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# A BILL FOR AN ACT

RELATING TO JUVENILE DIABETES CURE RESEARCH.

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

1           SECTION 1. Chapter 321, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4           "§321-           Juvenile diabetes cure research; special fund.

5           (a) There is established within the treasury of the State a  
6 special fund to be known as the juvenile diabetes cure research  
7 special fund.

8           (b) The fund shall not be considered part of the general  
9 fund and shall consist of moneys:

10           (1) Collected under section 235-102.5(e);

11           (2) Appropriated by the legislature;

12           (3) Received as premiums, or as fees charged by the  
13 department or otherwise received by the department;

14           and

15           (4) Any other moneys contributed or transferred to the  
16 fund.



1        (c) The fund shall be managed by the department of health,  
2 which shall make expenditures from the fund for the purposes of  
3 research related to:

4        (1) Restoring normal blood sugar levels in children with  
5 diabetes;

6        (2) Preventing and reversing complications associated with  
7 juvenile diabetes; or

8        (3) Preventing or curing juvenile diabetes.

9        (d) The department of health shall distribute funds  
10 collected under this section to institutions of higher education  
11 and independent research institutes in the state to support  
12 projects that have been subject to an established peer and  
13 scientific review process identical or similar to the National  
14 Institutes of Health review system.

15        (e) Notwithstanding any other law to the contrary, no  
16 moneys from the special fund may be expended for any purposes  
17 contrary to this section unless otherwise approved by the  
18 legislature."

19        SECTION 2. Section 235-102.5, Hawaii Revised Statutes, is  
20 amended to read as follows:

21        "**§235-102.5 Income check-off authorized.** (a) Any  
22 individual whose state income tax liability for any taxable year



1 is \$2 or more may designate \$2 of the liability to be paid over  
2 to the Hawaii election campaign fund, any other law to the  
3 contrary notwithstanding, when submitting a state income tax  
4 return to the department. In the case of a joint return of a  
5 husband and wife having a state income tax liability of \$4 or  
6 more, each spouse may designate that \$2 be paid to the fund.  
7 The director of taxation shall revise the individual state  
8 income tax form to allow the designation of contributions to the  
9 fund on the face of the tax return and immediately above the  
10 signature lines. An explanation shall be included which clearly  
11 states that the check-off does not constitute an additional tax  
12 liability. If no designation was made on the original tax  
13 return when filed, a designation may be made by the individual  
14 on an amended return filed within twenty months and ten days  
15 after the due date for the original return for such taxable  
16 year. A designation once made whether by an original or amended  
17 return may not be revoked.

18 (b) Notwithstanding any law to the contrary, any  
19 individual whose state income tax refund for any taxable year is  
20 \$2 or more may designate \$2 of the refund to be deposited into  
21 the school-level minor repairs and maintenance special fund  
22 established by section 302A-1504.5, when submitting a state



1 income tax return to the department. In the case of a joint  
2 return of a husband and wife having a state income tax refund of  
3 \$4 or more, each spouse may designate that \$2 be deposited into  
4 the special fund. The director of taxation shall revise the  
5 individual state income tax return form to allow the designation  
6 of contributions to the special fund on the face of the tax  
7 return and immediately above the signature lines. If no  
8 designation was made on the original tax return when filed, a  
9 designation may be made by the individual on an amended return  
10 filed within twenty months and ten days after the due date for  
11 the original return for such taxable year. A designation once  
12 made, whether by an original or amended return, may not be  
13 revoked.

14 (c) Notwithstanding any law to the contrary, any  
15 individual whose state income tax refund for any taxable year is  
16 \$2 or more may designate \$2 of the refund to be paid over to the  
17 libraries special fund established by section 312-3.6, when  
18 submitting a state income tax return to the department. In the  
19 case of a joint return of a husband and wife having a state  
20 income tax refund of \$4 or more, each spouse may designate that  
21 \$2 be deposited into the special fund. The director of taxation  
22 shall revise the individual state income tax form to allow the



1 designation of contributions to the fund on the face of the tax  
2 return and immediately above the signature lines. If no  
3 designation was made on the original tax return when filed, a  
4 designation may be made by the individual on an amended return  
5 filed within twenty months and ten days after the due date for  
6 the original return for such taxable year. A designation once  
7 made, whether by an original or amended return, may not be  
8 revoked.

