

STAND. COM. REP. NO.

149

Honolulu, Hawaii

FEB 14 2011

RE: S.B. No. 233
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Health, to which was referred S.B. No. 233
entitled:

"A BILL FOR AN ACT RELATING TO TOBACCO PRODUCTS,"

begs leave to report as follows:

The purpose and intent of this measure is to impose an excise
tax on tobacco products other than cigarettes, little cigars, and
large cigars that is equivalent to the tax imposed on a standard
package of twenty cigarettes or little cigars to impose additional
deterrents to smoking.

Your Committee received testimony in support of this measure
from the American Cancer Society Hawai'i Pacific, Inc.; Coalition
for A Tobacco-Free Hawai'i; American Heart Association; the Hawaii
COPD Coalition; Filipinos for Affirmative Action; Filipino
American Citizens League; Tobacco Education and Assistance
Program; Asian American Network for Cancer Awareness, Research and
Training; Oahu Filipino Community Council; and thirty-six private
citizens. Your Committee received testimony in opposition to this
measure from one private citizen. Your Committee received
comments on this measure from the Department of Taxation,
University of Hawai'i System, and Tax Foundation of Hawaii.

Your Committee received testimony stating that, because
adolescents and young adults are two to three times more sensitive
to tobacco price changes than adults, increasing the price of
smokeless tobacco will result in fewer youth using smokeless
tobacco. Other testimony suggests that as cigarette taxes rise,

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smokers are more likely to consider smoking cessation, which should result in a decline in the serious health conditions that arise from the use of tobacco. Your Committee heard and agrees with testimony in support of using a portion of the tax revenue generated by this measure for preventative services and programs.

Accordingly, your Committee has amended this measure by:

- (1) Requiring ten percent of the revenues generated by the excise tax imposed by this measure to be used by the Department of Health for programs and services aimed at smoking prevention; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 233, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 233, S.D. 1, and be referred to the Committee on Ways and Means.

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



JOSH GREEN, M.D., Chair



The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Health
HTH

Bill / Resolution No.:* SB 233	Committee Referral: HTH, NAM	Date: 02/02/11		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
GREEN, M.D., Josh (C)	✓			
NISHIHARA, Clarence K. (VC)	✓			
BAKER, Rosalyn H.	✓			
CHUN OAKLAND, Suzanne	✓			
SHIMABUKURO, Maile				✓
WAKAI, Glenn				✓
SLOM, Sam				✓
TOTAL	4			3
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align: center; font-family: cursive;"> <i>Clarence K. Nishihara</i> </div>				
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*Only one measure per Record of Votes