JAN 22 2007

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	SECT	ION 1. Section 328L-2, Hawaii Revised Statutes, is
2	amended by	y amending subsection (b) to read as follows:
3	"(b)	The fund shall be used for the purpose of receiving
4	allocatin	g, and appropriating the tobacco settlement moneys as
5	follows:	
6	(1)	Twenty-four and one-half per cent shall be
7		appropriated into the emergency and budget reserve
8		fund under section 328L-3;
9	(2)	Thirty-five per cent shall be appropriated to the
10		department for purposes of section 328L-4;
11	(3)	Twelve and one-half per cent shall be appropriated
12		into the Hawaii tobacco prevention and control trust
13		fund under section 328L-5; and
14	(4)	Twenty-eight per cent shall be appropriated into the
15		university revenue-undertakings fund created in
16		section [+]304A-2167[+], to be applied [solely] to
17		[the]:

1	(A)	The payment of the principal of and interest on,
2		and to generate required coverage, if any, for,
3		revenue bonds issued by the board of regents of
4		the University of Hawaii to finance the cost of
5		construction of a university health and wellness
6		center, including a new medical school facility,
7		to be situated on the island of Oahu, for the
8		succeeding fiscal year; and
9	<u>(B)</u>	The payment of annual operating expenses incurred
10		by the new medical school facility;
11		provided that any moneys in excess of the amount
12		required to pay principal of and interest on, and
13		to generate required coverage, if any, for [such]
14		the revenue bonds in any fiscal year, shall be
15	•	transferred as follows:
16	[(A) -]	(i) To the emergency and budget reserve fund
17		under section 328L-3, eighty per cent of the
18		excess; and
19	[(B)]	(ii) To the Hawaii tobacco prevention and control
20		trust fund under section 328L-5, twenty per
21		cent of the excess; in the succeeding fiscal
22		year."

S.B. NO. 1283

SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY: Rosaly H Baker

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Report Title:

Tobacco Settlement Funds; UH Medical School; Operating Expenses

Description:

Allows University of Hawaii to use its allotment of moneys from the Hawaii tobacco settlement special fund to pay for operating expenses of the new medical school in addition to paying debt service.