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# A BILL FOR AN ACT

RELATING TO HEALTH CARE.

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

1 SECTION 1. The legislature supports tobacco prevention and  
2 cessation. At the same time, due to economic difficulties, the  
3 State must ensure that core services such as medicaid, state  
4 hospitals, and other core programs addressing the health care  
5 needs of the State are adequately funded to meet the needs of  
6 the public.

7 The purpose of this Act, therefore, is to appropriate funds  
8 to ensure that these vital programs and services continue.

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

11 "(b) The fund shall be used for the purpose of receiving,  
12 allocating, and appropriating the tobacco settlement moneys as  
13 follows:

14 (1) Fifteen per cent shall be appropriated into the  
15 emergency and budget reserve fund under section 328L-  
16 3; provided that for fiscal years 2012 and 2013, this  
17 percentage shall be deposited into the general fund;



- 1           (2) Twenty-five per cent shall be appropriated to the  
2           department for purposes of section 328L-4;
- 3           (3) Six and one-half per cent shall be appropriated into  
4           the Hawaii tobacco prevention and control trust fund  
5           under section 328L-5; provided that for fiscal years  
6           2012 and 2013, this percentage shall be deposited into  
7           the general fund; and
- 8           (4) Twenty-eight per cent shall be appropriated into the  
9           university revenue-undertakings fund created in  
10          section 304A-2167.5 to be applied to the payment of  
11          the principal of and interest on, and to generate  
12          required coverage, if any, for, revenue bonds issued  
13          by the board of regents of the University of Hawaii to  
14          finance the cost of construction of a university  
15          health and wellness center, including a new medical  
16          school facility, to be situated on the island of Oahu,  
17          for the succeeding fiscal year; and the payment of  
18          annual operating expenses incurred by the new medical  
19          school facility; provided that any moneys in excess of  
20          the amounts required under this paragraph shall be  
21          transferred in the succeeding fiscal year to the



1 emergency and budget reserve fund under section 328L-  
2 3; and

3 (5) Twenty-five and one-half per cent shall be deposited  
4 to the credit of the state general fund."

5 SECTION 3. There is appropriated out of the Hawaii tobacco  
6 prevention and control trust fund the sum of \$25,000,000 or so  
7 much thereof as may be necessary for fiscal year 2011-2012 to be  
8 deposited to the credit of the general fund.

9 SECTION 4. There is appropriated out of the Hawaii tobacco  
10 settlement special fund the sum of \$10,000,000 or so much  
11 thereof as may be necessary for fiscal year 2011-2012 and the  
12 same sum or so much thereof as may be necessary for fiscal year  
13 2012-2013 for costs associated with medicaid programs.

14 The sums appropriated shall be expended by the department  
15 of human services for the purposes of this Act.

16 SECTION 5. There is appropriated out of the Hawaii tobacco  
17 settlement special fund the sum of \$5,000,000 or so much thereof  
18 as may be necessary for fiscal year 2011-2012 and the same sum  
19 or so much thereof as may be necessary for fiscal year 2012-2013  
20 for costs associated with comprehensive health care services.

21 The sums appropriated shall be expended by the Hawaii  
22 health systems corporation for the purposes of this Act.



1 SECTION 6. There is appropriated out of the general  
2 revenues of the State of Hawaii the sum of \$2,923,356 or so much  
3 thereof as may be necessary for fiscal year 2011-2012 for a new  
4 eligibility system.

5 The sum appropriated shall be expended by the department of  
6 human services for the purposes of this Act.

7 SECTION 7. There is appropriated out of the general  
8 revenues of the State of Hawaii the sum of \$70,400 or so much  
9 thereof as may be necessary for fiscal year 2011-2012 to  
10 implement the electronic health records program.

11 The sum appropriated shall be expended by the department of  
12 human services for the purposes of this Act.

13 SECTION 8. There is appropriated out of the general  
14 revenues of the State of Hawaii the sum of \$3,200,000 or so much  
15 thereof as may be necessary for fiscal year 2011-2012 for the  
16 preschool open doors program.

17 The sum appropriated shall be expended by the department of  
18 human services for the purposes of this Act.

19 SECTION 9. There is appropriated out of the general  
20 revenues of the State of Hawaii the sum of \$3,521,545 or so much  
21 thereof as may be necessary for fiscal year 2011-2012 for all



1 purchase of service contracts for court substance abuse programs  
2 and the HOPE probation program.

3 The sum appropriated shall be expended by the judiciary for  
4 the purposes of this Act.

5 SECTION 10. There is appropriated out of the general  
6 revenues of the State of Hawaii the sum of \$8,654,621 or so much  
7 thereof as may be necessary for fiscal year 2011-2012 to match  
8 the federal disproportionate share hospital allowance allocated  
9 to the State.

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

12 SECTION 11. There is appropriated out of the general  
13 revenues of the State of Hawaii the sum of \$2,963,411 or so much  
14 thereof as may be necessary for fiscal year 2011-2012 and the  
15 same sum or so much thereof as may be necessary for fiscal year  
16 2012-2013 to provide additional funding for the kupuna care  
17 program. These amounts shall be in addition to the \$4,854,350  
18 base budget of the executive office on aging.

19 The sums appropriated shall be expended by the department  
20 of human services for the purposes of this Act.

21 SECTION 12. New statutory material is underscored.



1 SECTION 13. This Act shall take effect on July 1, 2030;  
2 provided that the amendments made to section 328L-2(b) shall not  
3 be repealed when that section is repealed and reenacted on June  
4 30, 2011, by Act 16, Session Laws of Hawaii 2008.



**Report Title:**

Health Care; Appropriations; Tobacco Settlement Funds

**Description:**

Makes appropriations to provide for health services and programs. Directs an additional portion of Tobacco Settlement Funds into the general fund. Effective July 1, 2030. (HB1267 HD1)

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

