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Testimony In Support of HB 1960, "Relating to Tobacco Products"

The American Heart Association supports HB 1960, "Relating to Tobacco Products."

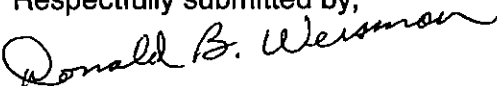
The major cigarette companies spend about \$12.5 billion per year (or more than \$34.2 million every day, and over \$40 million in Hawaii annually) to promote their products; and many of their marketing efforts directly reach kids

In August 2006, U.S. District Court Judge Gladys Kessler released her final opinion in the U.S. Government's landmark case against tobacco companies, meticulously describing how the tobacco companies target youth with sophisticated marketing campaigns. According to Judge Kessler, tobacco companies intimately study youth behavior and use their findings to create images and themes attractive to youth. Judge Kessler found that "Defendants spent enormous resources tracking the behaviors and preferences of youth under twenty-one...to start young people smoking and to keep them smoking." "The evidence is clear and convincing – and beyond any reasonable doubt – that Defendants have marketed to young people twenty-one and under while consistently, publicly, and falsely denying they do so."

The tobacco companies have long known that self-service displays of their products result in theft. The Food Marketing Institute (FMI) in Washington, D.C. (which represents the interests of grocery stores nationwide) in 1997 produced a Security and Loss Prevention study (which reported shoplifting data from 11,816 grocery outlets nationwide) showed that cigarettes accounted for 41% of items shoplifted, more than any other item.

The tobacco companies pay "display payments" (also known variously as slotting or merchandising fees) to retailers as an incentive to locate cigarettes in specific places in their stores, usually where they are easy to pick up. Those payments help to offset losses from theft by the retailers. Tobacco companies are willing to offset losses to theft because children are the most likely to steal those products, and because the companies rely on children to become addicted and to become longtime users of those products, replacing older consumers who die from their long-term use.

The American Heart Association encourages your support of HB 1960.

Respectfully submitted by,

Donald B. Weisman
Hawaii Government Relations Director

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

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

L A T E

To: Representative Ryan Yamane., Chair, Committee on Health
Representative Dee Morikawa, Vice Chair, Committee on Health
Members, Committee on Health

Re: **Strong Support for HB 1960, Relating to Tobacco Products**
Committee on Health Hearing;
January 27th, 2012 at 9:00am; Room 329

Dear Legislators:

My name is Alexis Vasconcelles. I am from Lawai, Kauai and a junior at Kauai High School. I am a new member of REAL (Hawaii Youth Movement Exposing the Tobacco Industry) and is battling to save my generation from the tobacco industry. I strongly support HB 1960.

Like many other states, Hawaii is being exposed to tobacco products and advertisements on a daily basis in various stores. Many products and advertisements are located in areas that serve as an attraction to the youth of Hawaii. If tobacco products are being sold or advertised near youth attractions, then youth will eventually become more interested in the product and are at a great risk of using it.

Other Tobacco Products or OTPs are usually located on the counter at most convenient stores, where they are easily accessible. Their colorful packaging and various candy flavors draw the youth, which is very dangerous. They should be kept in the back of the counter with cigarettes.

HB 1960 should be passed to protect our Hawaii youth from future use of tobacco products. These products have long-term effects that greatly ruin a person's life and lead to death.

The youth of Hawaii are asking for your great support to help us fight this war against the lying and manipulative tobacco industry in order to save our generation and many to follow.

Mahalo for your support for HB 1960.

Alexis Vasconcelles
Lawai, Kauai
REAL

morikawa2 - Grant

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, January 26, 2012 4:08 PM
To: HLTtestimony
Cc: robertscottwall@yahoo.com
Subject: Testimony for HB1960 on 1/27/2012 9:00:00 AM

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Testimony for HLT 1/27/2012 9:00:00 AM HB1960

Conference room: 329
Testifier position: Support
Testifier will be present: Yes
Submitted by: Scott Wall
Organization: Individual
E-mail: robertscottwall@yahoo.com
Submitted on: 1/26/2012

Comments:

NEIL ABERCROMBIE
GOVERNOR OF HAWAII



LATE

LORETTA J. FUDDY, A.C.S.W., M.P.H.
DIRECTOR OF HEALTH

STATE OF HAWAII
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In reply, please refer to:
File:

HOUSE COMMITTEE ON HEALTH

HB1960, RELATING TO TOBACCO PRODUCTS

Testimony of Loretta J. Fuddy, A.C.S.W., M.P.H.
Director of Health

January 27, 2012
9:00AM, Rm. 329

1 **Department's Position:** The Department of Health (DOH) supports this measure.

2 **Fiscal Implications:** Possible costs associated with community and retailer education.

3 **Purpose and Justification:** This measure proposes to require that cigarettes and tobacco products be
4 sold from behind the counter and not sold through self-service displays or through any manner where the
5 customer has direct access to the product.

6 Smoking and tobacco use remain Hawaii's and the nation's leading cause of preventable
7 morbidity and mortality. In Hawaii there are over 1,100 deaths each year attributed to a tobacco-related
8 illness costing approximately \$336 million in medical and health care costs, of which \$117 million are
9 Medicare-related, and another \$330 million in lost productivity due to premature death. Each year
10 approximately 3,000 Hawaii youth begin experimenting with cigarettes and other tobacco products. The
11 tobacco companies spend more than \$42 million annually in Hawaii on advertising, marketing, and
12 promotions to attract 'replacement smokers'.

13 It has been established that there is a relationship between advertising and promotions and
14 increased tobacco use particularly among youth. Because of restrictions on mass media ads and the
15 Master Settlement Agreement, the tobacco companies have now made storefronts and points-of-sale the

1 new venue for advertising tobacco products, providing financial incentives to retail stores for product
2 placement.

3 A 2007 Hawaii study indicated that over 76% of high school students and over 71% of middle
4 school students reported seeing tobacco product ads at local stores and gas stations. A 2008 Hawaii
5 study found that on average, stores displayed at least 2 outdoor ads and 17 indoor ads for tobacco
6 products, with small stores most likely to have the greatest number of ads.

7 Hawaii's smoking prevalence for both middle school students and high school students are low,
8 4.2% and 11.7% respectively (2009 Youth Tobacco Survey). Yet, despite these low numbers, Hawaii
9 has a compelling interest in preventing the initiation of cigarettes and other tobacco and nicotine
10 products among youth.

11 The DOH recognizes that prohibiting self-service displays where the customer has direct access
12 to tobacco products is a realistic action to discourage tobacco company ads at point-of-sale.

13 We also respectfully recommend that Section 2 (d), page 3, lines 1-2 of the proposed bill be
14 revised so the Department of Health is deleted and replaced with the Department of Taxation (DoTax).
15 The enforcement of this measure would be under the jurisdiction of the DoTax which has jurisdiction
16 over cigarette, other tobacco product taxes, and retail tobacco permits under Section 245, HRS.

17 Thank you for the opportunity to testify on this measure.

18