

ACT 102

S.B. NO. 139

A Bill for an Act Relating to Cigarette Tax.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to clarify that the moneys earmarked from the cigarette tax collected on each cigarette sold pursuant to section 245-15, Hawaii Revised Statutes, for deposit into the Hawaii cancer research special fund, the trauma system special fund, the emergency medical services special fund, and the community health centers special fund shall be assessed on a per cigarette basis. In addition, this Act ensures that moneys are earmarked for each special fund through 2011 and beyond.

SECTION 2. Section 245-15, Hawaii Revised Statutes, is amended to read as follows:

“§245-15 Disposition of revenues. All moneys collected pursuant to this chapter shall be paid into the state treasury as state realizations to be kept and accounted for as provided by law; provided that, of the moneys collected under the tax imposed pursuant to [section 245-3(a) that represents the difference between the 7.0 cents for each cigarette sold, used, or possessed by a wholesaler or dealer under section 245-3(a)(1) and the amount of tax imposed and collected on each cigarette sold, used, or possessed by a wholesaler or dealer under section 245-3(a)(2), (3), (4), (5), (6), and (7)]:

- (1) [From] Section 245-3(a)(5), after September 30, 2006, and prior to [September 29,] October 1, 2007, 1.0 cent per cigarette shall be deposited to the credit of the Hawaii cancer research special fund,

- established pursuant to section ~~[[304A-2168[]]~~, for research and operating expenses;
- (2) ~~[From] Section 245-3(a)(6), after September 30, 2007, and prior to September 29,~~ October 1, 2008:
 - (A) 1.5 cents per cigarette shall be deposited to the credit of the Hawaii cancer research special fund, established pursuant to section ~~[[304A-2168[]]~~, for research and operating expenses; ~~and~~
 - (B) 0.25 cents ~~[of the moneys]~~ per cigarette shall be deposited to the credit of the trauma system special fund established pursuant to section 321-22.5; and
 - (C) 0.25 cents ~~[of the moneys]~~ per cigarette shall be deposited to the credit of the emergency medical services special fund established pursuant to section 321-234;
 - (3) ~~[From] Section 245-3(a)(7), after September 30, 2008, and prior to September 29,~~ October 1, 2009:
 - (A) 2.0 cents per cigarette shall be deposited to the credit of the Hawaii cancer research special fund, established pursuant to section ~~[[304A-2168[]]~~, for research and operating expenses; ~~and~~
 - (B) 0.5 cents ~~[of the moneys]~~ per cigarette shall be deposited to the credit of the trauma system special fund established pursuant to section 321-22.5;
 - (C) 0.25 cents ~~[of the moneys]~~ per cigarette shall be deposited to the credit of the community health centers special fund; and
 - (D) 0.25 cents ~~[of the moneys]~~ per cigarette shall be deposited to the credit of the emergency medical services special fund established pursuant to section 321-234;
 - (4) ~~[From] Section 245-3(a)(8), after September 30, 2009, and prior to September 29,~~ October 1, 2010:
 - (A) 2.0 cents per cigarette shall be deposited to the credit of the Hawaii cancer research special fund, established pursuant to section ~~[[304A-2168[]]~~, for research and operating expenses; ~~and~~
 - (B) 0.75 cents ~~[of the moneys]~~ per cigarette shall be deposited to the credit of the trauma system special fund established pursuant to section 321-22.5;
 - (C) 0.75 cents ~~[of the moneys]~~ per cigarette shall be deposited to the credit of the community health centers special fund; and
 - (D) 0.5 cents ~~[of the moneys]~~ per cigarette shall be deposited to the credit of the emergency medical services special fund established pursuant to section 321-234;
 - (5) ~~[From] Section 245-3(a)(9), after September 30, 2010, and prior to September 29,~~ October 1, 2011:
 - (A) 2.0 cents per cigarette shall be deposited to the credit of the Hawaii cancer research special fund, established pursuant to section ~~[[304A-2168[]]~~, for research and operating expenses; ~~and~~
 - (B) 1.0 cent ~~[of the moneys]~~ per cigarette shall be deposited to the credit of the trauma system special fund established pursuant to section 321-22.5;
 - (C) 1.0 cent ~~[of the moneys]~~ per cigarette shall be deposited to the credit of the community health centers special fund; and
 - (D) 1.0 cent ~~[of the moneys]~~ per cigarette shall be deposited to the credit of the emergency medical services special fund established pursuant to section 321-234; and
 - (6) ~~[From] Section 245-3(a)(10), after September 30, 2011, and thereafter:~~

- (A) 2.0 cents per cigarette shall be deposited to the credit of the Hawaii cancer research special fund, established pursuant to section [F]304A-2168[{}], for research and operating expenses; [and]
- (B) 1.5 cents [~~of the moneys~~] per cigarette shall be deposited to the credit of the trauma system special fund established pursuant to section 321-22.5;
- (C) 1.25 cents [~~of the moneys~~] per cigarette shall be deposited to the credit of the community health centers special fund; and
- (D) 1.25 cents [~~of the moneys~~] per cigarette shall be deposited to the credit of the emergency medical services special fund established pursuant to section 321-234.

The department shall provide an annual accounting of these dispositions to the legislature.”

SECTION 3. Section 304A-2168, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

“(c) The following shall be deposited into the special fund:

- (1) Moneys collected pursuant to section 245-15 [shall be deposited into the special fund.]; and
- (2) Interest earned or accrued on moneys in the special fund.”

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

SECTION 5. This Act shall take effect upon its approval.

(Approved May 28, 2007.)