



To: Honorable Senator Jill N Tokuda, Chair, Honorable Senator Donovan M. Dela Cruz, Vice Chair  
Members, Senate Committee on Ways and Means

Hrg: Tuesday, February 7, 2017, 9:30am, Conference Room 211

Re: **Testimony in STRONG OPPOSITION to SB871**

By: Valerie Chang, JD, Executive Director  
Hawaii COPD Coalition, [www.hawaiicopd.org](http://www.hawaiicopd.org)  
700 Richards Street, Suite 2410, Honolulu, HI 96813  
(808)699-9839  
[copd.hawaii@yahoo.com](mailto:copd.hawaii@yahoo.com)

**LATE**

I thank you for this opportunity in **STRONG OPPOSITION to SB871**, which would change the excise tax rate on large cigars. This topic is very important to our organization, as we help those who suffer the awful ravages of long-term exposure to carbon monoxide and tobacco, those with emphysema and chronic bronchitis. I oppose this measure because it is *setting an awful precedent for our State in reducing taxes for a harmful and dangerous product*. Our State will lose tax revenue and more people will be attracted to cigars, increasing preventable diseases including COPD, cancers, gum disease, and cardiovascular conditions. We urge this committee to DEFER and HOLD this bill and not pass it out of committee.

My name is Valerie Chang. I am Executive Director of the Hawaii COPD Coalition. Our organization provides services and support to Hawaii's people affected by Chronic Obstructive Pulmonary Disease, more commonly known as emphysema and chronic bronchitis. COPD is now the third leading cause of death in the US and second leading cause of disability. Over 46,015 people in Hawaii have already been diagnosed with COPD and it is estimated that at least 46,015 more people may suffer from COPD but remain undiagnosed. Many of these COPD patients were seduced by tobacco when they were very young and unable to quit the addiction for decades, causing irreparable harm. There are over \$55 million in COPD hospital charges in Hawaii each year.

This Ways and Means Committee is well aware of the substantial health risks from cigars. One large cigar can contain as much tobacco as an ENTIRE pack of cigarettes, with all the attendant harm. Cigars are tobacco as well as addictive nicotine, and dangerous to the health of Hawaii's people. Cigar smokers often inhale and absorb nicotine through their lungs as quickly as cigarette smokers. Nicotine is also absorbed in the lining of the mouth for those who inhale as well as those who don't inhale.

Cigars are NOT a safer alternative to cigarettes. As mentioned above, they contain the same cancer-causing substances as cigarettes and other tobacco products, including causing the emission of the deadly poison, carbon monoxide. Cigar smoking increases the risk of cancers, lung and heart disease and many other health problems. Like all other tobacco products, cigars should continue to be subject to appropriately high taxation to reduce the deadly and costly burden of tobacco use. Preferentially taxing large cigars at a cap of only \$.50 apiece (when it should continue to be taxed at its current rates or at rates comparable to cigarettes and other tobacco products), will make the purchase of tobacco in a large cigar MUCH cheaper than cigarettes, unfairly conferring an economic advantage to large cigars, a known cause of cancer and other respiratory and cardiac health problems.

Tobacco and nicotine products are **still** the leading cause of preventable disease. COPD is estimated to cause one in four deaths in Canada, our neighbors to the north. Let us continue to minimize our exposure in Hawaii by keeping taxes of these products appropriately high. Taxes on all tobacco products must be equitable so that nicotine addicts will quit rather than switching to a less expensive option. More smokers quitting means reduced costs to our state in tobacco-related medical expenses.

Thanks for the opportunity to testify about this issue that is so vital to the health of Hawaii and our nation. This issue is very important to our state and our Hawaii COPD Coalition is very glad that this committee has taken a leadership role in addressing this important matter. **Please defer SB871 and do not pass this bill.** Thank you.

