

Honolulu, Hawaii

FEB 20 2009

RE: S.B. No. 38
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Health, to which was referred S.B. No. 38
entitled:

"A BILL FOR AN ACT RELATING TO TAX ON TOBACCO PRODUCTS OTHER
THAN CIGARETTES,"

begs leave to report as follows:

The purpose of this measure is to protect public health by
reducing youth consumption of tobacco products other than
cigarettes, such as smokeless tobacco, snuff, and pipe tobacco.

Specifically, this measure includes smokeless tobacco and
pipe tobacco to the definition of "tobacco products" and increases
the excise tax on the wholesale price of tobacco products from
forty per cent to sixty per cent. The measure further allows for
the taxes collected from tobacco products other than cigarettes to
be deposited into the community health centers special fund.

Your Committee received testimony in support of this measure
from the American Heart Association, American Cancer Society,
American Lung Association, Coalition for Tobacco-Free Hawaii,
Hawaii Primary Care Association, Tobacco-Free Big Island, Healthy
Mothers Healthy Babies, and the Boys and Girls Club of the Big
Island. Comments on this measure were submitted by the Department
of Taxation and the Tax Foundation of Hawaii. Written testimony
presented to your Committee may be reviewed on the Legislature's
website.

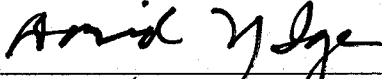


Your Committee finds that this measure will protect public health by deterring youth consumption of tobacco products by increasing the tax on tobacco products, including smokeless tobacco and pipe tobacco, by twenty per cent.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity 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. 38, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 38, S.D. 1, and be referred to the Committee on Ways and Means.

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



DAVID Y. IGE, Chair



The Senate
 Twenty-Fifth Legislature
 State of Hawaii

Record of Votes
Committee on Health
HTH

Bill / Resolution No.:* SB 38	Committee Referral: HTH, WAM	Date: 2/11/11
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The committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312
 Pass, with amendments 2311
 Hold 2310
 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	✓			
GREEN, M.D., Josh (VC)	✓			
BAKER, Rosalyn H.	✓			
ESPERO, Will	✓			
NISHIHARA, Clarence K.				✓
HEMMINGS, Fred	✓			
TOTAL	5	0	0	1

Recommendation:
 Adopted
 Not Adopted

Chair's or Designee's Signature:

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*Only one measure per Record of Votes