

Honolulu, Hawaii

February 13, 2018

RE: H.B. No. 1907  
H.D. 2

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Twenty-Ninth State Legislature  
Regular Session of 2018  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1907, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

begs leave to report as follows:

The purpose of this measure is to prohibit mail order and internet-based cigarette and tobacco product sales that circumvent the State's regulatory and tax requirements by prohibiting the shipment of tobacco products including electronic cigarettes to any person in the State other than a licensed wholesaler or dealer.

The Department of Health, Hawai'i Pacific Health, Blue Zones Project, American Heart Association, American Cancer Society Cancer Action Network, Coalition for a Tobacco-Free Hawaii of the Hawai'i Public Health Institute, and two individuals testified in support of this measure. Retail Merchant of Hawaii, VOLCANO Fine Electric Cigarettes, Black Lava Vape, Smokeless Hawaii, Island Vapor, Tobaccos of Hawaii, Cigar Rights of America, and many individuals testified in opposition. The Department of the Attorney General, Department of Taxation, and Tax Foundation of Hawaii provided comments.



Your Committee has amended this measure by:

- (1) Deleting the provision that makes it unlawful for a person to provide "substantial assistance";
- (2) Deleting an exception for persons or entities with a valid general excise license and a physical building or structure for the purpose of retail; and
- (3) Changing its effective date to July 1, 2050, to promote further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1907, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 1907, H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Consumer  
Protection & Commerce,



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ROY M. TAKUMI, Chair