TO: Chair Jill Tokuda and Members of the Senate Committee on Ways and Means

FROM: Mokule'ia Cigar Company

RE: SB 871, Large Cigars; Tax  
Hearing Date: February 7, 2017  
Time: 09:30



My name is Kalani Matsuura and I am the owner of Mokule'ia Cigar Company. I recently started retailing large premium cigars in June of 2014.

I support SB 871 which creates a tax cap on the sale of large premium cigars. I am a tobacconist and a consumer of large premium cigars. Until becoming a cigar retailer I purchased majority of my large premium cigars online. Purchasing online gains no revenue for the state. The cap would benefit local cigar retailers, consumers and generate revenue for the State. The cap will allow local retailers to price premium cigars at competitive rates and consumers will be able to purchase premium cigars at fair market pricing. The State would see an increase in local sales thus, gaining tax revenue for the State. Protection of our current brick and mortar cigar stores and cigar retailers is paramount. The tax cap will provide the local cigar industry potential for growth and stability.

Mahalo for considering this testimony.

**LATE**

**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Tuesday, February 7, 2017 5:08 AM  
**To:** WAM Testimony  
**Cc:** lanson@2020autodetailing.com  
**Subject:** Submitted testimony for SB871 on Feb 7, 2017 09:30AM

**SB871**

Submitted on: 2/7/2017  
Testimony for WAM on Feb 7, 2017 09:30AM in Conference Room 211

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Lanson Siazon	Individual	Support	No

Comments: This is a bill that would keep more money in Hawaii instead losing revenue to online sites who sell the same premium cigars for a cheaper price. This would only help local businesses provide better service and product. SUPPORT THIS BILL!

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.

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Tuesday, February 7, 2017 5:16 AM  
**To:** WAM Testimony  
**Cc:** lanson@2020autodetailing.com  
**Subject:** Submitted testimony for SB871 on Feb 7, 2017 09:30AM

**SB871**

Submitted on: 2/7/2017

Testimony for WAM on Feb 7, 2017 09:30AM in Conference Room 211

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Lanson Siazon	Individual	Support	No

Comments: Support! This encourages spending money here locally rather than losing it to online retailers. Help the businesses in Hawaii by passing this bill. You'd make more tax revenue by giving the local retailers an edge over online retailers. SUPPORT SUPPORT SUPPORT!

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**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [WAM Testimony](#)  
**Cc:** [jarrett\\_imamura@yahoo.com](mailto:jarrett_imamura@yahoo.com)  
**Subject:** Submitted testimony for SB871 on Feb 7, 2017 09:30AM  
**Date:** Monday, February 6, 2017 5:58:01 PM

**SB871**

Submitted on: 2/6/2017

Testimony for WAM on Feb 7, 2017 09:30AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Jarrett Imamura	Individual	Support	No

Comments: As an avid cigar smoke, I would like to support SB871. I like to buy from local businesses, but our high tax of 50% makes it difficult. I either have to not buy regularly or buy online. I regularly purchase from R. Field and Fujioka's Wine Times and would like to continue to support them. Thank you.

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**LATE**

**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [WAM Testimony](#)  
**Cc:** [chevyriderhhh@gmail.com](mailto:chevyriderhhh@gmail.com)  
**Subject:** \*Submitted testimony for SB871 on Feb 7, 2017 09:30AM\*  
**Date:** Monday, February 6, 2017 6:44:58 PM

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**SB871**

Submitted on: 2/6/2017

Testimony for WAM on Feb 7, 2017 09:30AM in Conference Room 211

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Chris Wells	Individual	Support	No

Comments:

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**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [WAM Testimony](#)  
**Cc:** [thasugarbear@hotmail.com](mailto:thasugarbear@hotmail.com)  
**Subject:** \*Submitted testimony for SB871 on Feb 7, 2017 09:30AM\*  
**Date:** Monday, February 6, 2017 10:59:07 PM

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**SB871**

Submitted on: 2/6/2017

Testimony for WAM on Feb 7, 2017 09:30AM in Conference Room 211

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
leroy woods jr	Individual	Support	No

Comments:

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