

ACT 59

H.B. NO. 982

A Bill for an Act Relating to Funding for the Department of the Attorney General Tobacco Enforcement Unit.

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

SECTION 1. The legislature finds that the tobacco enforcement special fund supports the tobacco enforcement unit within the department of the attorney general to administer, monitor, and enforce the master settlement agreement and related Hawaii laws, including chapters 486P and 675, Hawaii Revised Statutes. Section 28-15(c), Hawaii Revised Statutes, currently mandates that moneys in excess of \$500,000 remaining in the tobacco enforcement special fund at the close of each fiscal year lapse to the credit of the state general fund. Section 328L-2, Hawaii Revised Statutes, mandates that of all tobacco settlement moneys received by the State in each fiscal year, the first \$350,000 be deposited in the state treasury to the credit of the tobacco enforcement special fund.

The legislature further finds that to maintain the tobacco enforcement unit's diligent enforcement efforts and to minimize the risk of losing the master settlement agreement annual payments, it is critical that the unit receive adequate and continuous funding.

The purpose of this Act is to stabilize and increase funding for the tobacco enforcement unit within the department of the attorney general by amending:

- (1) The amount of funds that the tobacco enforcement special fund can carry over at the end of each fiscal year; and
- (2) The sum of moneys received from the tobacco master settlement agreement that are deposited to the credit of the tobacco enforcement special fund.

SECTION 2. Section 28-15, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

“(c) All unencumbered and unexpended moneys in excess of ~~[\$500,000]~~ \$750,000 remaining on balance in the tobacco enforcement special fund at the close of June 30 of each year shall lapse to the credit of the state general fund.”

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SECTION 3. Section 328L-2, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) There is established in the state treasury the Hawaii tobacco settlement special fund into which shall be deposited:

- (1) All tobacco settlement moneys; and
- (2) All interest and earnings accruing from the investment of moneys in the fund;

provided that of all tobacco settlement moneys received by the State each fiscal year, the sum representing the first [~~\$350,000~~] \$750,000 of those moneys shall first be deposited in the state treasury in each fiscal year to the credit of the tobacco enforcement special fund. The Hawaii tobacco settlement special fund shall be administered by the department.”

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

SECTION 5. This Act shall take effect on July 1, 2024.

(Approved June 21, 2024.)