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# A BILL FOR AN ACT

RELATING TO USE OF TOBACCO SETTLEMENT FUNDS.

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

1           SECTION 1. To enable the John A. Burns school of medicine  
2 to continue to operate and graduate new physicians, funding from  
3 the tobacco settlement needs to continue. Act 264, Session Laws  
4 of Hawaii 2007, contains a sunset date that will eliminate the  
5 ability of the John A. Burns school of medicine to continue  
6 receiving these funds.

7           The purpose of this Act is to continue the funding to John  
8 A. Burns school of medicine until 2015.

9           SECTION 2. Act 264, Session Laws Hawaii 2007, as amended  
10 by section 22 of Act 16, Session Laws of Hawaii 2008, is amended  
11 by amending section 4 to read as follows:

12           "SECTION 4. This Act shall take effect on July 1, 2007, and  
13 shall be repealed on June 30, [~~2011~~] 2015; provided that section  
14 328L-2, Hawaii Revised Statutes, shall be reenacted in the form  
15 in which it read on the day before the effective date of this  
16 Act."

1 SECTION 3. Section 328L-2, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 **"§328L-2 Hawaii tobacco settlement special fund. (a)**

4 There is established in the state treasury the Hawaii tobacco  
5 settlement special fund into which shall be deposited:

6 (1) All tobacco settlement moneys; and

7 (2) All interest and earnings accruing from the investment  
8 of moneys in the fund;

9 provided that of all tobacco settlement moneys received by the  
10 State each fiscal year, the sum representing the first \$350,000  
11 of those moneys shall first be deposited in the state treasury  
12 in each fiscal year to the credit of the tobacco enforcement  
13 special fund. The Hawaii tobacco settlement special fund shall  
14 be administered by the department.

15 (b) The fund shall be used for the purpose of receiving,  
16 allocating, and appropriating the tobacco settlement moneys as  
17 follows:

18 (1) [~~Fifteen~~] Twenty-four and one-half per cent shall be  
19 appropriated into the emergency and budget reserve  
20 fund under section 328L-3;

- 1           (2)   ~~[Twenty-five]~~ Thirty-five per cent shall be  
2                   appropriated to the department for purposes of section  
3                   328L-4;
- 4           (3)   ~~[Six]~~ Twelve and one-half per cent shall be  
5                   appropriated into the Hawaii tobacco prevention and  
6                   control trust fund under section 328L-5; and
- 7           (4)   Twenty-eight per cent shall be appropriated into the  
8                   university revenue-undertakings fund created in  
9                   section 304A-2167.5 to be applied to the payment of  
10                  the principal of and interest on, and to generate  
11                  required coverage, if any, for, revenue bonds issued  
12                  by the board of regents of the University of Hawaii to  
13                  finance the cost of construction of a university  
14                  health and wellness center, including a new medical  
15                  school facility, to be situated on the island of Oahu,  
16                  for the succeeding fiscal year; and the payment of  
17                  annual operating expenses incurred by the new medical  
18                  school facility; provided that any moneys in excess of  
19                  the amounts required under this paragraph shall be  
20                  transferred in the succeeding fiscal year ~~[to]~~ as  
21                  follows:

1           (A) Eighty per cent of the excess amount shall be  
2           transferred to the emergency and budget reserve  
3           fund under section 328L-3; and

4           (B) Twenty per cent of the excess amount shall be  
5           transferred to the Hawaii tobacco prevention and  
6           control trust fund under section 328L-5.

7       ~~[(5) Twenty five and one half per cent shall be deposited~~  
8       ~~to the credit of the state general fund.]~~

9           (c) The University of Hawaii shall submit to the  
10       legislature a report on the status of all debts to which the  
11       funds of the Hawaii tobacco settlement trust fund are being  
12       applied. The report shall be submitted annually through 2015  
13       and shall be due no later than thirty days prior to the  
14       convening of the regular session."

15           SECTION 4. Statutory material to be repealed is bracketed  
16       and stricken. New statutory material is underscored.

17           SECTION 5. This Act shall take effect on July 1, 2010  
18       provided that upon the repeal and reenactment of section 238L-2,  
19       Hawaii Revised Statutes, pursuant to section 6 of Act 119,  
20       Session Laws of Hawaii 2009, the amendments made to section  
21       328L-2(b), Hawaii Revised Statutes, in section 3 of this Act  
22       shall be repealed.

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**Report Title:**

Tobacco Fund Settlement Continued for UH Medical School

**Description:**

Repeals sunset date in Act 264, relating to tobacco fund settlement, for continued use by John A. Burns School of Medicine. (SD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*