

STAND. COM. REP. NO.

1268

Honolulu, Hawaii

MAR 25 2021

RE: H.B. No. 1296
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committees on Health and Higher Education, to which was referred H.B. No. 1296, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO STATE FUNDS,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Repeal the Hawaii tobacco prevention and control trust fund and transfer unencumbered balances to the general fund;
- (2) Specify that Hawaii tobacco settlement special fund monies shall only be deposited into the University of Hawaii revenue-undertakings fund until July 1, 2033; and
- (3) Appropriate general funds to the Department of Health for tobacco prevention and control.

Your Committees received testimony in support of this measure from Hawaii Smokers Alliance and ten individuals. Your Committees received testimony in opposition to this measure from the Department of Health; Adventist Health Castle; Hawai'i Pacific Health; AlohaCare; American Cancer Society Cancer Action Network; American Heart Association; American Lung Association; Bay Clinic, Inc.; Blue Zones Project; Hawai'i Community Foundation; Hawaii COPD



Coalition; Hawai'i Health & Harm Reduction Center; Hawai'i Public Health Institute; Kapiolani Smokefree Families; Campaign for Tobacco-Free Kids; Big Island Substance Abuse Council; Hawai'i Primary Care Association; Hawaii Substance Abuse Coalition; Kōkua Kalihi Valley Comprehensive Family Services; Lāna'i Community Health Center; Student Health Advisory Council; Waianae Comprehensive Health Center; Waimānalo Health Center; We Are One, Inc.; Hawaii Medical Association; Hawai'i Public Health Association; Save Medicaid Hawaii; and fifty-four individuals. Your Committees received comments on this measure from the Department of the Attorney General, University of Hawai'i System, and University of Hawaii at Mānoa John A. Burns School of Medicine.

Your Committees find that the coronavirus disease 2019 pandemic severely impacted the State's economy. As a result, the State must find creative solutions to finance programs statewide. This measure allows the State to reallocate monies from the Hawaii tobacco prevention and control trust fund into the general fund while preserving tobacco prevention programs.

Your Committees note the testimony of the Department of the Attorney General, which raised concerns that the measure as drafted may violate article 1, section 10, of the United States Constitution, which bars states from passing laws impairing the obligations of contracts.

Therefore, your Committees have amended this measure by:

- (1) Changing the date by which unencumbered balances to be lapsed from the Hawaii tobacco prevention and control trust fund to the general fund from July 1, 2021, to September 1, 2022;
- (2) Inserting a blank appropriation amount;
- (3) Removing the amendment repealing the tobacco prevention and control advisory board's duty to advise on the administration of the Hawaii tobacco prevention and control trust fund;
- (4) Inserting an effective date of July 1, 2050, to encourage further discussion; and



- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Higher Education that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1296, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1296, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

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



DONNA MERCADO KIM, Chair




JARRETT KEOHOKALOOLE, Chair



The Senate
Thirty-First Legislature
State of Hawai'i


Record of Votes
Committee on Health
HTH

Bill / Resolution No.:*	Committee Referral:	Date:		
HB1296 HDI	HTH/HRE, NAM	3-24-2021		
<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
KEOHOKALOLE, Jarrett (C)	✓			
BAKER, Rosalyn (VC)			✓	
MORIWAKI, Sharon Y.		✓		
SAN BUENAVENTURA, Joy A.		✓		
FEVELLA, Kurt		✓		
TOTAL	1	3	1	—
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes

The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Higher Education
HRE

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1296 HD1	HTH/HRE, WAM	3/24/21		
<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
KIM, Donna Mercado (C)	✓			
KIDANI, Michelle N. (VC)		✓		
KEITH-AGARAN, Gilbert S.C.	✓			
WAKAI, Glenn	✓			
FEVELLA, Kurt		✓		
TOTAL	3	2	0	0
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

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