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# 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           SECTION 1. Section 328L-2, Hawaii Revised Statutes, is  
2 amended by amending subsection (b) to read as follows:

3           "(b) The fund shall be used for the purpose of receiving,  
4 allocating, 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           (B) 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 to  
 13           generate required coverage, if any, for ~~[such]~~ the  
 14           revenue bonds in any fiscal year, shall be transferred  
 15           ~~[as follows:]~~

16           ~~(A) To~~ in the succeeding fiscal year in the  
 17           following amounts to the emergency and budget  
 18           reserve fund under section 328L-3[7]: eighty per  
 19           cent of the excess; and

20           ~~(B) To~~ to the Hawaii tobacco prevention and control  
 21           trust fund under section 328L-5[7]: twenty per



1 cent of the excess [~~in the succeeding fiscal~~  
2 year.], respectively."

3 SECTION 2. Statutory material to be repealed is bracketed  
4 and stricken. New statutory material is underscored.

5 SECTION 3. This Act shall take effect on July 1, 2020.



**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. (SD2)