9 (d) Notwithstanding any law to the contrary, any  
10 individual whose state income tax refund for any taxable year is  
11 \$5 or more may designate \$5 of the refund to be paid over as  
12 follows:

13 (1) One-third to the Hawaii children's trust fund under  
14 section 350B-2; and

15 (2) Two-thirds to be divided equally among:

16 (A) The domestic violence and sexual assault special  
17 fund under the department of health in section  
18 321-1.3;

19 (B) The spouse and child abuse special account under  
20 the department of human services in section  
21 346-7.5; and



1           (C) The spouse and child abuse special account under  
2           the judiciary in section 601-3.6.  
3 When designated by a taxpayer submitting a state income tax  
4 return to the department, the department of budget and finance  
5 shall allocate the moneys among the several funds as provided in  
6 this subsection. In the case of a joint return of a husband and  
7 wife having a state income tax refund of \$10 or more, each  
8 spouse may designate that \$5 be paid over as provided in this  
9 subsection. The director of taxation shall revise the  
10 individual state income tax form to allow the designation of  
11 contributions pursuant to this subsection on the face of the tax  
12 return and immediately above the signature lines. If no  
13 designation was made on the original tax return when filed, a  
14 designation may be made by the individual on an amended return  
15 filed within twenty months and ten days after the due date for  
16 the original return for such taxable year. A designation once  
17 made, whether by an original or amended return, may not be  
18 revoked.

19       (e) Notwithstanding any law to the contrary, any taxpayer  
20 who files an individual income tax return for any taxable year  
21 and who is due a tax refund may designate an amount from the



1 refund to be paid to the juvenile diabetes cure research special  
2 fund under section 321-\_\_\_\_\_.

3 The director of taxation shall revise the individual state  
4 income tax form to allow the designation to the special fund on  
5 the face of the tax return and immediately above the signature  
6 lines. If no designation was made on the original tax return  
7 when filed, the individual may make a designation on an amended  
8 return filed within twenty months and ten days after the due  
9 date for the original return for such taxable year. A  
10 designation once made, whether by an original or amended return,  
11 shall not be revoked.

12 The director of taxation shall provide adequate information  
13 concerning the checkoff for juvenile diabetes cure research in  
14 its instructions that accompany state income tax return forms.  
15 The information shall include the listing of an address  
16 furnished by the department of health to which contributions may  
17 be sent by taxpayers wishing to contribute to this effort who do  
18 not receive refunds."

19 SECTION 3. There is appropriated out of the general  
20 revenues of the State of Hawaii the sum of \$1 or so much thereof  
21 as may be necessary for fiscal year 2006-2007 to be deposited



1 into the juvenile diabetes cure research special fund  
2 established in section 321- for the purposes of this Act.

3 SECTION 4. There is appropriated out of the juvenile  
4 diabetes cure research special fund the sum of \$1 or so much  
5 thereof as may be necessary for fiscal year 2006-2007 for  
6 juvenile diabetes cure research.

7 The sum appropriated shall be expended by the department of  
8 health for the purposes of this Act.

9 SECTION 5. New statutory material is underscored.

10 SECTION 6. This Act shall take effect upon its approval;  
11 provided that sections 3 and 4 shall take effect on July 1,  
12 2006, and shall apply to taxable years beginning after December  
13 31, 2005.





HB 2074  
HD1

**Report Title:**

Tax Check-off; Juvenile Diabetes; Special Fund

**Description:**

Allows individual taxpayers that receive a tax refund to designate an amount from their refund for juvenile diabetes cure research. (HB2074 HD1)

