



STATE OF HAWAII
DEPARTMENT OF HEALTH
P.O. Box 3378
HONOLULU, HAWAII 96801-3378

In reply, please refer to:
File:

SENATE COMMITTEE ON HEALTH

SB2426, RELATING TO TOBACCO PRODUCTS

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

**February 13, 2012
1:15PM, Rm. 229**

1 **Department's Position:** The Department of Health 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 in the Master
15 Settlement Agreement, the tobacco companies have now made storefronts and points-of-sale the new

1 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.

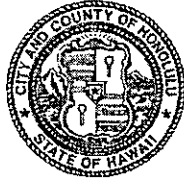
7 Hawaii's smoking prevalence for both middle school students and high school students are low,
8 4.2% and 11.7% respectively (2009 Youth Tobacco Survey). Yet, despite these low numbers, Hawaii
9 has a compelling interest in preventing the initiation of cigarettes and other tobacco and nicotine
10 products among youth. Studies show a correlation between children and youth exposure to the
11 marketing of tobacco products and initiation. The DOH recognizes that prohibiting self-service displays
12 where the customer has direct access to tobacco products is a realistic action to discourage tobacco
13 company ads at point-of-sale.

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

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

POLICE DEPARTMENT
CITY AND COUNTY OF HONOLULU

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OUR REFERENCE KH-YZ

February 13, 2012

The Honorable Josh Green, M.D., Chair
and Members
Committee on Health
The Senate
State Capitol
Honolulu, Hawaii 96813

Dear Chair Green and Members:

Subject: Senate Bill No. 2426, Relating to Tobacco Products

I am Kent Harada, Acting Major of the Community Affairs Division of the Honolulu Police Department (HPD), City and County of Honolulu.

The HPD supports Senate Bill No. 2426. This bill would prohibit retailers from displaying or storing tobacco products through self-service display or engaging in tobacco product retailing through self-service display.


The health and welfare of our youths are of utmost concern to the HPD. We will continue to promote a healthy lifestyle by conducting compliance checks on tobacco sales to minors in the community and educating our youths about the harmful effects of tobacco.

Thank you for the opportunity to testify.

APPROVED:


LOUIS M. KEALOHA
Chief of Police

Sincerely,


KENT HARADA, Acting Major
Community Affairs Division

Council Chair
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Vice-Chair
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COUNTY COUNCIL
COUNTY OF MAUI
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WAILUKU, MAUI, HAWAII 96793
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February 10, 2012

MEMO TO: The Honorable Josh Green, M.D., Chair
Senate Committee on Health

F R O M: Elle Cochran
Council Member

A handwritten signature in cursive script that reads "Elle Cochran".

SUBJECT: TESTIMONY IN SUPPORT OF SB 2426, RELATING TO TOBACCO PRODUCTS

Thank you for the opportunity to testify in support of this important measure. I offer my support for this bill as an individual member of the Maui County Council.

I feel strongly that the State of Hawaii should promote healthy lifestyle choices for our younger generation and that by taking this stance we might encourage others to do the same. This bill in no way inhibits adults from purchasing tobacco products, it solely aims to remove the temptation and/or targeting of tobacco sales and marketing to our underage citizens by placing a prohibition on self-service displays of tobacco products.

This legislation would effectively reduce youth access to these hazardous products, lowering tobacco theft, and cutting down on the illegal sale of tobacco products to youth.

SB 2426 is a positive step in the right direction, by preventing youth access to tobacco products, prohibiting retailers from displaying or storing tobacco products through self-service display and/or engaging in tobacco product retailing through self-service display.

For these reasons I strongly support the intent of this bill and respectfully urge the committee to pass SB 2426.

Mahalo for the opportunity to testify.



COALITION FOR A
TOBACCO-FREE HAWAII

To: The Honorable Josh Green, M.D., Health Chair
The Clarence Nishihara, Health Vice Chair

Fr: Deborah Zysman, MPH; Executive Director
Hrg: February 13, 2012 at 1:15 pm in room 229
Re: Support for SB 2426

Thank you for the opportunity to offer testimony in strong support of SB 2426 prohibiting self-service displays of tobacco products.

Research has shown that preventing the display of tobacco products leads to a decrease in the number of adolescents experimenting with and becoming addicted to those tobacco products.¹ This bill will reduce youth access to tobacco, as well as the theft of tobacco products. The World Health Organization has endorsed a ban on retail tobacco product displays as an effective method of reducing tobacco use.²

Prohibiting self-service tobacco displays is a promising practice that many states are considering or have enacted. Minnesota law prohibits self-service displays of cigarettes and smokeless tobacco, except in age-restricted retail tobacco stores that derive at least 90 percent of their revenue from the sale of tobacco and tobacco-related products.³ Similarly, New York State prohibits self-service tobacco displays in retail stores that are open to minors.⁴

Tobacco products are still the leading cause of preventable disease and death. We can reduce this by making sure youth never start and tobacco users have every opportunity to quit. This measure will continue to place Hawaii at the forefront of tobacco prevention and control.

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

Deborah Zysman, MPH
Executive Director

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.

¹ Markus P. Bidell, *Case Study of Attempts to Enact Self-Service Tobacco Display Ordinances: A Tale of Three Communities*, Tobacco Control, 71-77 (2000)

² World Health Organization Framework Convention on Tobacco Control, *Guidelines for Implementation of Article 13*, adopted Nov. 2008;

³ MINN. STAT. § 461.18, subd. 1.

⁴ N.Y. PUB. HEALTH LAW § 1399-cc(7).



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Testimony In Support of SB 2426, "Relating to Tobacco Products"

The American Heart Association supports SB 2426, "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.

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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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Hawaii:
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Phone: 808-961-2825
Fax: 808-961-2827

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

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

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 SB 2426.

Respectfully submitted by,

Donald B. Weisman
Hawaii Government Relations Director



February 13, 2012
1:15 P.M.
Conference Room 229

To: Senate Committee on Health
Senator Josh Green M.D., Chair
Senator Clarence K. Nishihara, Vice-Chair

From: Hawaii Public Health Association
Christopher Lum Lee, Chair, Legislative Committee

Re: SB2426 RELATING TO TOBACCO PRODUCTS

Chair Green and Committee members:

This testimony is being written to show the support of this measure by the Hawaii Public Health Association. The Association understands the health risk that the consumption of tobacco products pose and supports measures that reduce the exposure of minors to tobacco products.

Though minors are specifically prohibited from tobacco consumption, we understand that it is still relatively easy for a minor to procure tobacco and we support the efforts of the Legislature to ensure that minors would not allow themselves to be in a position to commit the status offense of underage smoking.

It is in the Association's hopes that this Committee passes this measure.

Respectfully submitted,

/s/ Christopher K.J. Lum Lee
Christopher K.J. Lum Lee, Chair
Hawaii Public Health Association Legislative Committee