

**HB 1175**

STATEMENT ON HB 1175  
to the Senate Committee on Ways and Means  
Relating to Increasing the Cigarette Tax from \$.10 a Cigarette to \$.20 a Cigarette

by  
Bob Speck  
652 Kumukahi Pl.  
Honolulu, HI 96825  
395-4292  
e-mail: bobspeck@attglobal.net

**LATE**

April 2, 2009

I am totally opposed to HB 1175.

I cannot believe that the Senate is serious in proposing this bill. The bill presents no justification nor reason for its passage. It is not proper nor logical to propose a bill without any justification. Therefore, the only conclusion I can reach is that this is a hate bill aimed against smokers.

I am very disappointed that the Senate would stoop to this level. Isn't Hawaii supposed to be the land of Aloha where we all love one another? Hawaii has sure changed since I came here 40 years ago.

In my 40 years of living in Hawaii I have never seen a more hideous bill introduced. It strikes at the very basis of our precious freedom. I am reminded of Nazi Germany.

The Department of Taxation (Department) opposes this tax increase. They say they "do not support the tax increase contained in this measure. With the slowing economy impacting struggling families, tax increases should be avoided as much as possible. The Department is also strongly concerned with the timing of this legislation because the state and nation are in a recession where taxpayers are worried about their finances. This tax is highly regressive and will impact the poor the most." Would that the Legislature showed as much common sense as the Tax Department.

The Tax Foundation of Hawaii says that "With the federal government's newly adopted increase of \$1.00 per pack, the tax per pack of cigarettes in Hawaii will rise to \$5. As the product becomes more expensive, there will, no doubt, be a reduction in consumption or *more untaxed product purchased*.

"The notion that the state general fund can be balanced with an increase in "sin" taxes on tobacco and alcohol products is ludicrous. First, as noted above, the higher one pushes the cost of these products, the greater the possibility of actually seeing a decline in consumption as consumers moderate or eliminate consumption. In the states of New Jersey and Maryland, lawmakers counted on an increase in the cigarette taxes to help balance their budgets only to learn that collections actually went down below their prior levels. Thus, care should be exercise in targeting these resources for a quick fix to the state's financial woes. Finally, lawmakers need to remember that the amount payable to the state under the Master Settlement Agreement (MSA) with the tobacco companies is dependent on the amount of product purchased and consumed nationwide. With the rise in the federal tax and potential state tax increases, there is no doubt that it will affect consumption of this product and, therefore, the amount of money the states receive under the MSA."

If this bill passes, you will shame Hawaii! Truly, I believe the fact that this bill is even being introduced shames Hawaii!

**THERE ARE 200,000 SMOKERS IN HAWAII AND THEY VOTE!**

**Gina Williams**

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**From:** cindy-lopez@rmshawaii.com  
**Sent:** Wednesday, April 01, 2009 5:16 PM  
**To:** WAM Testimony  
**Subject:** FW: HB1175 Tobacco Tax Increase

**LATE**

Honorable Senate Ways and Means Committee Members:

I am in strong opposition of HB1175 the unreasonable proposed tax increase on Tobacco. In these times of financial hardship, **any State Tax Hike on Tobacco is out of the question**. The initial proposal of this bill was to raise the tax from 10 cents a cigarette to 11 cents a cigarette, then it morphed into a 14 cent per cigarette increase and now that number has swollen to the outrageous 20 cent per cigarette level and 100% increase in taxation.

We have just had to bear the brunt of a 156% percent Federal Tax increase to pay for the SCHIP program equaling only 5 cents per cigarette. You are already collecting double that amount. And now you want 4 times that amount? Smokers across the country were already outraged by SCHIP but that seems like a "bargain basement deal" compared to this proposal.

I sincerely urge you to reconsider this action and put a stop to the fleecing of your citizens immediately. Remove all proposed amendments from HB1175 and leave section 245-3 in it's original state until the year 2011 as originally agreed and voted upon. Do not abuse your powers and continue to stuff your coffers by inflicting any additional and unjustifiable taxation on your constituents. Passage of this legislation will amount to the tyranny of the majority, and the over-burdening of fiscal responsibility onto the shoulders of the minority of your citizens. This my friends does not constitute a democracy.

