

Hawaii Restaurant Association

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People Serving People

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February 8, 2011

Testimony in Opposition to SB 1289 – Increase in Liquor Tax and Assessment of Sugary Beverage Fee. HTH 2/9/11 – 2:45 pm – Rm. 229

Chair Green, Vice Chair Nishihara, and Members of the Committee on Health:

The Hawaii Restaurant Association with over 3,500 locations directly employing over 82,000 dedicated people here in the State of Hawaii respectfully opposes SB 1289 that proposes new taxes and fees on beverages.

With high unemployment and the shakiest economy in a generation, our citizens are facing the greatest challenge in their lives. Increasing taxes on them will put further burden on them.

This bill will also tax on tax the cost of grocery items like beverages because of our excise tax structure. The result is less money for food in order to satisfy the state coffers. This in turn will result in less consumption, then in fewer sales for the many restaurants and small businesses, and fewer jobs here in Hawaii.

Singling out items like soft drinks and other beverages is discriminatory and regressive. This will hurt the lower and middle income families who can least afford this and, on top of that, hurt the many "little league" sports activities that take place every week here in Hawaii by increasing their weekly budgets where they have none to give.

Trying to solve the State's fiscal challenges by placing the burden on our families is wrong because you are taxing the kids and their activities and the lower and middle income families, who can least afford it, on their grocery bills, as well as hurting the neighborhood restaurants, grocery and convenience stores, which then hurts our local jobs, and ultimately our overall economy.

In summary, the HRA respectfully urges you to not pass SB 1289.

Very truly yours,

Hawaii Restaurant Association
Victor Lim / Bryan P. Andaya / Tom Jones
Co-Chairs, Government Relations Committee



Pacific Transfer

Pacific Transfer LLC
664 Kakoi Street
P.O. Box 30329 Honolulu, HI 96820-0329
Telephone (808) 836-3871

Fax (808) 833-7404

February 8, 2011

Honorable Senator Josh Green, Chairman
Honorable Senator Clarence Nishihara, Vice Chairman
Senate Committee on Health
Hawaii State Legislature

Re: SB 1289 -- Relating to Health

Dear Senators:

We have been in business since 1978 and have experienced the ups and downs of the economy over the years, and it is our perception that all taxes imposed on our citizens continue to increase their cost of living and lower the purchasing power of their hard earned wages. Even with modest wage increases, our middle-income employees end up tightening their belts to maintain a reasonable standard of living whenever a new tax is implemented or a current tax is increased.

This beverage tax may seem minimal but it approaches a 20 percent level of tax per can and is just another hit to those who are already struggling. I recently followed a lady at a supermarket checkout register who could hardly come up with three dollars to pay for two boxes of cereal and gave her a quarter to cover the twelve cents she was short and she certainly couldn't consider a canned drink for that day's meal.

It may be time for your committee to consider some hard choices to balance the budget by addressing the spending side of the equation. This is what small businesses must struggle with whenever we face a downturn in revenue. We make spending decisions on a 'got to have' verses a 'good to have' basis and tighten our belts to weather the storm.

Until the Legislature makes every 'got to have' verses 'good to have' analysis in order to curb spending, then any tax increase is not justifiable to the citizens you pledged to represent.

This beverage tax is just the tip of the iceberg that may be opening a Pandora's Box of new or increased taxes by the State and City on real property, hotel visitors, vehicle registration, general excise tax, or worst of all to turn our beautiful islands into a gambling Mecca. Where does it stop if not with you?

It may be very hard and even job threatening to make the difficult decisions to cut spending in ways that would reign in State employee costs covering wages, benefits, retirement & head count. Also tough would be consideration to outsource and privatize certain Departments within the State system and possibly phase out some Departments.

Senators Green and Nishihara, your Hawaii is really in need of a major budget policy overhaul and your leadership to eliminate or reduce 'good to have' programs and projects may be the catalyst that will allow future generations to live in Hawaii on a more economically friendly basis.

Thank you for giving me the opportunity to assert our opposition to the passing of this beverage tax and any other new or increased taxes.

Sincerely

Alvin A. Tanaka
President & CEO

Hawaiian Sun Products, Inc.

February 7, 2011

To: Sen. Josh Green
Sen. Clarence Nishihara

From: Kent Kurihara
Hawaiian Sun Products, Inc.

Hawaiian Sun Products, Inc. formally and strongly opposes SB1289 regarding a tax on Sugary Beverages. We have firm reservations against the unfair taxation of one specific industry, and the hard-working individuals that make up its workforce. We cannot support taxation, whose negative effects will impact workers and household budgets across the state. We especially cannot ignore the idea that our local government wants to regulate our life and lifestyle. We also cannot stop looking past the attempt to use public health as the vehicle for increasing tax revenues. As it stands, SB1289 cannot be responsibly described as beneficial to the State of Hawaii and it's residents.

LOCAL JOBS AND PAYCHECKS ARE AT RISK - Our company employs and cares for over 115 hard-working individuals, and by extension, their families as well. I am certain that with any more taxes on our industry and the subsequent loss in sales, we will be forced to lay off workers, and reduce the hours for the remaining staff. With the reduction in sales, our budgets for many operations will be reduced, and our Suppliers and Vendors will undoubtedly feel the cutbacks, too. From our fruit farmers on the Big Island, our cane sugar supplier on Maui, to our distributors on all the neighbor islands; from the stock clerks at the biggest retailers, to the neighborhood corner store; from our IT provider, to our janitorial supplier; all will feel the damaging effects of this legislation. Regardless of how big or small the companies affected by this bill are, LOCAL jobs are at stake. The resulting unemployment rise, elevated welfare and assistance payouts, lower average incomes, and reductions in tax revenue hardly seem like a tactic in solving a budget crisis.

DISCRIMINATORY TAXATION – SB1289's discriminatory nature is clearly evident by its singular focus on sugary drinks, even though no claim can be made that sugary drinks are the singular source of obesity, diabetes, and other related health problems. As it stands, the bill appears to be just another source of revenue, focused on punishing the consumer. These taxes negatively affect us , consumers, families, and locally owned small businesses like Hawaiian Sun.

Processor & Distributor of Tropical Fruit Juices & Macadamia Nut Candies
259 SAND ISLAND ACCESS ROAD * HONOLULU, HI 96819-2227 * PHONE: (808) 845-3211 * FAX: (808) 842-0532

TAXBILLSERVICE

126 Queen Street, Suite 304

TAX FOUNDATION OF HAWAII

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: LIQUOR, MISCELLANEOUS, Increase tax; tax on sugary beverages

BILL NUMBER: SB 1289; HB 1062 (Identical)

INTRODUCED BY: SB by Tsutsui by request; HB by Say

BRIEF SUMMARY: Amends HRS section 244D-4 to increase the liquor tax rates effective July 1, 2011 to: \$8.97 per wine gallon on distilled spirits; \$3.18 per wine gallon on sparkling wine; \$2.07 per wine gallon on still wine; \$1.28 per wine gallon on cooler beverages; \$1.40 per wine gallon on beer other than draft; and \$0.81 per wine gallon on draft beer.

Adds a new section to HRS chapter 342G to establish a sugary beverage Healthy Hawaii fee on each deposit beverage container manufactured in or imported into the state containing a sugary beverage; excluding deposit beverage containers exported for sale outside the state. The fee shall be imposed only once on the same deposit beverage container and shall be 10 cents on deposit beverage containers of 12 fluid ounces or less and 25 cents on deposit beverage containers of more than 12 fluid ounces. Fees collected shall be for use for the state and paid into the state treasury. Prohibits any county from imposing a fee on deposit beverage containers for the same or similar purpose.

Defines "sugary beverage" as any soda, juice, or other non-alcoholic beverage that is sold in separate deposit beverage containers and the contents of which contain more than ___ per cent sugar, including sweetened water, soda, sports drinks, energy drinks, colas, sweetened coffee or tea, and fruit or vegetable drinks containing less than 70 percent natural fruit or vegetable juice. Sugary beverages do not include milk, milk products, milk substitutes, nutritional dietary supplements, oral rehydration solutions not marketed as sports or energy drinks, and infant formula. Stipulates that for the purposes of the sugary beverage Healthy Hawaii fee, the deposit beverage shall include all size containers.

Makes conforming amendments to HRS chapters 237-24.75, 342G-101, 342G-105, 342G-106, 342G-110 and 342G-111.

EFFECTIVE DATE: July 1, 2011

STAFF COMMENTS: This is an administration measure submitted by the office of the governor GOV-05(11). The proposed measure increases the liquor tax by 50% to encourage lower demand for the product and establishes a fee on beverages containing a certain percentage of sugar to encourage taxpayers to adopt a healthier lifestyle.

It should be noted that the use of the tax system as a social tool in its attempt to deter the sale of alcoholic products and sugary beverages is an inefficient use of the tax system. It should be noted that Hawaii's tax rates on alcoholic beverages are among the highest, if not the highest, in the nation. This increase in liquor tax rates would reaffirm the perception that Hawaii is a tax hell.

SB 1289; HB 1062 - Continued

a healthier diet are sometimes beyond the means of the poor so they tend to consume large quantities of carbohydrates because they are cheap and filling but not particularly healthy. If the intent is to promote healthier eating patterns, then that goal can be achieved only with education and understanding on the part of families to replace unhealthy choices with healthy choices. This proposal lacks understanding of what it takes to solve the problem of childhood obesity, high blood pressure and diabetes and focuses only on sugary beverages as the cause of the problem, at the very least it is myopic.

Digested 2/8/11



American Heart Association | American Stroke Association

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Testimony Supporting the Intent of SB 1289, Recommending Amendments

The American Heart Association supports the intent of SB 1289 to charge a tax on sugar-sweetened beverages, but **recommends that language from SB 1179 be incorporated to broaden the tax to include all sugar-sweetened beverage syrups sold, so as to also increase the price charged for the sale of sugar-sweetened beverages sold through fountains, automated machines, or other means. We also recommend that language in SB 1179 that would allocate a portion of the revenue realized from a sugar-sweetened beverage tax toward childhood obesity prevention programs.**

The United States is addressing an obesity epidemic of historical proportion. More than 72 million adults have become obese, greater than 20% above ideal weight, and another one third are overweight; with the concomitant rise in medically costly weight-related complications. Unfortunately, these numbers are spreading to our nation's children where 32 percent are overweight, 16 percent are obese, and 11 percent are extremely obese. The American Heart Association supports a multi-pronged approach to address the nation's obesity epidemic which includes creating policies that improve access and affordability of healthy foods to all people. The AHA also considers the concept of pricing less healthy foods and beverages higher to discourage consumption as a possible policy alternative to bring food and beverage pricing in line with the AHA's Diet and Lifestyle Recommendations and federal dietary guidelines where possible. However, the AHA believes additional research is necessary to determine the impact of these types of sales taxes or excise taxes on consumption rates, and shifts in consumer choice with special consideration for disparate populations. Conceivably, this research could happen in a few states or localities on a pilot basis with comprehensive surveillance to discern real-world impact on consumption trends and dietary behavior. The AHA also believes there should be careful consideration of unforeseen, unintended consequences of these types of policies.

