

JAN 28 2009

S.B. NO. 1255

A BILL FOR AN ACT

RELATING TO REDUCED IGNITION PROPENSITY CIGARETTES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 132C-4, Hawaii Revised Statutes, is
2 amended by amending its title and subsection (a) to read as
3 follows:

4 "~~§~~132C-4 ~~[+]~~ Certification; marking[-]; revolving fund.

5 (a) Each manufacturer shall submit to the state fire council
6 written certification attesting that each cigarette has been
7 tested in accordance with, and has met the performance standard
8 required under section 132C-3. The description of each
9 cigarette listed in the certification shall include:

- 10 (1) The brand or trade name on the package;
- 11 (2) Style, such as light or ultra light;
- 12 (3) Length in millimeters;
- 13 (4) Circumference in millimeters;
- 14 (5) Flavor, such as menthol, if applicable;
- 15 (6) Filter or nonfilter;
- 16 (7) Package description, such as a soft pack or box;
- 17 (8) The mark approved pursuant to subsection (b);



1 (9) The name, address, and telephone number of the
2 laboratory, if different than the manufacturer that
3 conducted the test; and

4 (10) The date that the testing occurred.

5 Each cigarette certified under this subsection shall be
6 recertified every three years. For each cigarette listed in a
7 certification, a manufacturer shall pay to the state fire
8 council a \$375 fee. The fees shall be deposited into a special
9 revolving fund hereby created within the state treasury and to
10 be administered by the state fire council. Moneys from the
11 special revolving fund shall be expended only for the purposes
12 of hiring personnel to administer the reduced ignition
13 propensity cigarette program and to cover any costs associated
14 with the program, including processing, testing, inspections,
15 and enforcement. The state fire council is authorized to
16 annually adjust this fee to ensure it defrays the actual costs
17 of the administration, processing, testing, enforcement,
18 inspection and oversight activities required by this chapter.

19 The certifications shall be made available to the attorney
20 general for purposes consistent with this chapter."

21 SECTION 2. Section 132C-8, Hawaii Revised Statutes, is
22 amended to read as follows:



1 "~~§~~132C-8~~§~~ Existing inventories; consumer testing.

2 The requirement that cigarettes sold in Hawaii must be in
3 compliance with this chapter shall not prohibit:

4 (1) Wholesalers or dealers from selling existing cigarette
5 inventories on or after September 30, ~~2009~~ 2010;
6 provided that the wholesaler or dealer can establish
7 both of the following to the satisfaction of the state
8 fire council:

9 (A) The Hawaii tax stamps were affixed to the
10 cigarettes pursuant to chapter 245 prior to
11 September 30, ~~2009~~ 2010; and

12 (B) The inventory was purchased prior to September
13 30, ~~2009~~ 2010, and the purchased inventory is
14 comparable to the amount of inventory purchased
15 during the same period the previous year; or

16 (2) The sale of cigarettes solely for the purpose of
17 consumer testing. For the purposes of this paragraph,
18 the term "consumer testing" means an assessment of
19 cigarettes that is conducted by or under the control
20 and direction of a manufacturer for the purpose of
21 evaluating consumer acceptance of cigarettes, using
22 only the quantity of cigarettes that is reasonably



1 necessary for the assessment, and in a controlled
 2 setting where the cigarettes are either consumed on-
 3 site or returned to the testing administrators at the
 4 conclusion of the testing."

5 SECTION 3. Act 218, Session Laws of Hawaii 2008, is
 6 amended by amending section 6 to read as follows:

7 "SECTION 6. This Act shall take effect on September 30,
 8 ~~[2009,]~~ 2010, and shall be implemented to coincide with the
 9 excise tax incremental increase on cigarettes effective
 10 September 30, ~~[2009,]~~ 2010, pursuant to section 245-3, Hawaii
 11 Revised Statutes; provided that section 4 shall take effect upon
 12 approval of this Act; provided further that section [~~—5(1),~~
 13 132C-5(1), Hawaii Revised Statutes, shall take effect upon
 14 approval of this Act."

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

17 SECTION 5. This Act shall take effect upon its approval.

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Report Title:

Reduced Ignition Propensity Cigarettes; Certification; Revolving Fund

Description:

Delays implementation of the reduced ignition propensity cigarettes law to 09/30/2010. Creates a special revolving fund to receive deposits of cigarette certification fees. Authorizes the state fire council to expend moneys from the fund to cover the reduced ignition propensity cigarettes personnel and program costs.