Respectfully,

Manuel Lopez  
[Bigdogml7@yahoo.com](mailto:Bigdogml7@yahoo.com)

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**Gina Williams**

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**Sent:** Wednesday, April 01, 2009 5:17 PM  
**To:** WAM Testimony  
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Honorable Senate Ways and Means Committee Members:

While I am not a smoker I must object!

I am in strong opposition of HB1175 the unreasonable proposed tax increase on Tobacco. In these times of financial hardship, **any State Tax Hike on Tobacco is out of the question**. The initial proposal of this bill was to raise the tax from 10 cents a cigarette to 11 cents a cigarette, then it morphed into a 14 cent per cigarette increase and now that number has swollen to the outrageous 20 cent per cigarette level and 100% increase in taxation.

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Respectfully,

Cynthia Lopez  
[Cindy-lopez@rmshawaii.com](mailto:Cindy-lopez@rmshawaii.com)

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**Gina Williams**

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**From:** Angela Goodbody [agoodbody@hawaii.rr.com]  
**Sent:** Wednesday, April 01, 2009 7:07 PM  
**To:** WAM Testimony  
**Subject:** Strong Support-HB 1175 HD 3 SD 1

**LATE**

Senate Sergeant-At-Arms

Dear Chair Kim, Vice Chair Tsutsui, and Ways & Means Committee,

Comments in Support of HB 1175 HD 3 SD 1 (Senate WAM Decision Making on April 2, 2009 at 9:30 a.m.)

Thank you for the opportunity to offer comments in support of an increase in the tax on cigarettes. Tobacco use is still the number one cause of preventable death and disability in Hawaii. Smoking cigarettes causes cancer, asthma and heart disease. Lawmakers can take important stands to address this problem.

One way to reduce cigarette smoking is to increase the tax on cigarettes. A tobacco tax increase will not only bring in significant revenue, it will lead to long-term money saved as less will be spent on health-related costs that are smoking-related.

I ask that you ensure a portion of the revenues are dedicated to tobacco prevention and control programs so that people who will try to quit smoking will be able to get the resources and support they need.

Angela Goodbody  
3124 Numana Road  
Honolulu, HI 96819

# LATE

April 02, 2009

The Honorable Donna Mercado Kim  
Hawaii State Capitol, Room 231  
415 South Beretania Street  
Honolulu, HI 96813-2407

Dear Senator Kim:

I am writing in strong support to increase Hawaii's tobacco tax and to dedicate generated revenues to help smokers quit their addiction and keep our keiki from becoming addicted.

It is critical that our state take proactive measures to lower health costs through prevention. Since 1998 when Hawaii's Tobacco Prevention Trust Fund was founded, smoking rates have been slashed, down to 15% of adults and less than 10% of teens. These reductions in smoking rates have resulted in lower health costs and healthier kama'aina. Yet, our state's program is not even at the Centers for Disease Control's recommended minimum level. The revenue from the tax increase would help our state move closer to the recommended funding levels.

Some might say that increasing the tobacco tax will decrease consumption to the point it decreases revenues from the tax. If that somehow were the case, that's a good thing because the reduction in tobacco consumption would create health savings to the state and former smokers could generate tax revenues spending their money on other locally-produced products.

Tobacco remains our state's no.1 preventable cause of death and disease and costs Hawaii taxpayers over \$336 million in healthcare each year. Please support this significant increase in the price of tobacco by raising our state's cigarette tax.

Sincerely,

Camille Chong  
1617 Young St # A101  
Honolulu, HI 96826-2044

**LATE**

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Tobacco remains our state's no.1 preventable cause of death and disease and costs Hawaii taxpayers over \$336 million in healthcare each year. Please support this significant increase in the price of tobacco by raising our state's cigarette tax.

Sincerely,

Barbara Ferraro  
15-682 Puni Mauka Loop S  
Pahoa, HI 96778-9551

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I ask that you ensure a portion of the revenues are dedicated to tobacco prevention and control programs so that people who will try to quit smoking will be able to get the resources and support they need.

Neighbor Island Coalition Coordinator Tracie Yoshimoto  
Neighbor Island Coalition Coordinator  
1097 Pukana St.  
Hilo, HI 96720

808-896-1670



kim2 - Arline

**LATE**

**From:** Tracie Yoshimoto [livetobaccofree@hawaii.rr.com]  
**Sent:** Wednesday, April 01, 2009 10:36 PM  
**To:** WAM Testimony  
**Subject:** Strong Support-HB 1175 HD 3 SD 1

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