal years  
11          2012 and 2013, this percentage shall be deposited into  
12          the general fund; ~~and~~
- 13          (4) Twenty-eight per cent shall be appropriated into the  
14          university revenue-undertakings fund created in  
15          section 304A-2167.5 to be applied ~~solely~~ to the  
16          payment of the principal of and interest on, and to  
17          generate required coverage, if any, for revenue bonds  
18          issued by the board of regents of the University of  
19          Hawaii to finance the cost of construction of a  
20          university health and wellness center, including a new  
21          medical school facility, to be situated on the island  
22          of Oahu, for the succeeding fiscal year; and the



1 payment of annual operating expenses incurred by the  
2 new medical school facility; provided that starting  
3 with fiscal year 2013-2014, the amount to be  
4 appropriated to the university revenue-undertakings  
5 fund shall be reduced to twenty-seven per cent;  
6 provided further that starting with fiscal year 2014-  
7 2015, the amount shall be reduced to twenty-six per  
8 cent; provided further that any moneys in excess of  
9 the amount required [to pay principal of and interest  
10 on, and to generate required coverage, if any, for  
11 such revenue bonds in any fiscal year,] under this  
12 paragraph shall be transferred [as follows:] in the  
13 succeeding fiscal year to the [emergency and budget  
14 reserve fund under section 328L-3,] general fund; and  
15 (5) Twenty-five and one-half per cent shall be deposited  
16 to the credit of the state general fund; provided that  
17 the one per cent reduction in the appropriation to the  
18 university revenue-undertakings fund for fiscal year  
19 2013-2014 under paragraph (4) shall be deposited to  
20 the credit of the general fund in addition to the  
21 twenty-five and one-half per cent of Hawaii tobacco  
22 settlement special fund moneys deposited pursuant to



1           this paragraph; provided further that the one per cent  
2           reduction in the appropriation to the university  
3           revenue-undertakings fund for fiscal year 2014-2015  
4           under paragraph (4) shall be deposited to the credit  
5           of the general fund in addition to the twenty-six and  
6           one-half per cent of Hawaii tobacco settlement special  
7           fund moneys deposited pursuant to this paragraph.

8 in the succeeding fiscal year."

9           SECTION 3. The University of Hawaii shall prepare a  
10 detailed accounting of all revenues and expenditures relating  
11 to:

12           (1) Moneys appropriated into the university revenue-  
13           undertakings fund established under section  
14           304A-2167.5, Hawaii Revised Statutes; and

15           (2) Any moneys used for the operating costs of the medical  
16           school facility.

17 This accounting information shall be submitted to the  
18 legislature no later than twenty days prior to the convening of  
19 the regular sessions of 2013, 2014, and 2015.

20           SECTION 4. The University of Hawaii shall submit a report  
21 to the legislature detailing its financial plan to fund the  
22 operating expenses of the John A. Burns school of medicine



1 beginning July 1, 2015, when it is no longer authorized to use a  
2 portion of the Hawaii tobacco settlement special fund moneys.  
3 The financial plan shall include an itemized list of all means  
4 of funding the John A. Burns school of medicine's operating  
5 expenses.

6 This report shall be submitted to the legislature no later  
7 than twenty days prior to the convening of the regular sessions  
8 of 2013, 2014, and 2015.

9 SECTION 5. Statutory material to be repealed is bracketed  
10 and stricken. New statutory material is underscored.

11 SECTION 6. This Act shall take effect upon its approval,  
12 and shall be repealed on June 30, 2015; provided that section  
13 328L-2, Hawaii Revised Statutes, shall be reenacted in the form  
14 in which it read on the day before the effective date of Act  
15 264, Session Laws of Hawaii 2007.



**Report Title:**

Hawaii Tobacco Settlement Special Fund; JABSOM; Appropriation

**Description:**

Extends the appropriation by a decreasing annual amount of a portion of Hawaii tobacco settlement special fund moneys for annual operating expenses of JABSOM until June 30, 2015.

Increases the portion of Hawaii tobacco settlement special fund moneys going to the general fund until June 30, 2015; and adds reporting requirements for JABSOM. (CD1)

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

