

EXECUTIVE CHAMBERS

HONOLULU

June 24, 2002

COPY

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 1245

Honorable Members
Twenty-First Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1245, entitled "A Bill for an Act Relating to the State Budget."

The purpose of this bill is to appropriate moneys out of the Emergency and Budget Reserve Fund to maintain levels of programs that the Legislature has determined to be essential to the public health, safety, and welfare.

While the bill as a whole has merit, I object to the following appropriations for the reasons indicated:

1. The \$400,000 special fund appropriation out of the Emergency and Budget Reserve Fund for fiscal year 2002-2003 for a grant to Wahiawa General Hospital for program expenses, designated in section 6, pages 2-3 of the bill. I believe that a grant to Wahiawa General Hospital for program expenses should not be made out of the Emergency and Budget Reserve Fund. By Act 179, Session Laws of Hawaii 1999, the Legislature authorized the issuance of special purpose revenue bonds in the amount of \$37 million for Wahiawa General Hospital, Inc., including the plans, design, construction, and operation of a new health facility. The Wahiawa General Hospital is planned to be part of a large health center and that special purpose revenue bond authorization was only one of eight acts to authorize the issuance of special purpose revenue bonds totaling \$147 million for the health center. The Baylor Health Care System of Texas, one of the nation's largest nonprofit integrated health care providers, has been providing advisory and consulting services for the health

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center. Although having these very ambitious plans for the development of the large health center, the Wahiawa General Hospital has still sought grants from the State. The General Appropriations Act of 2001, Act 259, Session Laws of Hawaii 2001, appropriated \$1,000,000 each for fiscal years 2001-2002 and 2002-2003 for program expenses. The Legislature this year through the supplemental appropriations bill, House Bill No. 1800, reduced the appropriation for fiscal year 2002-2003 to \$500,000 out of the general fund. Because the appropriation out of the general fund was reduced by \$500,000, there appears to be no reason to appropriate \$400,000 out of the Emergency and Budget Reserve Fund to make a grant for the program expenses of the Wahiawa General Hospital.

2. The \$300,000 special fund appropriation out of the Emergency and Budget Reserve Fund for fiscal year 2002-2003 for the tobacco prevention and cessation program, designated in section 9, page 3 of the bill. While I feel that the program is worthwhile, I believe that the program should be funded from the Department of Health's share of the tobacco settlement payments instead of from the Emergency and Budget Reserve Fund. Under section 328L-4, Hawaii Revised Statutes, moneys from the Department of Health's share of the tobacco settlement payments are to be used by the Department to fund health promotion and disease prevention programs like the tobacco prevention and cessation program.

Section 16 of Article III of the State Constitution provides that, "[e]xcept for items appropriated to be expended by the judicial and legislative branches, the governor may veto any specific item or items in any bill which appropriates money for specific purposes by striking out or reducing the same." Because of the foregoing objections, I have taken the following actions

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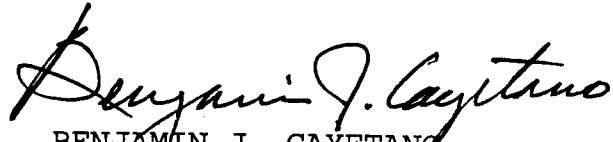
pursuant to my line item veto authority:

1. Striking out by drawing a line through the \$400,000 special fund appropriation out of the Emergency and Budget Reserve Fund for fiscal year 2002-2003 for a grant to Wahiawa General Hospital for program expenses in section 6 (on pages 2-3) and changing it to \$0.

2. Striking out by drawing a line through the \$300,000 special fund appropriation out of the Emergency and Budget Reserve Fund for fiscal year 2002-2003 for the tobacco prevention and cessation program in section 9 (on page 3) and changing it to \$0.

For the foregoing reasons, I am returning House Bill No. 1245 with the appropriations in sections 6 and 9 stricken as set forth above totaling \$700,000 in special fund appropriations for fiscal year 2002-2003.

Respectfully,


BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

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WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of the Governor's plan to return with the Governor's objections any bill presented to the Governor less than ten days before adjournment sine die or presented to the Governor after adjournment sine die of the Legislature; and

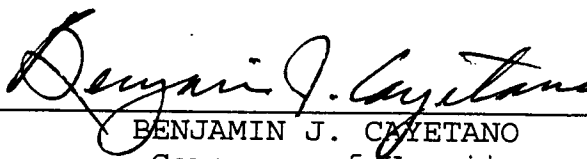
WHEREAS, House Bill No. 1245, entitled "A Bill for an Act Relating to the State Budget," passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, under Section 16 of Article III, the Governor may veto any specific item or items in any bill that appropriates money for specific purposes by striking out or reducing the same; and

WHEREAS, House Bill No. 1245 appropriates money for specific purposes and certain appropriation items in that bill are unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 1245 with my objections to certain appropriation items contained therein, to the Legislature as provided by said Section 16 of Article III of the Constitution.

DONE at the State Capitol, Honolulu,
State of Hawaii, this 24th
day of June, 2002.


BENJAMIN J. CAYETANO
Governor of Hawaii

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C.D. 1

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

3 SECTION 3. There is appropriated out of the emergency and
4 budget reserve fund the sum of \$242,499 or so much thereof as
5 may be necessary for fiscal year 2002-2003 for a grant to
6 Parents and Children Together for program expenses.

7 The sum appropriated shall be expended by the department of
8 human services to carry out the purposes of this Act.

9 SECTION 4. There is appropriated out of the emergency and
10 budget reserve fund the sum of \$300,000 or so much thereof as
11 may be necessary for fiscal year 2002-2003 for a grant to Good
12 Beginnings Alliance for program expenses.

13 The sum appropriated shall be expended by the department of
14 human services to carry out the purposes of this Act.

15 SECTION 5. There is appropriated out of the emergency and
16 budget reserve fund the sum of \$421,161 or so much thereof as
17 may be necessary for fiscal year 2002-2003 for a grant to
18 Blueprint for Change for program expenses.

19 The sum appropriated shall be expended by the department of
20 human services to carry out the purposes of this Act.

21 SECTION 6. There is appropriated out of the emergency and
22 budget reserve fund the sum of ~~\$400,000~~^{\$0 (SPK)} or so much thereof as

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1 may be necessary for fiscal year 2002-2003 for a grant to
2 Wahiawa General Hospital for program expenses.

3 The sum appropriated shall be expended by the department of
4 health to carry out the purposes of this Act.

5 SECTION 7. There is appropriated out of the emergency and
6 budget reserve fund the sum of \$500,000 or so much thereof as
7 may be necessary for fiscal year 2002-2003 for oral health
8 (dental sealant and dental hygiene) program expenses.

9 The sum appropriated shall be expended by the department of
10 health to carry out the purposes of this Act.

11 SECTION 8. There is appropriated out of the emergency and
12 budget reserve fund the sum of \$500,000 or so much thereof as
13 may be necessary for fiscal year 2002-2003 for the pre-school
14 open doors program.

15 The sum appropriated shall be expended by the department of
16 human services to carry out the purposes of this Act.

17 SECTION 9. There is appropriated out of the emergency and
18 budget reserve fund the sum of ^{\$0} ~~\$300,000~~ or so much thereof as
19 may be necessary for fiscal year 2002-2003 for the tobacco
20 prevention and cessation program.

21 The sum appropriated shall be expended by the department of
22 health to carry out the purposes of this Act.