

Honolulu, Hawaii

MAR - 3 2006

RE: S.B. No. 2961
S.D. 1

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2961 entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

begs leave to report as follows:

The purpose of this measure is to discourage smoking, especially by young people, by increasing the tax on cigarettes.

This measure also allocates the additional revenues generated by the increased tax to programs for the prevention and treatment of cancer caused by smoking as follows:

- (1) Fifty per cent to the Cancer Research Center of Hawaii for research and operating expenses;
- (2) Twenty-five per cent to the Department of Health for health promotion and disease prevention programs under section 328L-4(2), Hawaii Revised Statutes; and
- (3) Twenty-five per cent to the Hawaii Tobacco Prevention and Control trust fund under section 328L-5, Hawaii Revised Statutes.

Your Committee finds that tobacco use is responsible for over one thousand one hundred deaths annually in Hawaii and costs the State over \$525,000,000 in health care and other associated costs per year. Smoking is the largest preventable cause of morbidity and mortality in the nation.



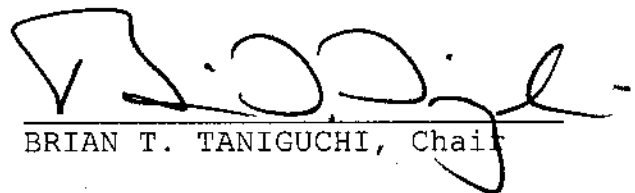
Your Committee further finds that increasing the tax on cigarettes is an effective deterrent to smoking, especially for young people, and an incentive for users to quit. Dedicating fifty per cent of the increase in the cigarette tax to the Cancer Research Center of Hawaii will provide the funding necessary to enable the Center to expand into a state-of-the-art comprehensive cancer research and treatment center.

Additionally, your Committee finds that earmarking twenty-five per cent of the increase to the Department of Health for promotion and disease prevention programs and twenty-five per cent to the Hawaii Tobacco Prevention and Control trust fund will advance the State's initiatives for a healthier Hawaii, including assistance to help smokers quit smoking.

Your Committee has amended this measure by making technical nonsubstantive amendments.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2961, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2961, S.D. 1.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,




BRIAN T. TANIGUCHI, Chair



The Senate
Twenty-Third Legislature
State of Hawaii

Record of Votes of the
Committee on Ways and Means
(Bills and Resolutions)

Measure:* SB 2961	Committee Referral: HTH, WAM	Date: 2/24/06		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is to: <input type="checkbox"/> Pass, unamended (2312) <input checked="" type="checkbox"/> Pass, with amendments (2311) <input type="checkbox"/> Hold (2310) <input type="checkbox"/> Recommit (2313)				
Members	Ayes	Ayes(WR)	Nays	Excused
TANIGUCHI, Brian T. (C)	/			
TSUTSUI, Shan S. (VC)	/			
ENGLISH, J. Kalani				/
ESPERO, Will	/			
FUKUNAGA, Carol				/
HOOSER, Gary L.				/
INOUE, Lorraine R.	/			
KANNO, Brian				/
KIM, Donna Mercado	/			
KOKUBUN, Russell S.	/			
NISHIHARA, Clarence K.	/			
SAKAMOTO, Norman				/
HEMMINGS, Fred	/			
SLOM, Sam			/	
TRIMBLE, Gordon			/	
TOTAL	8	0	2	5
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Do not list more than one measure per Record of Votes.