The Association's policy statement focuses on the issue of taxing beverages that contain added sugars and caloric sweeteners. The Association has not yet addressed taxing less healthy foods, as the food environment is more complex and requires greater nuance.

Background

Sugar-sweetened beverages are the largest single source of excess calories in the US diet. Children and adolescents today derive 10% to 15% of their total calories from sugar-sweetened beverages and 100% fruit juice. In 2005, children between the ages of 12 and 19 spent an estimated \$159 billion on food, candy and soft drinks. Because youth are more responsive to price change than adults, the potential exists for an even greater impact on consumption by youth.

Indications are that sugar-sweetened beverage consumption rates are increasing in all ages and as consumption of these drinks increases, there is a concomitant rise in energy intake or "empty calories". Soft drink consumption is associated with lower intakes of milk (therefore calcium and other nutrients) and an increased risk of several medical problems including diabetes.

Serving Hawaii since 1948

For information on the AHA's educational or research programs, contact your nearest AHA office, or visit our web site at www.americanheart.org or e-mail us at hawaii@heart.org

Oahu:
677 Ala Moana Blvd., Ste. 600
Honolulu, HI 96813-5485
Phone: 808-538-7021
Fax: 808-538-3443

Maui County:
J. Walter Cameron Center
95 Mahalani Street, No. 13
Wailuku, HI 96793-2598
Phone: 808-224-7185
Fax: 808-224-7220

Hawaii:
400 Hualani Street, Ste. 15
Hilo, HI 96720-4333
Phone: 808-961-2825
Fax: 808-961-2827

Kauai:
(Serviced by Oahu office)
Phone: 808-538-7021
Fax: 808-538-3443

*"Building healthier lives,
free of cardiovascular
diseases and stroke."*

led to reduced full-calorie soda offerings in schools and in 2008, the American Beverage Association reported that 58% fewer beverage calories had been shipped to schools across the United States.

Policy efforts in this area of taxation should be comprehensive to reach all segments of the population. While there have been significant advances in schools, schools are not the environment where children get most of their sugar-sweetened beverages. In order to impact overall consumption rates, initiatives will have to address all environments.

In its adult and pediatric nutrition recommendations, the American Heart Association recommends that low calorie beverages like water, fat free or low fat milk, and diet soft drinks in moderation are better choices than full calorie soft drinks and Americans should limit the amount of added sugars in the foods they eat. The 2005 Dietary Guidelines for Americans also recommends limiting added sugars in the diet. The AHA recommends that women consume no more than 6 teaspoons of sugar per day, and men no more than 9 teaspoons per day.

Conclusion

The American Heart Association supports additional research to determine the efficacy of taxation policy on consumption trends, public health, the alternative choices consumers would make if they move away from sugar-sweetened beverages, the impact of these policies on disparate populations, and whether there are any unforeseen unintended consequences. The AHA also feels that robust evaluation should be part of any tax measures that are passed. Additionally, the AHA will continue to be a resource to policy makers with regard to nutrition science and the use of tax revenues to fund under-funded public health programs. Finally, the AHA advocates for broader nutrition policy efforts that make healthy foods more affordable and accessible to all consumers and bring food pricing and subsidies in line with federal dietary guidelines and AHA nutrition recommendations.

The AHA recommends the aforementioned amendments to SB 1289, and would support the bill with those changes.

Respectfully submitted,

Stephen Bradley, M.D.
Board certified bariatric medicine specialist
Member, American Heart Association Metro Oahu Board of Directors



Hawai'i Primary Care Association

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Senate Committee on Health

The Hon. Josh Green, MD, Chair

The Hon. Clarence K. Nishihara, Vice Chair

Testimony in Support of Senate Bill 1289 RELATING TO HEALTH

**Submitted by Beth Giesting, Chief Executive Officer
February 9, 2011 2:45 p.m. Agenda, Room 229**

The Hawai'i Primary Care Association asks for your support for this measure, which would impose additional taxes on alcoholic beverages and create a new assessment on sugary beverages. We believe that this measure would increase public awareness about the affect on health of these drinks. While the importance of moderating alcohol consumption has long been recognized, the obesity epidemic in our state and nation now warrants attention to poor nutritional habits, such as over-consumption of sugar.

We ask that at least part of the proceeds from the increased and new taxes be allocated to health needs, including public health awareness programs at the Department of Health and programs that address obesity such as at community health centers.

Thank you for this opportunity to testify in support of this measure.

green1 - Karen

From: Lauren Suzanne Zirbel [laurenzirbel@gmail.com]
Sent: Tuesday, February 08, 2011 7:45 AM
To: HTHTestimony
Subject: HFIA Testimony LIQUOR / SODA tax hearing
Attachments: SB 1289 RELATING TO HEALTH - LIQUOR AND SUGARY BEV FEE

DATE: Wednesday February 9, 2011 TIME: 2:45 p.m PLACE: CR 229

TO: COMMITTEE ON HEALTH

Senator Josh Green, MD, Chair; Senator Clarence Nishihara, Vice Chair

FROM: Hawaii Food Industry Association - Lauren Zirbel, Government Relations

RE: SB 1289 RELATING TO HEALTH

Thank you Chair Green, Vice Chair Nishihara and committee members for the opportunity to testify.

HFIA strongly opposes this bill.

The legislature must stop taxing groceries. It is the most unfair and regressive way to fill the budget deficit.

The beverage industry is already doing more than its fair share to raise money for the State of Hawaii. The bottle bill has cost the industry a significant amount of profit percentage in surcharges and reduced sales. **Please don't pass on the tab for the budget deficit to the food and beverage industry.**

There is no empirical evidence supporting the argument that a soda tax will reduce consumers' collective calorie intake.

Although our consumption of soda has increased, soda still only represents 7 percent of our collective energy intake.

In an article recently published by STATS.org, Trevor Butterworth stated that while public health experts argue that a tax on sugared soda could help curb obesity, economists are unconvinced. He went on to explain that there is no evidence of a linear relationship between soda and obesity.

Butterworth asks, "How much of a tax increase would lead to a meaningful reduction in consumption – and would that, in turn, lead to meaningful changes in diet and weight?" In the 33 states that have implemented soda taxes, including the five most obese states, little change has been detected.

An article published in Contemporary Economic Policy entitled "Can Soft Drink Taxes Reduce Population weight" examined how changes in states taxation rates from 1990 to 2006 have affected body mass index (BMI). "They found that a one percentage point increase in the tax rate was associated with a statistically significant decrease of 0.003 points in BMI. (To put this into context, the National Institutes for Health defines a person as having a normal weight if their BMI is between 18.5



February 7, 2011

Reference: SB 1289 - Relating to Health

Dear Senator Josh Green, Chair and Senator Clarence Nishihara, Vice Chair, Senate Committee on Health,

My name is Karen Campbell, Founder and President of Waialua Soda Works, and I am writing in strong OPPOSITION to SB 1289 regarding the "Sugary Beverage Healthy Hawaii Fee" for three primary reasons: 1. Business 2. Social 3. Personal.

1. Business: If passed, this bill will put us out of business. Waialua Soda Works is a small gourmet soda company working to revitalize a 100-year-old tradition of glass-bottled sodas in Hawaii. We are an all-natural soda that uses many local ingredients.

- Maui Brand cane sugar
- Big Island vanilla
- Kauai honey
- KonaRed from Hawaii

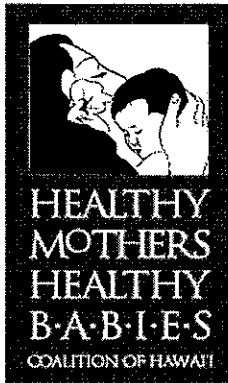
As all other soda companies, the profit per case is very small and we continuously work to save even pennies per case. A \$0.10 increase per 12oz would be detrimental to our business. We simply cannot pass on this tax to our consumers or we would be priced out of the market. We cannot absorb this cost or we would be being paying our consumers to drink our product.

2. Social: As a local business we are committed to supporting local non-profit and educational programs around the state. In the past year we have provided product donations for the following 501 c(3) and educational organizations:

- Boys and Girls Club of Hawaii
- Kokua Hawaii Foundation
- Helping Hands Hawaii
- Hogan Entrepreneurship Program
- Pearl Harbor Submarine Officer's Wives Club Charitable Association
- Linfield College Hawaiian Club
- Once a Month Church
- Waialua Little League
- Waialua Intermediate and High School
- Family Programs Hawai'i
- Cystic Fibrosis Foundation
- KaBoom!
- Easter Seals

Waialua Soda Works will no longer be able to provide in-kind donations to these organizations if this tax is passed.

PO Box 657
Waialua, HI 96791
808.778.1017
808.432.9691
www.waialuasodaworks.com



February 7, 2011

TO: Senator Josh Green, M.D., Chair, Senator Clarence K. Nishihara, Vice Chair and
Members of the Committee on Health

FROM: Jackie Berry, Executive Director

RE: **SB 1289 Relating to Health**

Hearing: Friday, February 9, 2011 at 2:45pm

Honorable Chairperson Green, Vice Chairperson Nishihara and Members of the Committee on Health

HMHB is a statewide coalition of public and private agencies and individuals committed to the improvement of maternal and infant health status in Hawaii through education, coordination and advocacy. **HMHB is testifying today in support of SB 1289 Relating to Health. This bill increases the liquor tax and assesses a new sugary beverage fee.**

Consumption of alcohol, particularly during pregnancy, results in serious health issues. Given the shortage of funding available to support programs which deal with the effects of alcohol consumption or to support prevention program to educate the public about the effects of alcohol consumption, it is an excellent idea to increase the tax on liquor. For example, Fetal Alcohol Syndrome is the leading cause of mental retardation in this country and is completely preventable if women do not drink while pregnant.

Alcohol like tobacco is a legal drug, but a drug none the less and should be considered a “luxury” item for taxing purposes.

We urge you support of this bill.

Mahalo for your consideration of this bill and our testimony.

845 22nd Avenue, Honolulu, Hawaii 96816
Phone # (808) 737-5805

E-mail: jackieb@hmhb-hawaii.org website: www.hmhb-hawaii.org

green1 - Karen

From: Labbe, Paul [plabbe@ball.com]
Sent: Monday, February 07, 2011 3:46 PM
To: HTHTestimony
Subject: SB 1289

TO: Senator Josh Green, chair and Senator Clarence Nishihara, Vice Chair, Senate Committee on Health

RE: SB 1289 – Relating to Health

My name is Paul Labbe, I am the Plant Manager for the Ball Corporation aluminum beverage can manufacturing plant in Kapolei. This facility produces beverage containers for Coke, Pepsi, Hawaiian Sun, and Ito-En USA. This facility employs 47 Hawaii residents and provides them with good wages and benefits totaling \$48,000 annually. Ball pays State taxes of nearly \$2,000,000 annually.

