

SB 258

WRITTEN ONLY

TESTIMONY BY KALBERT K. YOUNG
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE SENATE COMMITTEE ON WAYS AND MEANS
ON
SENATE BILL NO. 258

February 24, 2011

RELATING TO PUBLIC SAFETY

Senate Bill No. 258 creates a Reduced Ignition Propensity Cigarette Program special fund to be administered by the State Fire Council, administratively attached to the Department of Labor and Industrial Relations. The special fund will receive moneys from manufacturer certification fees and interest earned or accrued to be used to fund the operations of the State Fire Council.

As a matter of general policy, the Department of Budget and Finance does not support the creation of any special fund or revolving fund that does not meet the requirements of Sections 37-52.3 and 37-52.4, Hawaii Revised Statutes. Special and revolving funds should: 1) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries of the program; 2) provide an appropriate means of financing for the program or activity; and 3) demonstrate the capacity to be financially self-sustaining. In regards to Senate Bill No. 258, it is difficult to determine whether the Ignition Propensity Cigarette Program special fund would be financially self-sustaining on a go forward basis proposed, especially since there are positions associated with this revolving fund.



**STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

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February 23, 2011

The Honorable David Ige, Chair
Committee on Ways and Means
The State Senate
State Capitol, Room 215
Honolulu, Hawaii 96813

Dear Chair Ige:

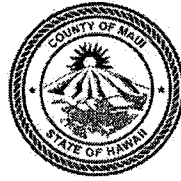
Subject: S.B. 258 Relating to Public Safety

I am Kenneth G. Silva, Chair of the State Fire Council (SFC) and Fire Chief of the Honolulu Fire Department (HFD). The SFC and the HFD support S.B. 258, which proposes to establish a Reduced Ignition Propensity Cigarette (RIPC) Program special fund to administer and provide staff for the SFC.

Since September 30, 2009, approximately \$375,000 has been collected as a regulatory fee for the SFC. If the special fund is established, it will be used to hire two full-time personnel to effectively accomplish the following:

1. Adopt administrative rules for program implementation, establish compliance inspections, and approve forms and enforcement procedures and guidelines.
2. Receive, verify, and approve certifications for approximately 600 different brands of cigarettes from various manufacturers.
3. Compile a list of approved brands, verify it with the Office of the Attorney General for state tax stamp compliance, and post it on a state website.
4. Review and approve, as needed, alternative test methods or fire standard compliance markings submitted by a manufacturer.

ALAN M. ARAKAWA
MAYOR



JEFFREY A. MURRAY
CHIEF

ROBERT M. SHIMADA
DEPUTY CHIEF

COUNTY OF MAUI
DEPARTMENT OF FIRE AND PUBLIC SAFETY

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February 23, 2011

The Honorable David Ige, Chair
Committee on Ways and Means
The State Senate
State Capitol, Room 215
Honolulu, Hawaii 96813

Dear Chair Ige:

Subject: S.B. 258 Relating to Public Safety

I am Jeffrey A. Murray, Fire Chief of the County of Maui, Department of Fire & Public Safety (MFD) and a member of the State Fire Council (SFC). The MFD and the SFC support S.B. 258, which proposes to establish a Reduced Ignition Propensity Cigarette (RIPC) Program special fund to administer and provide staff for the SFC.

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The Honorable David Ige, Chair

Page 2

February 23, 2011

5. Submit compliance tests to an accredited lab to verify that performance standards have been met, if needed.

The SFC, which is comprised of the four county fire chiefs, was created in 1979 to replace the State Fire Marshal's Office, which was a fully-funded state agency. Under the present organization, the SFC primarily uses county fire department personnel to accomplish its duties, thus depriving the county fire departments of the time and services of its members. These duties include amending and adopting the state fire code, applying for and administering federal fire-related grants, and implementing and administering a statewide RIPC program.

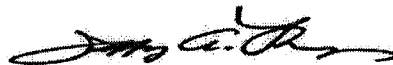
The SFC staff consists of only one part-time person and is funded by the Department of Labor and Industrial Relations, to which the SFC is administratively attached. The SFC is a member of the State Building Code Council and participates in the state building code adoption process. The SFC also coordinates statewide training, data collection, education, and corresponds with national organizations on statewide fire issues. In addition, the SFC advises the Governor and the legislature on fire- and life-safety matters.

The purpose of the RIPC program is to reduce the number of fires caused by cigarettes in the state. Fees are renewable by the cigarette manufacturers every three years and will help sustain the program.

The MFD and the SFC urge your committee's support on the passage of S.B. 258.

Should you have any questions, please call SFC Administrator Socrates Bratakos at 723-7151.

Sincerely,



JEFFREY A. MURRAY
Fire Chief



COALITION FOR A
TOBACCO-FREE HAWAII

To: The Honorable David Y. Ige, Chair
The Honorable Michelle Kidani, Vice Chair
Members, Senate Committee on Ways and Means
From: Trisha Y. Nakamura, Esq. Policy and Advocacy Director
Date: February 23, 2011
DM: WAM Cmte; February 24, 2011 at 9:00 a.m.; Rm 211
Re: **Support the intent of SB258, Relating to Public Safety**

Thank you for the opportunity to comment in support of the intent of SB 258 which creates the "Reduced Ignition Propensity Cigarette Program Special Fund" to aid the State Fire Council in administering the requirements of the reduced ignition propensity cigarettes law (Act 218 of the 2008 Session Laws of Hawaii).

The Coalition for a Tobacco Free Hawaii (Coalition) is the only independent organization in Hawaii whose sole mission is to reduce tobacco use through education, policy and advocacy. The Coalition provides leadership for the tobacco control community, develops networks, helps coordinate tobacco control programs and builds community awareness.

In 2008, the Coalition testified in support of the measure that became the reduced ignition cigarettes law. Reduced ignition propensity cigarettes will reduce harms caused by cigarette-smoking. Here, a reduction in the number of cigarette fires which are the leading causes of fire deaths and property damage in the United States.

The Coalition appreciates the Legislature's current effort to ensure thorough and appropriate implementation of the reduced ignition propensity cigarettes law by the State Fire Council. This measure will help the State Fire Council in administering activities pursuant to existing requirements regarding reduced-ignition cigarettes.

Thank you for the opportunity to provide comments in support of this measure.