

Honolulu, Hawaii

MAR 23 , 2018

RE: S.B. No. 2304  
S.D. 2  
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 S.B. No. 2304, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TOBACCO,"

begs leave to report as follows:

The purpose of this measure is to reduce the use of tobacco products among youth by:

- (1) Prohibiting the issuance and renewal of retail tobacco permits to retailers within 500 feet of a preschool, school, or public playground;
- (2) Prohibiting the sale of tobacco products and electronic smoking devices at a place of business within 500 feet of a preschool, school, or public playground;
- (3) Amending the criminal offenses of unlawful tobacco retailing; and
- (4) Codifying the Department of Taxation's administrative rule specifying when the Department may suspend, revoke, or decline to renew a retail tobacco permit.



Hawaii Children's Action Network, Hawai'i Public Health Association, Keiki Injury Prevention Coalition, Pioneering Healthier Communities of Honolulu, Blue Zones Project-Hawaii, Hawai'i Public Health Institute - Coalition for a Tobacco-Free Hawai'i, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and numerous individuals testified in support of this measure. The Department of the Attorney General, Hawaii Petroleum Marketers Association, Retail Merchants of Hawaii, Hawaii Food Industry Association, Eciggity, Aloha Petroleum, Ltd., Hawaii Smokers Alliance, VOLCANO Fine Electronic Cigarettes, Hawaii Cigar Association, Kauai Cigar Company, Kadota Liquor, Black Lava Vape, PCG Enterprises LLC, Irie Hawaii, and many individuals testified in opposition. The Department of Taxation, Department of Health, and Hui Kako'o provided comments.

Your Committee has amended this measure by:

- (1) Exempting retailers with a valid tobacco permit from the prohibition against selling a tobacco product or an electronic smoking device at a place of business located within 500 feet of a preschool, school, or public playground;
- (2) Defining the term "public playground";
- (3) Grandfathering in existing permits by:
  - (A) Applying the restriction prohibiting businesses within 500 feet of a preschool, school, or public playground from holding a retail tobacco permit to new permits issued beginning November 1, 2018; and
  - (B) Enunciating that permits validly issued before November 1, 2018, shall be eligible for renewal notwithstanding the business's location;
- (4) Deleting the provisions amending the criminal offenses of unlawful tobacco retailing; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes that the Department of the Attorney General raised concerns as to the ability to enforce the buffer



zones by the Departments of Taxation and Health. Additionally, there were concerns that the amendments to the criminal offenses of unlawful tobacco retailing would pose difficulties in enforcement. Should your Committee on Judiciary consider this measure, your Committee requests that it address these concerns.

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 S.B. No. 2304, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Judiciary in the form attached hereto as S.B. No. 2304, S.D. 2, H.D. 2.

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



---

ROY M. TAKUMI, Chair



State of Hawaii  
House of Representatives  
The Twenty-ninth Legislature

HSCR 1331-18

**Record of Votes of the Committee on Consumer Protection & Commerce**

<b>Bill/Resolution No.:</b> SB 2304 SD2, HD1	<b>Committee Referral:</b> HHS, CPC, JUD	<b>Date:</b> 3/20/18		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. TAKUMI, Roy M. (C)	✓			
2. ICHIYAMA, Linda (VC)	✓			
3. AQUINO, Henry J.C.	✓			
4. ITO, Ken	✓			
5. JOHANSON, Aaron Ling				✓
6. LoPRESTI, Matthew S.	✓			
7. MIZUNO, John M.				✓
8. SAY, Calvin K.Y.	✓			
9. TOKIOKA, James Kunane	✓			
10. YAMANE, Ryan I.	✓			
11. McDERMOTT, Bob				✓
<b>TOTAL (11)</b>	8	0	0	3
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <span style="margin-left: 150px;">committee acronym(s)</span>				
<b>Vice Chair's or designee's signature:</b> <i>Linda Ichiyama</i>				
<b>Distribution:</b> Original (White) – Committee    Duplicate (Yellow) – Chief Clerk's Office    Duplicate (Pink) – HMSO				