I am sending this Email to express my concern for the continued employment of our 47 employees and also for the 500 plus positions that would be affected in suppliers and ancillary industries. I strongly oppose SB 1289 that proposes assessing a new tax on sugary beverages. Placing a discriminatory tax on beverages will not change behaviors or teach children about a healthier lifestyle. You can't tax people into a healthy existence.

Our plant has seen the sales volume decrease from 450 million units to 280 million units in the past 17 years. Our employee base during that time frame has gone from 120 to our current manning of 47 people. The workweek has diminished from seven days to three days. These reductions have occurred for various reasons such as the plastic bottle, the departure of co-packing by certain fillers, and more recently by the States deposit legislation. Every unit we can sell is critical to our very existence as a manufacturing operation in Hawaii.

This tax (fee), however is what would ultimately place the padlock on the front door and kill another manufacturing operation in the State.

Thank you for accepting my testimony.

Paul Labbe

Ball Corporation

Plant Manager


Hawaii Can Plant

Phone: (808)682-1200

Cell: (808)330-5176

Fax: (808)682-1214

plabbe@ball.com

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Join Ball Corporation in conserving resources and reducing energy use
www.ball.com/sustainability

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**Hawaii Box &
Packaging, Inc.**

99-1230 Waiua Place
Aiea, Hawaii 96701
Phone: 808-484-5818
Fax: 808-484-5821

February 8, 2011

Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposition to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice Chair, and Members of the Senate Committee on Health:

I am submitting this written testimony in opposition to SB 1289, the beverage tax bill.

As a supplier of packaging products to many beverage industry producers, we work closely with these companies to understand issues that may impact their operations. The proposed tax on soft drinks will have a huge detrimental impact to their business, to the consumers of their products and to those businesses that supply raw materials and provide services. Any beverage tax proposal will hurt thousands of working people, including drivers, canners, farmers and businesses alike. At a time when unemployment is high and the economy is unsteady, adding a new tax on common grocery items like beverages will put well-paying jobs at risk and impact consumers budgets. It will certainly have a negative ripple effect on industry-supporting businesses like mine. It would also hurt small businesses, like neighborhood grocery stores and convenience stores that will be harmed by shrinking sales. In general, this beverage tax has far reaching effects and is not good for business or the economy.

The beverage tax will also impact consumers of the beverage industry's products. Hawaii's families are struggling as it is now to make ends meet. They are already stretching their grocery dollars to keep up with their bills. During tough times like our current circumstances, adding a new tax will further stress families trying to make ends meet. Further, as a consumer of beverage products, I try to support locally-produced products as much as possible. I am sure that I am not alone in this thinking. The beverage tax will impact the local producers and may affect the consumers ability to support the local beverage producers.

In addition, placing a discriminatory tax on beverages will not change behaviors or teach children about a healthier lifestyle. Parents and caretakers are responsible for helping children make smart decisions about diet, exercise and moderation.

In conclusion, I oppose the beverage tax bill, SB 1289, and I hope that the Committee can also recognize the negative impact of this bill and support the opposition. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Robert Cundiff', is written over a white background.

Robert Cundiff
President

BUSINESS DIAGNOSTICS

-- Business & Safety Processes --

1267 Aupupu Place
Kailua, Hawaii 96734
808-261-3444

February 8, 2011

Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposition to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice Chair, and Members of the Senate Committee on Health:

I am submitting this written testimony in opposition to SB 1289, the beverage tax bill.

The proposed tax on soft drinks will have a huge detrimental impact to the beverage industry producers, to the consumers of their products and to those businesses that supply raw materials and provide services. Hawaii's businesses and groups can't afford new taxes aimed at raising our grocery costs on sodas and other beverages. Besides, singling out one product or industry for a new tax doesn't make good business sense. Any beverage tax proposal will hurt thousands of working people, including drivers, canners, farmers and businesses alike. At a time when unemployment is high and the economy is unsteady, adding a new tax on common grocery items like beverages will put well-paying jobs at risk. It would also hurt small businesses, like neighborhood grocery stores and convenience stores that will be harmed by shrinking sales. In general, this beverage tax has far reaching effects and is not good for business or the economy.

In addition, taxpayers are already over-taxed. The general excise tax, also known as a gross receipts tax, applies to nearly every type of transaction, including services. That means products and services are taxed in Hawaii that are not subject to tax in mainland states; for example, rent and medical services. It even means that at times, we're paying a tax on top of a tax. Targeting soft drinks, juice drinks, teas and other beverages for a discriminatory tax will hurt the hard-working people of our state. Lawmakers should not unfairly single out items in our grocery carts for new taxes that will lead to higher prices. Middle- and lower- income families are struggling as it is now to make ends meet. They are already stretching their grocery dollars to keep up with their bills. During tough times like our current circumstances, adding a new tax will hurt these families the most.

Therefore, I oppose the beverage tax bill, SB 1289, and I hope that the Committee can also recognize the negative impact of this bill and support the opposition. Thank you for your consideration.

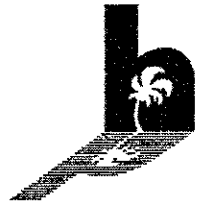
Sincerely,



Larry Cundiff
President

HAWAII PACKAGING

Manufacturer's Representative / Packaging Consultants



February 8, 2011

TO: Honorable Senator Josh Green
Honorable Senator Clarence Nishihara

REF: SB 1289 - Relating to Health

I am writing in opposition to SB 1289 relating to an increase of the beverage tax. This tax would be bad for small businesses and the local economy by placing an unfair burden on small business and individual citizens in this down economy. This tax will have a negative impact on sales which in turn will impair the local economic recovery. With high unemployment and limited household budgets, this tax will slow beverage sales which would lead to more local jobs being at risk.

By singling out beverages, this new tax would be a discriminatory tax that will hurt the hard-working citizens of Hawaii by increasing prices. This would affect the majority of Hawaii's citizens who are already struggling to make ends meet in this down economy.

Lastly, how will this new tax money be used? Although there may be claims that this money will be used to fund particular programs, there are no guarantees where this money will end up. Instead of increasing the tax burden and prices for all of Hawaii's citizens, this committee should consider other revenue sources and relieve the burden on the citizens of Hawaii.

Best Regards,

HAWAII PACKAGING
Dennis K. Igawa
President



WINE INSTITUTE

KATIE JACOY
WESTERN COUNSEL

TO: Senate Committee on Health
Senator Josh Green, MD, Chair
Senator Clarence Nishihara, Vice-Chair

DATE: February 9, 2011, 2:45pm
Conference Room 229

RE: Opposition to SB1289
RELATING TO HEALTH.

Wine Institute ("WI") is a public policy association representing 923 California wineries. WI opposes SB 1289 because it proposes to increase the liquor tax on all categories of alcoholic beverages, including wine, by 50%. This proposed 50% tax increase to \$2.07 per wine gallon will ultimately harm the responsible wine consumers in Hawaii by increasing the price of wine, which is difficult to bear in tough economic times. In this economy, none of the tiers - winery, distributor, or retailer/restaurant - are in the position to absorb any additional costs, so any increased tax will be passed onto the consumer. Since liquor taxes are marked up by the distributors and retailers as the wines move through the three-tier system, they usually double by the time they reach the consumer.

The justification for this excessive tax burden is the *possibility* that the higher tax passed onto consumers in higher alcohol prices will lower consumption by those abusing alcohol. It doesn't make sense to punish the vast majority of wine consumers on a chance that it will help abusers.

With this increase, Hawaii's liquor tax on wine will be the third highest in the nation, surpassed only by Alaska at \$2.50 with no additional sales tax and Florida at \$2.25 with an additional sales tax. Hawaii wine consumers already pay one of the highest prices in the United States for their wine, given Hawaii's general excise tax of 4.17% or 4.712% for Honolulu County and the higher transportation costs to ship wine to Hawaii.

After years of double-digit declines, Hawaii's tourism industry is finally recovering. After similar declines, on-premise sales of wine are beginning to increase as well. Tourism accounts for one-quarter of Hawaii's GDP and one-third of its jobs. Restaurants, hotels, and wine retailers can't afford a tax increase that will hamper this much needed recovery.

Page 1 of 2

Coca-Cola Bottling Company of Hawaii

a COCA-COLA ENTERPRISES company

Senator Josh Green, M.D., Chair
Senate Committee on Health

949 Mapunapuna Street
Honolulu, HI 96819
808-839-6711
808-834-7718 Fax

Wednesday, February 9, 2011
2:45 P.M., Conference Room 229

RE: SB 1289 - RELATING TO HEALTH

Chair Green, Vice Chair Nishihara, and Members of the Committee:

My name is Dan Whitford, of the Coca-Cola Bottling Company of Hawaii (Coca-Cola), with operations here in Hōnolūlu and on neighbor islands, **testifying in opposition to SB 1289** that would assess a surcharge on all sugary beverages sold in the state.

Numerous scientific studies indicate that obesity is a complex issue - we cannot blame overweight or obesity on soft drinks or any other single food or beverage, alone.

In August, 2009, the **American Heart Association Scientific Statement on "Dietary Sugars Intake and Cardiovascular Health"** amassed all the scientific evidence regarding sugar-sweetened beverages and obesity and stated, "Because overweight and obesity are complex metabolic conditions, it is unlikely that a single food or food group is primarily causal." In other words, although regular soft drinks have calories, we cannot blame overweight or obesity on soft drinks or any other single food or beverage, alone.

The Institute of Medicine, in its report on childhood obesity, outlined the concept of energy balance. The report said, "Although energy intake equals energy expenditure looks like a fairly basic equation, in reality it is extraordinarily complex when considering the multitude of genetic, biological, psychological, socio-cultural and environmental factors."

A study published in "**Obesity Reviews**" examined associations between obesity and certain dietary and physical activity patterns in over 130,000 children in 34 countries and did not find an association between soft drink intake and overweight. This study did find low levels of physical activity were associated with increased BMI.

The American Diabetes Association has identified the risk factors for diabetes, including a lack of physical exercise. The ADA does not identify sugar used in soda or any other single food or ingredient as a specific risk factor for the disease.

An analysis by the **National Cancer Institute** shows soda, sports drinks, sweetened waters and energy drinks contribute only seven percent of total calories, which is to say all other foods and beverages contributed 93%.

It is clear that we cannot blame overweight or obesity on soft drinks or any other single food or beverage, alone. Our products already are subject to the sales tax, deposit and beverage container deposit fees. And the unfortunate result of this bill, by trying to place blame on sugar-sweetened beverages and increase the cost to consumers, is that our sales will decline. Our analysis of the impact of this bill through a price elasticity model shows that the resulting decline in our sales would mean we would have to lay off almost 15% of our local, hourly workforce. And for what? If the goal is to help people make healthy decisions, then there must be a multi-faceted approach through partnership among consumers, government, business and medicine and a balanced, common sense approach through education and physical activity.

Coca-Cola respectfully requests that the Committee hold SB 1289. Thank you for the opportunity to testify.



