
A BILL FOR AN ACT

RELATING TO DISPOSITION OF TAX REVENUES.

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

1 SECTION 1. The legislature finds that budgetary planning
2 and transparency are key components to ensuring the ongoing
3 fiscal health of the State. By removing the current tax revenue
4 distribution amounts for the cigarette tax and tobacco tax, the
5 legislature finds that budgetary planning and transparency will
6 be enhanced by:

- 7 (1) Making forecasts of general fund revenues more
8 reliable;
- 9 (2) Increasing legislative oversight over the agencies and
10 programs supported by non-general funds; and
- 11 (3) Ensuring that the funded activities of these agencies
12 and programs undergo fiscal scrutiny and rigor.

13 Accordingly, the purpose of this Act is to:

- 14 (1) Amend the cigarette tax and tobacco tax law to specify
15 that, after June 30, 2015, certain tax revenues from
16 these funding sources shall be general fund
17 realizations; and



1 (2) Appropriate general funds to various state programs in
2 accordance with existing distributions of cigarette
3 tax and tobacco tax revenues.

4 SECTION 2. Section 245-15, Hawaii Revised Statutes, is
5 amended to read as follows:

6 "§245-15 Disposition of revenues. All moneys collected
7 pursuant to this chapter shall be paid into the state treasury
8 as state realizations to be kept and accounted for as provided
9 by law; provided that, of the moneys collected under the tax
10 imposed pursuant to:

11 (1) Section 245-3(a)(5), after September 30, 2006, and
12 prior to October 1, 2007, 1.0 cent per cigarette shall
13 be deposited to the credit of the Hawaii cancer
14 research special fund, established pursuant to section
15 304A-2168, for research and operating expenses and for
16 capital expenditures;

17 (2) Section 245-3(a)(6), after September 30, 2007, and
18 prior to October 1, 2008:

19 (A) 1.5 cents per cigarette shall be deposited to the
20 credit of the Hawaii cancer research special
21 fund, established pursuant to section 304A-2168,



- 1 for research and operating expenses and for
2 capital expenditures;
- 3 (B) 0.25 cents per cigarette shall be deposited to
4 the credit of the trauma system special fund
5 established pursuant to section 321-22.5; and
- 6 (C) 0.25 cents per cigarette shall be deposited to
7 the credit of the emergency medical services
8 special fund established pursuant to section 321-
9 234;
- 10 (3) Section 245-3(a)(7), after September 30, 2008, and
11 prior to July 1, 2009:
- 12 (A) 2.0 cents per cigarette shall be deposited to the
13 credit of the Hawaii cancer research special
14 fund, established pursuant to section 304A-2168,
15 for research and operating expenses and for
16 capital expenditures;
- 17 (B) 0.5 cents per cigarette shall be deposited to the
18 credit of the trauma system special fund
19 established pursuant to section 321-22.5;
- 20 (C) 0.25 cents per cigarette shall be deposited to
21 the credit of the community health centers



1 special fund established pursuant to section 321-
2 1.65; and

3 (D) 0.25 cents per cigarette shall be deposited to
4 the credit of the emergency medical services
5 special fund established pursuant to section 321-
6 234;

7 (4) Section 245-3(a)(8), after June 30, 2009, and prior to
8 July 1, 2013:

9 (A) 2.0 cents per cigarette shall be deposited to the
10 credit of the Hawaii cancer research special
11 fund, established pursuant to section 304A-2168,
12 for research and operating expenses and for
13 capital expenditures;

14 (B) 0.75 cents per cigarette shall be deposited to
15 the credit of the trauma system special fund
16 established pursuant to section 321-22.5;

17 (C) 0.75 cents per cigarette shall be deposited to
18 the credit of the community health centers
19 special fund established pursuant to section 321-
20 1.65; and



- 1 (D) 0.5 cents per cigarette shall be deposited to the
2 credit of the emergency medical services special
3 fund established pursuant to section 321-234; and
- 4 (5) Section 245-3(a)(11), after June 30, 2013, and
5 [~~thereafter~~]:
- 6 (A) Thereafter, 2.0 cents per cigarette shall be
7 deposited to the credit of the Hawaii cancer
8 research special fund, established pursuant to
9 section 304A-2168, for research and operating
10 expenses and for capital expenditures;
- 11 (B) Prior to July 1, 2015, 1.5 cents per cigarette
12 shall be deposited to the credit of the trauma
13 system special fund established pursuant to
14 section 321-22.5;
- 15 (C) Prior to July 1, 2015, 1.25 cents per cigarette
16 shall be deposited to the credit of the community
17 health centers special fund established pursuant
18 to section 321-1.65; and
- 19 (D) Prior to July 1, 2015, 1.25 cents per cigarette
20 shall be deposited to the credit of the emergency



1 medical services special fund established
2 pursuant to section 321-234.

3 The department shall provide an annual accounting of these
4 dispositions to the legislature."

5 SECTION 3. There is appropriated out of the general
6 revenues of the State of Hawaii the sum of \$67,283,338 or so
7 much thereof as may be necessary for fiscal year 2015-2016 and
8 the sum of \$70,459,020 or so much thereof as may be necessary
9 for fiscal year 2016-2017 for emergency medical services and
10 injury prevention system (HTH730) for emergency medical services
11 operating expenses.

12 The sums appropriated shall be expended by the department
13 of health for the purposes of this Act.

14 SECTION 4. There is appropriated out of the general
15 revenues of the State of Hawaii the sum of \$7,313,611 or so much
16 thereof as may be necessary for fiscal year 2015-2016 and the
17 sum of \$7,321,924 or so much thereof as may be necessary for
18 fiscal year 2016-2017 for emergency medical services and injury
19 prevention system (HTH730) for trauma systems operating
20 expenses.



1 The sums appropriated shall be expended by the department
2 of health for the purposes of this Act.

3 SECTION 5. There is appropriated out of the general
4 revenues of the State of Hawaii the sum of \$7,805,877 or so much
5 thereof as may be necessary for fiscal year 2015-2016 and the
6 same sum or so much thereof as may be necessary for fiscal year
7 2016-2017 for family health services (HTH560) for community
8 health centers operating expenses.

9 The sums appropriated shall be expended by the department
10 of health for the purposes of this Act.

11 SECTION 6. Statutory material to be repealed is bracketed
12 and stricken. New statutory material is underscored.

13 SECTION 7. This Act shall take effect upon its approval;
14 provided that sections 3, 4, and 5 shall take effect on July 1,
15 2015.



Report Title:

Cigarette Tax and Tobacco Tax Law

Description:

Specifies that certain cigarette tax and tobacco tax law distributions shall be realizations of the general fund after June 30, 2015. Appropriates funds to programs previously funded by cigarette tax and tobacco tax distributions. (SB1297 HD1)

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

