Measure Title:	RELATING TO THE ENVIRONMENT.
Report Title:	Cigarettes; Fee; Litter; Beach Clean-Up Special Fund (\$)
Description:	Imposes on wholesalers and dealers a beach clean-up cigarette fee per cigarette sold, used, or possessed. Establishes and allocates moneys generated to the Beach Clean-Up Special Fund for litter removal from beach land.
Companion:	
Package:	None
Current Referral:	CPN, WAM
Introducer(s):	BROWER, C. LEE, RHOADS, THIELEN, Belatti, Creagan, Ing, Luke, Morikawa

DAVID Y. IGE GOVERNOR OF HAWAII





CARTY S. CHANG INTERIM CHAIRPERSON BOARD OF LAND AND NATURAL RESOURCES COMMISSION ON WATER RESOURCE MANAGEMENT

> DANIEL S. QUINN INTERIM FIRST DEPUTY

W. ROY HARDY ACTING DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES BOATING AND OCEAN RECREATION BUREAU OF CONVEYANCES COMMISSION ON WATER RESOURCE MANAGEMENT CONSERVATION AND RESOURCES ENFORCEMENT ENGINEERING FORESTRY AND WILDLIFE HISTORIC PRESERVATION KAHOOLAWE ISLAND RESERVE COMMISSION LAND STATE PARKS

#### STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

### Testimony of CARTY S. CHANG Interim Chairperson

### Before the Senate Committee on COMMERCE AND CONSUMER PROTECTION

Tuesday, March 17, 2015 9:00 A.M. State Capitol, Conference Room 229

### In consideration of HOUSE BILL 749 RELATING TO THE ENVIRONMENT

House Bill 749 proposes to provide for a beach clean-up cigarette fee on each cigarette sold, used, or possessed by a wholesaler or dealer and establishes a beach clean-up special fund into which the fees will be deposited. The moneys in the special fund may be used by the Department of Health (DOH) for planning, designing, developing, and implementing beach land litter removal projects, and to provide grants to the counties and nongovernmental organizations for the removal of litter from beach land. "Beach land" is defined to mean all lands in the shoreline area. While supporting the intent, the Department of Land and Natural Resources (Department) nonetheless defers to DOH regarding their ability to undertake the actions called for in this measure.

### LEGISLATIVE TAX BILL SERVICE

# TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 304

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: MISCELLANEOUS, Beach clean-up cigarette fee

BILL NUMBER: HB 749

INTRODUCED BY: Brower, C. Lee, Rhoads, Thielen and 5 Democrats

BRIEF SUMMARY: Adds a new section to HRS chapter 339 to provide for the establishment and imposition of a beach clean-up cigarette fee of \_\_\_\_\_ cents on each cigarette sold, used, or possessed by a wholesaler or dealer, beginning on July 1, 2016. Provides that the fees shall be deposited into a beach clean-up special fund to be used by the department of health to for the: (1) planning, designing, developing, and implementing beach land litter removal projects; and (2) providing grants to the counties and nongovernmental organizations for the removal of litter from beach land.

### EFFECTIVE DATE: July 1, 2015

STAFF COMMENTS: This measure should be recognized for what it is, the expansion of government funded by a tax increase. The "fee" proposed in this measure is, basically, a new tax on cigarettes. Just because this is a fee, lawmakers and administrators think they can get away with it because it is not a "tax." Maybe they are thinking that because the fee will be embedded in the cost of each cigarette, government won't be blamed for the higher cost.

Lawmakers need to take heed of the impact that yet more government imposed costs will have on the economic well-being of the state. With one of the highest per capita tax burdens in the country, plus a well-deserved reputation for a poor business climate, what Hawaii's people do not need at this time is more government costs both in the form of taxes and fees, and the cost of additional regulation.

The fee proposed by this measure is unspecified. Whatever it is, once this fee is established, the agencies and nonprofits that will feed from this trough called the beach cleanup special fund will be forever clamoring for increased funding, and will howl in agony at any attempts to sunset the tax. Worse, this fund is also a way for lawmakers to avoid being held accountable for growing government even larger and allowing government to grow beyond its means and the ability of the taxpayer to afford government in Hawaii. This new fund is a way to add more personnel and new programs at a time when the public is tired of an ever expanding government and growing government regulations. Adoption of this measure sends a message that lawmakers are not sincere about controlling the size of government.

In addition, it should be remembered that a smoking ban has been in effect on Oahu's beaches since January 1, 2014, so it is questionable why such a measure is needed in the city and county of Honolulu.

Digested 3/16/2015

From:	mailinglist@capitol.hawaii.gov
To:	CPN Testimony
Cc:	zacharyhitchcock@yahoo.com
Subject:	Submitted testimony for HB749 on Mar 17, 2015 09:00AM
Date:	Sunday, March 15, 2015 11:35:12 PM

Submitted on: 3/15/2015 Testimony for CPN on Mar 17, 2015 09:00AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Zachary Hitchcock	Individual	Support	No

Comments: Zachary Hitchcock Chairman, Surfrider Foundation Oahu Chapter 1533 Artesian Way Honolulu, HI 96822 Dear Senators, This bill is music to my ears. If people are going to recklessly throw cigarettes practically everywhere and, especially, on our beautiful beaches, then tax them and put it towards a clean up. Having picked up thousands of cigarettes from these negligent individuals who have no respect for our environment, they should pay for the clean up. I strongly support HB 749. Thank you. Sincerely, Zachary Hitchcock 808-222-6860

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Submitted on: 3/14/2015 Testimony for CPN on Mar 17, 2015 09:00AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Lucia You	Individual	Support	No

Comments: We must maintain our ocean and beaches. Cigarette butts and trash are extremely harmful to reefs and wildlife

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Submitted on: 3/15/2015 Testimony for CPN on Mar 17, 2015 09:00AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
James Gauer	Individual	Support	No

Comments: All in favor of defeating greedy corporations who thrive on the addiction of people buying their harmful health products, support this measure to the fullest! Also keep in mind aesthetics for tourism, the environmental impact on plants and animals, mammals, and future generations.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From:	mailinglist@capitol.hawaii.gov
To:	CPN Testimony
Cc:	amybrinker@mac.com
Subject:	*Submitted testimony for HB749 on Mar 17, 2015 09:00AM*
Date:	Sunday, March 15, 2015 1:00:02 PM

Submitted on: 3/15/2015 Testimony for CPN on Mar 17, 2015 09:00AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Amy Brinker	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.