**Written Testimony of
David Thorp
American Beverage Association**

**Before the Hawaii Senate Committee on Health
Opposition to S.B. 1289 – Relating to Health**

February 9, 2011

Good afternoon, Chairman Green, Vice Chair Nishihara and Members of the Committee. Thank you very much for the opportunity to present comments on S.B. 1289.

I am David Thorp, director of government affairs for the American Beverage Association (ABA) in Washington, D.C. The American Beverage Association is the trade association representing the non-alcoholic beverage industry. Founded in 1919, ABA represents hundreds of beverage producers, distributors, franchise companies and supporting businesses that employ more than 217,000 people across the country.

ABA members offer consumers myriad brands, flavors and packaging choices and a full range of drink options including soft drinks, diet soft drinks, ready-to-drink teas, bottled waters, water beverages, 100 percent juice, juice drinks, sports drinks and energy drinks.

Beverage Industry's Impact on Hawaii's Economy:

The beverage industry is an important part of Hawaii's economy – and one of the few remaining industries still manufacturing on the Islands. Unlike most consumer products, many beverages are made and distributed in Hawaii – and by local workers.

Non-alcoholic beverage companies in Hawaii provide more than 1,000 good-paying jobs across our state and help to support many thousands more workers in restaurants, grocery stores and more that depend, in part, on beverage sales for their livelihood.

Obesity is a Complex Problem with No Simple Solution

Many factors contribute to obesity and related health problems. Singling out one particular product for taxation isn't going to make a dent in a problem as complex as obesity. If Hawaii citizens want to get serious about obesity, we need to encourage a balanced diet with sensible consumption of all foods and beverages and promote more physical activity and exercise for all citizens.

The beverage industry is taking bold action to do its part to help address obesity:

To effectively confront the multi-faceted obesity issue, it will require all of us to work together in our respective roles as leaders of industry, government and the health community. The beverage industry supports education and other solutions that work, like our national School Beverage Guidelines and new calorie labeling initiative, *Clear on Calories*.

- Cutting calories available from beverages in schools by 88 percent. Our companies removed full-calorie soft drinks from schools across America, replacing them with lower-calorie beverage choices.
- Placing new labels clearly listing calories on the front of its beverages.
- Producing fewer total beverage calories for the marketplace through the innovation of more zero- and low-calorie beverages. From 1998-2008, industry cut the total beverage calories it brought to market by 21 percent.

School Beverage Guidelines:

In 2006, the beverage industry teamed with the Alliance for a Healthier Generation, a joint initiative of the William J. Clinton Foundation and the American Heart Association, to develop National School Beverage Guidelines. These guidelines, which have been fully implemented across America, remove full-calorie soft drinks from all schools and provide students with a broad range of lower-calorie, nutritious, smaller-portion beverage choices. There are now 88% fewer calories from all beverages in schools nationwide and a 95% reduction in full-calorie soft drinks (2004-2009).

Clear on Calories:

The beverage industry is committed to being part of the solution to the obesity epidemic. We have teamed up for this *Clear on Calories* initiative in support of First Lady Michelle Obama's "Let's Move" anti-obesity campaign. The beverage industry has come together through a voluntary commitment to make the calories in their products even more clear and consumer-friendly by **putting calorie information at consumers' fingertips at every point of purchase, including containers, company-controlled vending machines and fountain machines**. Consumers will be able to make informed choices about the beverages that are best for themselves and their families at any given time.

Conclusion

If we really want to have a significant effect on the state's obesity rates, we need to look at comprehensive solutions that will have a meaningful and lasting impact on our citizens, not simplistic approaches targeting one portion of the items in our grocery cart for restrictions or taxation.

A beverage tax unfairly lays the blame for obesity on the consumption of one particular product. Taxing soft drinks or any other single food or food ingredient to pay for health programs is simplistic and unjustified.

We encourage this Committee to reject an inequitable tax on beverages, but instead look to broad-based, comprehensive mechanisms to address the complex problem of obesity.

Sincerely,
David Thorp
Director, Government Affairs
American Beverage Association

green1 - Karen

From: Doug Kistler [dkistler@frs.com]
Sent: Tuesday, February 08, 2011 3:56 PM
To: HTHTestimony
Subject: Testimony REF: SB 1289 - Relating to Health

Senate Committee on Health
Hon. Senator Josh Green, Chair
Hon. Senator Clarence Nishihara, Vice Chair

I am writing to you today to express my opposition to SB 1289 and the proposed new sugary beverage fee. As a manufacturer whose products support local Hawaiian jobs through our distributors and direct customers, I object to the imposition of additional fees on products trying to change human behavior. Places where fees and taxes such as this around the country have been implemented have clearly shown that they do NOT change behavior. The key is to provide education to lead adults to make healthy choices in food and beverage. The responsibility of educating our children on healthy choices primarily belongs with parents. This further intrusion of government into our personal lives is not productive.

Thank you for considering this testimony.

Doug Kistler
Director - National Accounts

The FRS Company
1511 Revere Ct. S. | Salem, OR 97302
Office (503) 391-0771 | Cell (503) 949-5058 | Fax (503) 391-0863

FRS HEALTHY ENERGY

The FRS Company | FRS.COM



Maui Hotel & Lodging
ASSOCIATION

Testimony of
Carol Reimann
Executive Director
Maui Hotel & Lodging Association
on
SB1298
RELATING TO HEALTH

COMMITTEE ON HEALTH
Wednesday, 02-9-11, 2:45pm
Conference room 229

The Maui Hotel & Lodging Association (MHLA) is the legislative arm of the visitor industry. Our membership includes approximately 120 property and allied business members – all of whom have an interest in the visitor industry. Collectively, the MHLA membership employs over 10,000 Maui County residents.

MHLA opposes SB1289 which will increase liquor tax and impose a fee on sugary beverage containers.

We are concerned that these additional fees will be passed along to the consumer...to our residents and visitors. At a time when unemployment still remains high and the economy (including the visitor industry) has not yet stabilized, imposing additional taxes & fees to beverage items will only add to the cost of living and vacationing in Hawaii.

We urge you to oppose SB1289.

Thank you for the opportunity to testify.

February 8, 2010

Via Email HTHTestimony@Capitol.hawaii.gov

Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair
COMMITTEE ON HEALTH
The Senate
State Capitol
415 South King Street
Honolulu, Hawaii 96813

Re: S.B. No. 1289 Relating to Health

Dear Chair Green, Vice Chair Nishihara, and Committee Members:

On behalf of the Hawaii Liquor Wholesalers Association ("HLWA"), we respectfully submit the following written testimony in opposition to S.B. No. 1289, relating to the liquor tax, which is to be heard by your Committee on Health on February 9, 2011. S.B. No. 1289 would increase the taxes payable on distilled spirits, sparkling wine, still wine, cooler beverages and beer. While we understand that the State government faces substantial fiscal issues, HLWA believes that S.B. No. 1289 is inappropriate and unworkable for several reasons.

First, Hawaii's tax rates on liquor already are among the highest in the country. For example, it has been estimated that, as of July 1, 2008, the median tax rate on distilled spirits in the country was \$3.75 per gallon, while Hawaii's existing tax rate is \$5.98 per gallon. It also has been indicated that Hawaii's tax on beer is the second highest in the country. Thus, Hawaii's residents already are burdened by high tax rates on liquor.

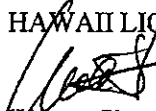
Second, particularly in a recessionary economy, consumption of alcoholic beverages is likely to be highly elastic or sensitive to changes in prices. Thus, increasing the taxes on liquor, especially if combined with an increase in the other taxes, such as the general excise tax, may result in decreases in consumption that offset anticipated increases in tax revenue.

Third, a significant portion of alcoholic beverages are consumed by visitors. While businesses in the tourist industry are being forced to lower rates to attract visitors during this economic recession, the transient accommodations tax was raised two years ago and there may be yet another increase in transient accommodations tax this session. Adding an increase in the liquor tax would only make the cost of a vacation even more expensive, and is counter-productive to attempts to stimulate the State's number one economic driver.

For the foregoing reasons, we respectively oppose S.B. No. 1289. Thank you for your consideration of the foregoing.

Very truly yours,

HAWAII LIQUOR WHOLESALERS ASSOCIATION


Warren Shon
Its Vice President

GOODSILL ANDERSON QUINN & STIFEL

A LIMITED LIABILITY LAW PARTNERSHIP LLP

GOVERNMENT RELATIONS TEAM:
GARY M. SLOVIN
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TO: Senator Josh Green
Chair, Committee on Health
Via Email: HTHTestimony@Capitol.hawaii.gov

FROM: Mihoko E. Ito

DATE: February 8, 2011

RE: **S.B. 1289 – Relating to Health**
Hearing: Wednesday, February 9, 2011 at 2:45 p.m., Room 229

Dear Chair Green and Members of the Committee on Health:

I am Mihoko Ito, appearing on behalf of the Distilled Spirits Council of the United States (“DISCUS”). DISCUS is a national trade association representing producers and marketers of distilled spirits sold in the United States.

DISCUS **opposes** S.B.1289, which promotes safety and health in Hawaii through increases in the liquor tax and by assessing a new sugary beverage fee.

The bill’s stated purpose is to “encourage Hawaii citizens to make healthy decisions relating to the consumption of liquid beverages that are proven harmful to human health.” This makes the assumption that reduced consumption of alcohol is necessarily healthier for everyone. This is not always true. According to the Harvard School of Public Health website “The Nutrition Source,” various studies have shown that there are many people who benefit from moderate drinking.

Furthermore, liquor taxes do not appear to act as a deterrent to heavy drinkers – the population that the higher tax rate is presumably aimed at. Raising taxes on liquor only serves to penalize responsible consumers and does not deter those for whom taxes are of little concern. The National Institute on Alcohol Abuse and Alcoholism (NIAAA), the government’s lead agency on alcohol issues, reported in its January 2001 issue of Alcohol Alert that research suggests the heaviest-drinking 5 percent of drinkers do not reduce their consumption significantly in response to price increases. It is important to



InnerWorkings

Aloha, in regards to Beverage Tax SB1289, as a small business owner and concerned citizen, I strongly believe this is wrong and in the overall scheme of things and will do more harm than benefit our society. Government is already too involved in our lives and we do not need to be told what to buy for our families. Is ice cream next in line to be taxed?

This comes at a time when many are struggling in today's economy. With high unemployment and cost of living in Paradise already high, we don't need another tax on top of our general excise tax. It will negatively impact sales of local drink companies that employ hundreds of workers and the trickle down effect to their vendors. Lawmakers should not unfairly single out items in our grocery carts for new taxes that will lead to higher prices.

At the end of the day, we are not sure if lawmakers will spend the money wisely. Please do not pass this bill!

Clayton Ichikawa
InnerWorkings

February 7, 2011



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Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposition to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice Chair and
Members of the Senate Committee on Health:

My name is Wendy Chuck and I work for ITO EN (USA) Inc. which has been doing business in Hawaii since 1987. We are one of a handful of local beverage manufacturers and distributors in Hawaii. Our factory is located in Kalihi and our product lines include Aloha Maid juices, ITO EN iced teas and Royal Mills iced coffees. We also import and distribute many other canned and bottled soft drinks throughout the state and overseas. ITO EN (USA) Inc. currently employs 70 local workers.

