

STAND. COM. REP. NO. 1299-06

Honolulu, Hawaii

March 31, 2006

RE: H.C.R. No. 223

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Health, to which was referred H.C.R. No. 223 entitled:

"HOUSE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO CONDUCT AN AUDIT TO DETERMINE WHETHER FUNDS ALLOCATED FROM THE HAWAII TOBACCO SETTLEMENT SPECIAL FUND TO THE UNIVERSITY REVENUE-UNDERTAKINGS FUND HAVE BEEN APPROPRIATELY EXPENDED,"

begs leave to report as follows:

The purpose of this concurrent resolution is to request that more transparency and assurances be provided to the public and the Legislature regarding the spending of Hawaii Tobacco Settlement Special Fund (Tobacco Fund) moneys by the University of Hawaii (UH) for the payment of principal and interest for revenue bonds issued to finance projects such as the construction of the John A. Burns School of Medicine in Kakaako.

UH opposed this concurrent resolution.

Your Committee finds that the use of moneys from the Tobacco Fund to provide for UH health and wellness initiatives such as the new medical school in Kakaako is a sensible practice. However, a conscientious government should ensure expending of this fund continues to be done responsibly. This request to the Office of the Auditor also includes a stipulation that the Auditor provide a report to the Legislature prior to the Regular Session of 2007 that will recommend any legislation to provide added safeguards, if necessary, to assure the public of fiscal responsibility within the State.

HCR223 HSCR HLT HMS 2006-3052



As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 223 and recommends that it be referred to the Committee on Higher Education.

Respectfully submitted on
behalf of the members of the
Committee on Health,



DENNIS A. ARAKAKI, Chair



