

STAND. COM. REP. NO.

1337

Honolulu, Hawaii

March 21, 2007

RE: S.B. No. 139

S.D. 1

H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fourth State Legislature  
Regular Session of 2007  
State of Hawaii

Sir:

Your Committee on Health, to which was referred S.B. No. 139,  
S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CIGARETTE TAX,"

begs leave to report as follows:

The purpose of this bill is to ensure proper distribution of  
taxes collected from the sale of cigarettes by:

- (1) Clarifying that the cigarette tax collected pursuant to  
section 245-15, Hawaii Revised Statutes, will be  
assessed on a per cigarette basis; and
- (2) Ensuring that the cigarette taxes collected are  
earmarked for designated special funds through the year  
2011 and beyond.

The Department of Health, University of Hawaii, Hawaii  
Primary Care Association, Healthcare Association of Hawaii,  
Queen's Medical Center, Hawaii Pacific Health, Coalition for a  
Tobacco Free Hawaii, and a concerned individual supported this  
bill. The Tax Foundation of Hawaii submitted comments.

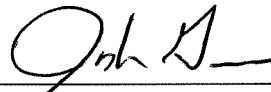


Your Committee has amended this bill by:

- (1) Ensuring that any interest earned or accrued by the moneys collected from the cigarette tax and placed in the Hawaii Cancer Research Special Fund will remain in the fund for use by the Cancer Research Center of Hawaii; and
- (2) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 139, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 139, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Health,



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JOSHUA B. GREEN, M.D., Chair