I strongly oppose SB1289. It will hurt our business and the jobs and livelihoods of our workers. Consumers who are already dealing with higher prices and limited incomes may make the decision to not buy our drinks. With decreased consumer demand on our products, beverage manufacturers will be forced to lay off workers. This is counter productive to the sacrifices and the efforts we have been making to spur revenues and job growth.

Thank you for the opportunity to submit testimony.

Sincerely,

Wendy K. Chuck
Human Resources Manager

February 7, 2011



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Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

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Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

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FAX 718 246 1325

RE: Opposed to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice Chair,
and Members of the Senate Committee on Health:

I work for the Sales Department of ITO EN (USA) Inc. We are a local beverage manufacturer in Kalihi and have been in business here since 1987.

As a sales worker, my job depends on our customers who buy our products which include Aloha Maid Juice and ice teas, Royal Mills iced coffees, ALO drinks, Purple Stuff and other soft drinks. A new tax on beverages would unfairly target our industry, drive up the cost of groceries and result in lower sales which would put my job at risk.

Furthermore, a discriminatory tax on beverages does not teach people how to live healthier. Parents and caregivers are responsible for teaching children about healthy diet, exercise and moderation.

Thank you for the opportunity to submit testimony.

Sincerely,

Larry Fujino

February 7, 2011



www.itoen.com

Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

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Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

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RE: Opposed to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice Chair, and
Members of the Senate Committee on Health:

I am employed with ITO EN (USA) Inc. We are a local beverage manufacturer
in Kalihi with about 70 employees.

I am strongly against any new beverage taxes. I was shocked to hear about this
measure. It is unfair and discriminates against our industry by singling out soft
drinks for new taxes on top of the general excise tax we already pay for these
products and everything that goes into producing them.

A new tax is bad for our economy. Unemployment is so high and the economy
is unsteady. The last thing we need is to have a tax added to our grocery bill on
top of the general excise tax. A new tax would result in shrinking sales that
would hurt small retailers we sell to.

Furthermore, I do not believe that a new tax will improve the public health. A
tax cannot teach people how to live healthier lives.

Thank you for the opportunity to submit my testimony

Sincerely,

Jason Murata

February 7, 2011



www.itoen.com

Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

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Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

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FAX 718 246 1325

RE: Opposed to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice Chair, and
Members of the Senate Committee on Health:

I work at ITO EN (USA) Inc. in our Sales department. Our company manufactures, sells and distributes Aloha Maid Juices, iced teas, Royal Mills iced coffees, and many other soft drinks.

I am opposed to any new taxes on soft drinks. I was appalled to hear of this legislation – I believe it unfairly targets our industry and puts my job in sales at risk. A beverage tax passed on to the consumer would result in lower demand for our products and could place our business and our jobs at risk.

I don't believe that a new tax will help to solve public health issues. I am able to decide for myself what to buy for my family, I don't need the government to interfere in my decision about what to eat or drink.

Thank you for the opportunity to submit my testimony

Sincerely,

Evan Ito

February 7, 2011



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Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposed to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice
Chair, and Members of the Senate Committee on Health:

I work in the Sales Department at ITO EN (USA) Inc. We are a
local beverage manufacturer in Kalihi with about 70 employees.

I am against any new taxes on soft drinks. Such a tax is
discriminatory – it unfairly singles out our industry and targets the
products we manufacture, sell and distribute everyday. Such a tax
would lead to higher prices and hurt our customers, which would
place my job at risk.

Furthermore, a new tax will not solve public health issues. It will
not teach people how to have a healthier lifestyle. I can decide for
myself what to buy at the grocery store and I don't need the
government trying to influence my decision about what to eat or
drink.

Thank you for the opportunity to submit my testimony

Sincerely,

Mike Tamanaha

February 7, 2011

Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposition to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice Chair, and
Members of the Senate Committee on Health:

I do NOT support the beverage tax which requires us to add/tax additional cost to our customers. This affects you, as consumer, which would bear the additional cost to purchasing our product.

Current law requires us to comply with the Container Deposit Fee which is already an additional burden to our Customers such as Costco, Foodland, Sam's Club and your Mom & Pop's store. In order to recoup their losses, the added cost are being past down to their consumer.

I am working for Ito En (USA) Inc which employs 70 employees and this bill will have a detrimental impact to the business and to the people that Ito En (USA) employs.

Please do NOT support this bill SB 1289 and do NOT approve this bill.

Sincerely yours,

Kenji Takami

- **Singling out soft drinks and other beverages for a new tax is discriminatory and regressive.**
Targeting soft drinks, juice drinks, teas and other beverages for a discriminatory tax will hurt the hard-working people of our state. Lawmakers should not unfairly single out items in our grocery carts for new taxes that will lead to higher prices.
- **A new tax hits the hardest at those who can least afford it.**
Middle- and lower- income families are struggling as it is now to make ends meet. They are already stretching their grocery dollars to keep up with bills. During tough times like our current circumstances, adding a new tax will hurt these families the most.
- **New taxes don't teach healthy lifestyles.**
Placing a discriminatory tax on beverages will not change behaviors or teach children about a healthier lifestyle. Parents and caretakers are responsible for helping children make smart decisions about diet, exercise and moderation.
- **How will new tax money be used?**
We don't know. Even if lawmakers claim the money raised will be used for particular programs, unfortunately, there's no guarantee where the money will end up. Lawmakers should trim their own wasteful spending – and leave our grocery budgets alone.

February 8, 2011



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Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposition to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara,
Vice Chair, and Members of the Senate Committee on Health:

I am employed with ITO EN (USA) Inc. as a delivery driver.
We are a local beverage manufacturer in Kalihi and have been
in business here since 1987.

I am opposed to any new tax on beverages. It is unfair to
target the soft drink industry for a tax. Our products will be
affected and my job and my company could be at risk when
sales start to shrink.

A discriminatory tax on soft drinks does not educate people
how to avoid diabetes, obesity and how to eat and drink in
moderation. I can decide for myself what to buy, I don't need
the government to interfere and get involved in decisions that
should be made by families.

Thank you for the opportunity to submit testimony.

Sincerely,

Handwritten signature of Flo Punio in cursive script.
Flo Punio

February 8, 2011



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Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposition to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice Chair,
and Members of the Senate Committee on Health:

I am a delivery driver and I work for ITO EN (USA) Inc. We are a local beverage manufacturer in Kalihi and have been in business here since 1987. We have 70 employees.

I am against any new tax on beverages. Targeting soft drinks and for a new tax is discriminatory and regressive. It directly hits the products we manufacture and deliver here in Hawaii. A tax like this will hurt families who are already having a hard time affording groceries. Lawmakers should not unfairly single out items like soft drinks for a new tax that will lead to higher prices.

Furthermore, I think a discriminatory tax on beverages does not teach people how to live healthier, how to avoid diabetes, obesity and how to eat a balance diet.

Thank you for the opportunity to submit testimony.

Sincerely,

Jason Jones

February 8, 2011



www.itoen.com

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Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposition to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice Chair,
and Members of the Senate Committee on Health:

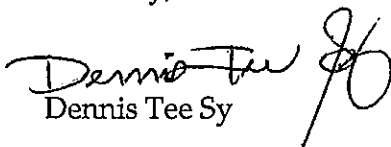
I work for ITO EN (USA) Inc. We are a local soft drink manufacturer in Kalihi and have been in business here since 1987. We have 70 employees.

I oppose any new taxes on soft drinks. I work in our production plant and make soft drinks such as Aloha Maid fruit juices and iced teas, and Royal Mills iced coffees. Many families, including my own enjoy the soft drinks we make and a new tax on soft drinks would directly impact the price our drinks. Our customers will have to pay more for their drinks or may decide to not buy them as much. Lost sales would put my job and my company at risk.

Furthermore, I think a discriminatory tax on beverages does not teach people how to live healthier, how to avoid diabetes, obesity and how to eat a balance diet.

Thank you for the opportunity to submit testimony.

Sincerely,


Dennis Tee Sy

February 8, 2011



www.itoen.com

Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

ITO EN (USA) INC.
125 PUUHALE ROAD
HONOLULU, HI 96819
TEL 808 847 4477
FAX 808 841 4384

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

ITO EN (NORTH AMERICA) INC.
45 MAIN STREET, SUITE 3A
BROOKLYN, NY 11201
TEL 718 250 4000
FAX 718 246 1325

RE: Opposition to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice Chair, and
Members of the Senate Committee on Health:

I work for ITO EN (USA) Inc. as a delivery driver. We are a local beverage manufacturer in Kalihi and have been in business here since 1987. We have 70 employees.

I am against any new tax on beverages. As an employee of this company, I am very concerned because this tax is discriminatory; targeting the drinks we make and deliver around the island - Aloha Maid fruit juices, Royal Mills iced coffees, and other soft drinks. My income depends on our customers' demand for our products. I believe a new beverage tax would result in lower demand for our products and place my job and my co-workers' jobs at risk.

Furthermore, I think a discriminatory tax on beverages does not teach people how to live healthier, how to avoid diabetes, obesity and how to eat a balance diet.

Thank you for the opportunity to submit testimony.

Sincerely, *Nicasio Rediros*

Nicasio Rediros



ITO EN

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HONOLULU, HI 96819
TEL 808 847 4477
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ITO EN (NORTH AMERICA) INC.
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BROOKLYN, NY 11201
TEL 718 250 4000
FAX 718 246 1925

February 7, 2011

Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposed to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice
Chair, and Members of the Senate Committee on Health:

I am employed at ITO EN (USA) Inc. in Sales. ITO EN is a local
beverage manufacturer in Kalihi and has been in business here
since 1987. We have 70 employees.

I strongly oppose any new taxes on beverages. Singling out soft
drinks and other beverages for a new tax is discriminatory and
regressive. Targeting our juice drinks, iced teas, iced coffees, etc.
for a discriminatory tax will hurt the hard-working people of our
state. Lawmakers should not unfairly single out items in our
grocery carts for new taxes that will lead to higher prices.

In addition, placing a discriminatory tax on beverages does not
solve the public health issues such as childhood obesity. This is a
serious problem and parents and caregivers should be the ones
responsible for teaching children to make health choices.

Thank you for the opportunity to submit testimony.

Sincerely,

Chester Tamashiro

February 7, 2011



www.itoen.com

Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

ITO EN (USA) INC.
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ITO EN (NORTH AMERICA) INC.
45 MAIN STREET, SUITE 9A
BROOKLYN, NY 11201
TEL 718 250 4000
FAX 718 246 1325

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposed to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice
Chair, and Members of the Senate Committee on Health:

I work for ITO EN (USA) Inc. We are a local beverage
manufacturer in Kalihi with about 70 employees.

I am strongly against any new beverage taxes. A new tax hurts
people who can least afford it – middle and lower income families
who are already having a hard time making ends meet. Families
are already stretching their grocery dollars to keep up with the bills.
During this tough economy, a new tax will hurt these families the
most.

Furthermore, a new tax will not solve public health issues. It will
not teach people how to have a healthier lifestyle. I can decide for
myself what to buy at the grocery store and I don't need the
government trying to influence my decision about what to eat or
drink.

Thank you for the opportunity to submit my testimony

Sincerely,

Brian Lee-Gustilo

February 7, 2011



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ITO EN (NORTH AMERICA) INC.
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BROOKLYN, NY 11201
TEL 718 250 4000
FAX 718 246 1325

Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposed to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice Chair,
and Members of the Senate Committee on Health:

I work at ITO EN (USA) Inc. in our Sales Department. We are a local beverage manufacturer in Kalihi and have been in business here since 1987. We have 70 employees.

I am against any new beverage tax. A new beverage tax is unfair to our industry. Our customers will have to pay more for our groceries or may decide not to buy soft drinks at all. Declining sales would put my job in danger.

A beverage tax is discriminatory. It does not teach people how to live healthier and it will not solve our public health problems.

I urge you to reject any new taxes that single out soft drinks and beverages.

Sincerely,

Gerard Fernandez

February 7, 2011



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Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposition to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara,
Vice Chair, and Members of the Senate Committee on Health:

I am against any new beverage tax. I work in the Sales Department at ITO EN (USA) Inc. We are a local beverage manufacturer in Kalihi since 1987 with about 70 employees. We make Aloha Maid fruit juices, iced teas, iced coffees, and many more soft drinks.

A new beverage tax is discriminatory. It targets our industry and our jobs. Such a tax would impact nearly every product line I sell in the form of higher prices at the check out counter. Higher prices hurt our customers and hurt our jobs.

A new beverage tax does not solve the public health issues such as childhood obesity and diabetes. These are serious health issues and parents and caregivers should be the ones responsible for helping children make smart decisions about diet, exercise and moderation.

Thank you for the opportunity to submit my testimony.

Sincerely,

Henry Lum



ITO EN

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February 7, 2011

Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposition to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice Chair, and
Members of the Senate Committee on Health:

I work at ITO EN (USA) Inc. We are a local beverage manufacturer in Kalihi since 1987 with about 70 employees. We make Aloha Maid fruit juices, iced teas, iced coffees, and many more soft drinks.

I strongly oppose any new beverage taxes. A new beverage tax would put my job at risk. In this economy, so many of us are struggling to make ends meet. A new tax on beverages could devastate our sales and end up costing us our jobs.

I do not think that a new tax will improve the public health. A new tax cannot teach people how to live healthier lives or make healthy choices in their diet.

Thank you for the opportunity to submit my testimony

Sincerely,

Mike Bunda



February 7, 2011

Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposition to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara,
Vice Chair, and Members of the Senate Committee on Health:

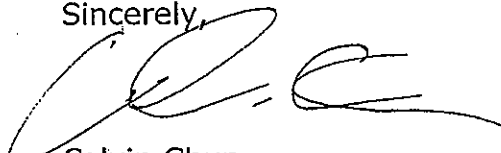
I am opposed to any new beverage tax. I work in the Sales Department at ITO EN (USA) Inc. We are a local beverage manufacturer in Kalihi.

A new beverage tax that singles out soft drinks and other beverages is discriminatory. Targeting soft drinks, iced teas and other drinks we enjoy as refreshment will hurt hard working people of our state. Lawmakers should not unfairly single out items in our grocery cards for new taxes that will lead to higher prices at the check out counter.

A new beverage tax targets almost all the items that I see every day. My customers will be hurt by higher prices, and our sales could suffer, which would place my job at risk.

Thank you for the opportunity to submit my testimony.

Sincerely,



Calvin Chun

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February 8, 2011



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Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

Wednesday February 9, 2011, 2:45 p.m.
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RE: Opposition to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara,
Vice Chair, and Members of the Senate Committee on Health:

I am employed with ITO EN (USA) Inc. as a delivery driver.
We are a local beverage manufacturer in Kalihi and have been
in business here since 1987.

I am opposed to any new tax on beverages. A new tax is bad
for our economy. At a time when unemployment is high and
the economy is unsteady, adding a new tax on soft drinks will
put jobs like mine at risk.

I don't think a discriminatory tax on beverages will teach
people how to avoid diabetes, obesity and how to eat and drink
in moderation. I can decide for myself what to buy, I don't
need the government to interfere and get involved in decisions
that should be made by families.

Thank you for the opportunity to submit testimony.

Sincerely,

Dominador Beltran, Jr.

February 8, 2011



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Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposition to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice Chair, and
Members of the Senate Committee on Health:

I am employed at ITO EN (USA) Inc. in the Production Department. ITO EN is a local soft drink manufacturer in Kalihi and has been in business here since 1987. We have 70 employees.


I am against any new taxes on soft drinks. I believe a new tax would result in lower demand for our products and place my job at risk.

I also believe a beverage tax on soft drinks would result in higher grocery prices for my family and for our customers who enjoy the beverages we make. A new tax hits the hardest at those who can least afford it. Middle and lower income families are already having a hard time making ends meet in this economy. We are already stretching our grocery dollars to keep up with bills. During tough times like this adding a new tax will hurt our families.

Furthermore, I think a discriminatory tax on beverages does not teach people how to live healthier, how to avoid diabetes, obesity and how to eat a balance diet.

Thank you for the opportunity to submit testimony.

Sincerely,



Gerry Gabato

February 8, 2011



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Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposition to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice Chair, and
Members of the Senate Committee on Health:

I am employed with ITO EN (USA) Inc. as a delivery driver. We are a local
beverage manufacturer in Kalihi and have been in business here since 1987.

I oppose any new tax on beverages. As an employee of this company, I am
troubled about our lawmakers' proposals to tax common grocery items such as
soft drinks. This tax is discriminatory; and hurts our business. We make and
delivery Aloha Maid fruit juices, Royal Mills iced coffees, and other soft drinks
to customers around the island. My job depends on our customers' demand for
our beverages and I believe a new beverage tax would result in lower demand
for our products and place my job and my co-workers' jobs at risk.

Furthermore, our beverages are not "harmful to human health". I think a
discriminatory tax on beverages does not teach people how to live healthier,
how to avoid diabetes, obesity and how to eat and drink in moderation. I can
decide for myself what to buy, I don't need the government to interfere and get
involved in decisions that should be made by families.

Thank you for the opportunity to submit testimony.

Sincerely, *George J. Lacro*

George Lacro

February 8, 2011



ITO EN

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Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposition to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara,
Vice Chair, and Members of the Senate Committee on Health:

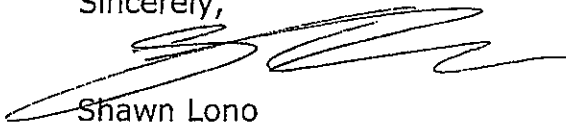
I work for ITO EN (USA) Inc. as a delivery driver. We are a local soft drink manufacturer in Kalihi and have been in business here since 1987.

I am opposed to any new tax on beverages. A tax such as this will increase my customers' costs at a time when people and businesses are already having difficulty making ends meet. A soft-drink tax is unfair, it singles out our industry and places my job at risk.

A discriminatory tax on beverages will not teach people how to avoid diabetes, obesity and how to eat and drink in moderation.

Thank you for the opportunity to submit testimony.

Sincerely,



Shawn Lono

February 7, 2011



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Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

ITO EN (USA) INC.
125 PUUHALE ROAD
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TEL 808 847 4477
FAX 808 841 4384

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

ITO EN (NORTH AMERICA) INC.
45 MAIN STREET, SUITE 3A
BROOKLYN, NY 11201
TEL 718 250 4000
FAX 718 246 1325

RE: Opposed to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice
Chair, and Members of the Senate Committee on Health:

I am employed at ITO EN (USA) Inc. in the sales department. We
are a local beverage manufacturer in Kalihi and have been in
business here since 1987. We have 70 employees.

As part of my job, everyday I service the stores that carry our
products - Aloha Maid Juice and ice teas, Royal Mills iced coffees,
ALO drinks, and other soft drinks. A new beverage tax would be
passed on to my customers and would hurt our sales, putting my
job at risk.

I also do not think that placing a tax on beverages teaches people
how to live healthier. Parents and caregivers are responsible for
teaching children about healthy diet, exercise and moderation.

Thank you for the opportunity to submit testimony.

Sincerely,

Daniel Fuchino



ITO EN

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February 7, 2011

Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposed to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice
Chair, and Members of the Senate Committee on Health:

I am employed at ITO EN (USA) Inc. in the Warehouse
department. We are a local beverage manufacturer in Kalihi and
have been in business here since 1987. We have 70 employees.

As a warehouse worker, everyday I prep deliveries of our Aloha
Maid Juice and ice teas, Royal Mills iced coffees, ALO drinks, and
other soft drinks for our customers. I oppose any new tax on
beverages because my job depends on our customers' demand for
our products. A new tax would unfairly target our beverage
industry and would result in lower sales which could cost me my
job.

In addition, placing a discriminatory tax on beverages does not
teach people how to live healthier. Parents and caregivers are
responsible for teaching children about healthy diet, exercise and
moderation.

Thank you for the opportunity to submit testimony.

Sincerely,


Exequiel Penuliar

February 7, 2011



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Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposition to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara,
Vice Chair, and Members of the Senate Committee on Health:

I work in the Sales Department at ITO EN (USA) Inc. We are a local beverage manufacturer in Kalihi since 1987 with about 70 employees. We make Aloha Maid fruit juices, iced teas, iced coffees, and many more soft drinks.

I am against any new beverage tax, it would place my job at risk. Our customers will have to pay more for our drinks and may decide not to buy them at all. Simply put, lower sales would put my job in danger.

The last thing we should be doing is imposing a new tax on common grocery items such as soft drinks. Families hit hard by the unsteady economy are trying hard to make ends meet. A new tax now will over burden them.

Thank you for the opportunity to submit my testimony.

Sincerely,

Tracy Amimoto-Combis

February 7, 2011



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Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposition to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara,
Vice Chair, and Members of the Senate Committee on Health:

I am strongly opposed to any new beverage tax. I am happy to say that I have just started my career with ITO EN (USA) Inc. However, I am troubled to hear about measures to impose a new soft drink tax.

A new beverage tax would place my job at risk. With so many families struggling to make ends meet in this economy, they may decide to forgo purchasing soft drinks which would result in shrinking sales for us.

I do not believe that a new tax will teach people to change their diet or live healthier lives. People do not need the government influencing their decision on what to eat or drink.

Thank you for the opportunity to submit my testimony.

Sincerely,

Scott Hirashima

February 8, 2011

Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposition to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice Chair,
and Members of the Senate Committee on Health:

I work for ITO EN (USA) Inc. We are a local beverage manufacturer in Kalihi and have been business here since 1987. We have 70 employees.

I feel that this bill to add a new beverage tax is bad for small businesses. Hawaii's small businesses can't afford new taxes aimed at raising our grocery costs on sodas and other beverages. At a time when unemployment is high and the economy is unsteady, adding a new tax on common grocery items will hurt small businesses, like neighborhood grocery stores and convenience stores that will be harmed by shrinking sales. A tax like this one will also hurt local jobs. Any beverage tax proposal will hurt thousands of working people, including drivers, canners, farmers and all businesses alike.

A new tax will hit, hardest, those who can least afford it. Middle and lower income families, who are already struggling to make ends meet, will hurt the most. It will be hard for any family to survive with this proposal, and the proposal to increase the fuel tax passes.

I strongly feel that this new tax discriminates against the beverage industry. The bill targets the manufacturers of soft drinks, juice drinks, teas and other beverages. I can understand taxing liquor, alcohol, and cigarettes, because of its damaging qualities; but there is no way that soft drinks, teas and juices, come close to even having those types of damaging qualities.

I urge you **NOT TO SUPPORT** this bill!! **Focus on bettering the economy so more people can get back to work; which will increase the tax dollars for the state.**

Sincerely,

Brian Oue

February 7, 2011



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Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
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Senator Josh Green, Chair and Senator Clarence Nishihara, Vice
Chair, and Members of the Senate Committee on Health:

I am employed at ITO EN (USA) Inc. in Sales. ITO EN is a local
beverage manufacturer in Kalihi and has been in business here
since 1987. We have 70 employees.

As a sales worker, everyday I visit our retail customers and put our
products up on the shelf. A new beverage tax would be passed
on to my customers and would hurt our sales, placing my job at
risk.

In addition, placing a discriminatory tax on beverages does not
solve the public health issues such as childhood obesity. This is a
serious problem and parents and caregivers should be the ones
responsible for teaching children to make health choices.

Thank you for the opportunity to submit testimony.

Sincerely,

Elton Shishido

February 7, 2011



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Testimony to the Committee on Health
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RE: Opposed to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice Chair,
and Members of the Senate Committee on Health:

I am employed at ITO EN (USA) Inc. in our Warehouse department. ITO EN is a local beverage manufacturer in Kalihi and has been in business here since 1987. We have 70 employees.

I am against any new beverage tax, as it would place my job at risk. Our customers will have to pay more for our drinks or may decide not to buy them at all. Lost sales would put my job in danger, and I cannot afford that to happen.

The last thing we can afford here in Hawaii is a new tax on beverages like soft drinks. We are struggling to pay bills as it is – asking lower and middle class families to pay more in taxes is a bad idea. A new tax now will over burden families that are struggling.

Thank you for the opportunity to submit my testimony.

Sincerely,

Jubentino Candanos

February 7, 2011



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Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposed to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice Chair, and
Members of the Senate Committee on Health:

I work for ITO EN (USA) Inc. in our Production department. ITO EN is a local beverage manufacturer in Kalihi and has been in business here since 1987. We have 70 employees.

I oppose any new tax that singles out soft drinks. As a beverage manufacturer, my job and my employees' jobs will be negatively affected by a new soft drink tax. Our customers who enjoy our drinks will have to pay more for them or they may decide not to buy them at all. Lower demand for our drinks would slow down our production and force us to cut back on staff.

Furthermore, a beverage tax will not teach people how to avoid obesity or diabetes. These are serious health problems that are best managed by individuals making personal commitments to take care of their health – such as a balanced diet, proper exercise and moderation.

Thank you for the opportunity to submit my testimony.

Sincerely,

Makoto Ogi
Plant Manager

February 7, 2011



www.itoen.com

ITO EN (USA) INC.
125 PUUHALE ROAD
HONOLULU, HI 96819
TEL 808 847 4477
FAX 808 841 4384

ITO EN (NORTH AMERICA) INC.
45 MAIN STREET, SUITE 3A
BROOKLYN, NY 11201
TEL 718 250 4000
FAX 718 246 1325

Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposition to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice Chair, and
Members of the Senate Committee on Health:

I work for ITO EN (USA) Inc. in the Production department. We are a local
beverage manufacturer in Kalihi and have been in business here since 1987.
We have 70 employees.

I oppose a new tax on beverages. I believe it would result in lower demand for
our products and place my job at risk.

I also believe a beverage tax on soft drinks would result in higher grocery
prices for my family and for our customers who enjoy the beverages we make.
A new tax hits the hardest at those who can least afford it. Middle and lower
income families are already having a hard time making ends meet in this
economy. We are already stretching our grocery dollars to keep up with bills.
During tough times like this adding a new tax will hurt our families.

Placing a discriminatory tax on beverages does not teach people how to be
healthier. As parents, it is our responsibility to teach our children about healthy
diet, exercise and moderation.

Thank you for the opportunity to submit testimony.

Sincerely,

Hanin Davalos

February 7, 2011



www.itoen.com

Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

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ITO EN (NORTH AMERICA) INC.
45 MAIN STREET, SUITE 3A
BROOKLYN, NY 11201
TEL 718 250 4000
FAX 718 246 1325

RE: Opposition to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice Chair, and
Members of the Senate Committee on Health:

I work for ITO EN (USA) Inc. in the Production department. We are a local
beverage manufacturer in Kalihi and have been in business here since 1987.
We have 70 employees.

I oppose any new tax on beverages. As an employee of this company, I am
very concerned because this tax singles out the Aloha Maid fruit juices, Royal
Mills iced coffees, and other soft drinks we make here everyday in our plant.
My livelihood depends on our customers' demand for our products. A
beverage tax is discriminatory – unfairly targeting our industry. I believe a new
beverage tax would result in lower demand for our products and place my job
and my co-workers' jobs at risk.

In addition, placing a discriminatory tax on beverages does not teach people
how to live healthier. Parents and caregivers are responsible for teaching
children about healthy diet, exercise and moderation.

Thank you for the opportunity to submit testimony.

Sincerely, *Caney Mills*

Caney Mills

February 7, 2011



www.itoen.com

Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

ITO EN (USA) INC.
125 PUUHALE ROAD
HONOLULU, HI 96819
TEL 808 847 4477
FAX 808 841 4384

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

ITO EN (NORTH AMERICA) INC.
45 MAIN STREET, SUITE 3A
BROOKLYN, NY 11201
TEL 718 250 4000
FAX 718 246 1325

RE: Opposition to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice Chair,
and Members of the Senate Committee on Health:

My name is Leighton Horiuchi, and I am the President of ITO EN (USA) Inc. We are a local beverage manufacturer and distributor of soft drinks doing business in Kalihi since 1987. We currently employ 70 workers. Our product line includes Aloha Maid fruit drinks and iced teas and Royal Mills iced coffees. We also distribute many other soft drinks throughout the state.

I strongly oppose Sb1289. Imposing a new beverage tax would hurt local jobs like ours. The livelihoods of our employees depend on the sale of our beverages. Singling out the beverage industry this way is unfair and will put our business at risk.

A new tax is not the answer in this economy. Unemployment is already high and adding a new tax on common grocery items like beverages will lead to higher prices at the check out counter and make it harder for families to make ends meet.

We are one of just a handful of local beverage manufacturers remaining in Hawaii. Our employees have worked so hard to cut costs, spur revenues and keep their jobs in this tough economy. A beverage tax would be counter productive to our efforts.

Thank you for the opportunity to submit testimony.

Sincerely,

Leighton Horiuchi
President

green1 - Karen

From: Dale Fujikawa [Dale@itoen-usa.com]
Sent: Monday, February 07, 2011 2:54 PM
To: HTHTestimony

Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K, Nishihara, Vice Chair

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposition to SB 1289 – Relating to Health

Senator Josh Green, Chair And Senator Clarence Nishihara, Vice Chair, and Members of the Senate Committee on Health:

I am the Production Manager at Itoen USA Inc.. I oversee a staff of about 12 people. My staff works very hard to utilize only natural ingredients to manufacture healthy products that taste good. We take a great deal of pride in what we do and our finished goods. It disturbs me greatly that this Bill has made myself and my crew out to be the villains. With the success of your Bill, sales will plummet, and people will be out of work (my people). I've worked for several of the beverage companies here in Hawaii over the past twenty years and have yet to meet your villain. Please find another way to generate revenues for the State of Hawaii.

Sincerely,

Dale Fujikawa

Production Manager – ITO EN (USA), INC.
125 Puuhale Road | Honolulu, HI 96819-2253
Direct Phone: 808.791-6788 | Fax: 808.841.4384 | Dale@itoen-usa.com



CONFIDENTIALITY NOTICE: The information contained in this e-mail transmission and any attachment is confidential and remains the property of ITO EN (USA) INC. until it is received by the intended recipient. If you are not the intended recipient, please note that use, further transmission or disclosure of this communication is strictly prohibited. If you have received this communication in error, please notify Dale@itoen-usa.com as soon as possible, and delete it from your computer without retaining any copies. Thank you for your cooperation.

Paul Alkire

50 Hau'oli Street #309 • Wailuku, Maui, HI 96793 • Phone: 808.264.0396

February 7, 2011

Senators Josh Green & Clarence Nishihara
Senate Committee on Health

Reference: SB 1289

Dear Senators

I strongly oppose the bill SB 1289. This bill would cripple our economy if passed.

I find it unfair to the local population as well as visitors. Our economy is so fragile.

To put this bill into law would be disaster. It is a bad idea for a weak economy. Surely you could come up with something that would be fair to all who live and visit Hawaii. Perhaps a 5cent per gallon gasoline tax for non commercial vehicles might be easier on the population. There must be a better solution. I am confident that you can find one.

Sincerely,

Paul Alkire

February 8, 2011

To: Sen. Josh Green
Sen. Clarence Nishihara

From:

I formally and strongly oppose SB1289 regarding a taxes on sugary beverages. This type of measure not only hurts the hard-working families of Hawaii, but also confirms the restrictive attitude of our government toward our local businesses. When these businesses are encumbered by unreasonable rules and taxes, all of the people of Hawaii suffer. It also tries to take away my personal liberties, and seize my freedom of choice. I have the knowledge, intelligence, and responsibility to make my OWN health choices, and even if I don't agree with another citizen's, it is his/her right to make their own choice as well.

Sincerely

Joni Yoshizawa

green1 - Karen

From: Molly Washburn [mwashburn@htbyb.com]
Sent: Tuesday, February 08, 2011 3:13 PM
To: HTHTestimony
Subject: taxes on sugared drinks

THE SENATE
THE TWENTY-SIXTH LEGISLATURE
REGULAR SESSION OF 2011

COMMITTEE ON HEALTH
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

NOTICE OF HEARING

DATE: Wednesday February 9, 2011
TIME: 2:45 p.m.
PLACE: Conference Room 229
State Capitol
415 South Beretania Street

Tuesday, February 08, 2011

The Honorable Governor Neil Abercrombie
Executive Chambers, State Capitol
Honolulu, HI 96813

Committee:

Although it makes sense to encourage people to eat healthily, taxing them to death over it will not work. In reality, where does this madness end? first it was cigarettes and beer, now sugared drinks? whats going to be next, chips and candy? This is bordering on the edge of entering a very scary period in our nations history when we are being told that we cannot make our own choices anymore and must be fined (i.e. taxed) by wanting to drink a soda! its completely understandable that the state needs more money and are grasping at straws to figure out how, but this is not the way. Please do not approve this bill.

Sincerely,

Molly Washburn
747 Wiliwili St Apt 1006
Honolulu, HI 96826

green1 - Karen

From: Ladd Long [ladd_long@yahoo.com]
Sent: Monday, February 07, 2011 4:52 PM
To: HTHTestimony
Cc: Michael A. Nobriga
Subject: Opposition to SB 1289

Honorable Senators Green and Nishihara
and Senate Committee on Health,

Testimony in OPPOSITION to SB 1289.

Please recognize that your constituents already struggle to pay the premium for all products consumed in Hawaii. (more so on neighbor islands)

To use monetary sanctions against consumers, in an effort to influence very personal choices, is not the correct way to educate or improve their quality of life.

Small business and tourism will continue to suffer, as our beautiful State of Hawaii becomes less and less affordable for average citizens.

Please do not burden the public with unnecessary taxes!

Mahalo

green1 - Karen

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 07, 2011 1:25 PM
To: HTHTestimony
Cc: sheen@itoen-usa.com
Subject: Testimony for SB1289 on 2/9/2011 2:45:00 PM

Testimony for HTH 2/9/2011 2:45:00 PM SB1289

Conference room: 229
Testifier position: oppose
Testifier will be present: No
Submitted by: Tim Sheen
Organization:
Address: 125 Puuhale Road Honolulu, Hawaii
Phone: 847-4477
E-mail: sheen@itoen-usa.com
Submitted on: 2/7/2011

Comments:

Dear Senators,

I worked for ITO EN (USA) INC., a local beverage company. I oppose this Bill for several reasons.

First, I believe this Bill single out sweetened beverages and is unfair for the beverage industry.

Second, we are still recovering from the bad economy. Many workers are still working with less pay due to pay cuts, furloughs, less working hours. This Bill will put extra burden on their families.

Last, if this Bill become law, I believe lots of people will not buy these type of products. However, that doesn't means they are stay away from sweet foods. They will eat more candies and cakes and ice cream. Also, they might make their own sweet drink at home.

With the above reasons, I oppose to the Beverage Tax Bill (SB1289).

Thank you.

green1 - Karen

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 07, 2011 10:15 AM
To: HTHTestimony
Cc: alexhelloworld@yahoo.com.mx
Subject: Testimony for SB1289 on 2/9/2011 2:45:00 PM

Testimony for HTH 2/9/2011 2:45:00 PM SB1289

Conference room: 229
Testifier position: support
Testifier will be present: No
Submitted by: Rosa Alejandra Haselwood
Organization: Individual
Address: South Kihei Road Kihei, HI
Phone: 808-463-6693
E-mail: alexhelloworld@yahoo.com.mx
Submitted on: 2/7/2011

Comments:

I support the bill because people choose to drink soda, it is not a necessary item for nutrition or for human sustainability. Soda is not food, so it can't be considered part of the groceries. Please consider adding more police for traffic enforcement in Maui with these additional funds.

February 7, 2011

To: Senator Josh Green and Senator Clarence Nishihara,
From: Bonnie Friedman, 689 Pulehuiki Rd., Kula, Maui, Hawai'i 96790
808-242-8383, mauigp@aol.com

RE: SB 1289 – Relating to Health

I respectfully oppose this bill.

First, it is bad for small business. We can't afford any new taxes that will raise the cost of our groceries. And singling out one product or industry for a new tax simply is not good business sense.

With our economy as it is, any new tax is a bad idea. We are already losing most of our small, family-owned and operated companies and this tax would surely speed up the demise. New taxes almost always hit hardest at those who can least afford it.

Everyone is in favor of healthier lifestyles but there's no evidence that taxing particular food or beverage products change behavior. People – and parents – need to take responsibility for their own eating/drinking habits.

Finally, we have not been told EXACTLY how the money raised will be used.

Thank you for your time and attention.

Bonnie Friedman
Maui resident

February 7, 2011

Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposition to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice Chair, and Members of the Senate Committee on Health:

I do NOT support the beverage tax which requires us to add/tax additional cost to our customers. This effects you, as consumer, which would bear the additional cost to purchasing our product.

Current law requires us to comply with the Container Deposit Fee which is already an additional burden to our Customers such as Costco, Foodland, Sam's Club and your Mom & Pop's store. In order to recoup their losses, the added cost are being past down to their consumer.

I am working for Ito En (USA) Inc which employs 70 employees and this bill will have a detrimental impact to the business and to the people that Ito En (USA) employs.

Please do NOT support this bill SB 1289 and do NOT approve this bill.

Sincerely yours,

Francis Baluyot

Letters

Tuesday, February 08, 2011

The Honorable Governor Neil Abercrombie
Executive Chambers, State Capitol
Honolulu, HI 96813

1289
OPPOSE.

Subject: Hardworking families can't afford new taxes now!

Hawaii's economy has shown its resiliency through these hard economic times. We as a state have endured the same hardships hurting the millions of Americans across this nation. Through these experiences Hawaii families have pulled together and have shouldered the burden of our weak economy. We as a state have begun to pull through these times realizing that we can no longer rely upon the tourist industry for jobs, especially when the rest of the nation does not have the excess revenue in their households to come to Hawaii. Small Businesses and large businesses alike have come together to help one another in these harsh times. As is the way in Hawaii, they have come together as an Ohana and each share in supporting one another.

Unfortunately, new taxes seem unavoidable to fund our government's needs. What is shocking is how the new sugary beverage tax seems to single out a single industry and ask the consumers of that industry to bear the burden of the new taxes. We seem to forget that these consumers are the ones we need to help the most. This proposal is blind to the ways of Hawaii and how we as a community have been pulling together to get through these hard times. Targeting a specific industry will not only destroy that industry, but will have an effect on all of the other Hawaii based industries that rely on the beverage industry.

With government funds being trimmed, we can no longer rely on military spending to support us. We have learned from these economic times that the tourist industry while extremely important to us all, cannot bear the responsibility of creating jobs and revenue in these hard times. Agriculture is a dying industry in Hawaii, and with the cost of shipping to the mainland rising, our farmers only hope is for an industry locally to utilize our local produce. Manufacturing industries are so very important to keeping jobs alive, and I fear this new tax will not only irreversibly hurt our local beverage industry until they can no longer exist, but will also necessitate our beverages to be brought in from the mainland at a higher cost, and without local jobs.

The beverage industry has already been given the responsibility of bearing the HI 5c deposit that has crushed local sales. Another tax upon this deposit would make a family's day at the beach all the more costly.

We need to find a solution that we as a community can bear. We cannot expect a few to withstand this devastating tax. We cannot be fooled into thinking that this tax is only a tax upon specific consumers, we need to understand and have the foresight to acknowledge that this will hurt EVERYONE in Hawaii, and once we walk this path, there is no turning back.

So I urge you, the people that I have elected to best represent the needs and wishes of all of us, to oppose any new taxes that single out soft drinks and beverages, as well as to consider the catastrophic effects of unfairly taxing any single industry.

Sincerely,

Lee Kurihara
1450 Young St Apt 802
Honolulu, HI 96814

February 7, 2011

Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposition to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice Chair, and Members of the Senate Committee on Health:

I'm not going to support the beverage tax which requires us to add/tax additional cost to our customers. This effects you, as consumer, which would bear the additional cost to purchasing our product.

Current law requires us to comply with the Container Deposit Fee which is already an additional burden to our Customers such as Costco, Foodland, Sam's Club and your Mom & Pop's store. In order to recoup their losses, the added cost are being past down to their consumer.

At a time when unemployment is high and the economy is unsteady, adding a new tax on common grocery items like beverages will put well-paying jobs at risk. It will also hurt small businesses, like neighborhood stores and convenience stores that will be harmed by shrinking sales.

I am one of the employee of Ito En (USA) Inc which employs 70 employees and this bill will have a detrimental impact to the business and to the people that Ito En (USA) employs.

Please do NOT support this bill SB 1289 and do NOT approve this bill.

Sincerely yours,

Leticia H. Villas

February 7, 2011

Testimony to the Committee on Health
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

Wednesday February 9, 2011, 2:45 p.m.
Conference Room 229

RE: Opposition to SB 1289 - Relating to Health

Senator Josh Green, Chair and Senator Clarence Nishihara, Vice Chair, and Members of the Senate Committee on Health:

I do NOT support the beverage tax which requires us to add/tax additional cost to our customers. This effects you, as consumer, which would bear the additional cost to purchasing our product.

Current law requires us to comply with the Container Deposit Fee which is already an additional burden to our Customers such as Costco, Foodland, Sam's Club and your Mom & Pop's store. In order to recoup their losses, the added cost are being past down to their consumer.

I am working for Ito En (USA) Inc which employs 70 employees and this bill will have a detrimental impact to the business and to the people that Ito En (USA) employs. Also our every consumer have an influence their life in this ISLAND.

Please do NOT support this bill SB 1289 and do NOT approve this bill.

Sincerely yours,

Taro Oi

green1 - Karen

From: Kel Kado [kel_kado@fujifilmhawaii.com]
Sent: Tuesday, February 08, 2011 12:07 PM
To: HTHTestimony
Subject: Opposition to new beverage tax

To Senators Josh Green and Clarence Nishihara,

I would like to submit my opposition to the proposed sugary beverage tax that is being considered.

My family and I rarely drink sodas or sugary juices so this tax would not affect us much, but I still don't think that this is a good idea.

- 1) It singles out certain businesses and will certainly hurt their employees and their families. Less income and fewer jobs for these families will also affect other sectors of business since they will not be spending their income on other products and services.
- 2) While I agree that sugary drinks and foods are obviously bad for your health and increase health care costs for everyone, a tax won't stop people from drinking or eating them. They will just spend more money on them and decrease spending on other items.
- 3) We are already over taxed! With the other proposed tax increases, many families that are already struggling with the high cost of living will not be able to make ends meet.
- 4) We should instead cut spending by making the Federal Government pay for Micronesian benefits, make local government workers be more productive (we all know of at least someone who brags about how little they have to work in their State or City job), stop wasting money on rail which will never pay for itself and few will ever ride, etc, etc, etc.
- 5) We should seriously consider lotteries as a source of income. If the people that are opposed to it don't like it, they shouldn't play! It's none of their business what others do with their money! If we can avoid higher taxes with a lottery or two, it would benefit many more than it would hurt. If people that can't afford to play waste their money on a lottery, they're most likely wasting it on something else already.
- 6) If you're really serious about trying to help the health of Hawaii's people, why not impose a small tax on all food that is unhealthy such as fast food, sugary foods and candies, fatty foods, and subsidize healthy foods such as organic food products grown in Hawaii so that we can afford to eat healthier?

Thank you for your time,
Kel Kado