
HOUSE CONCURRENT RESOLUTION

REQUESTING THE DEPARTMENT OF TAXATION TO ISSUE AN ASSESSMENT
REPORT ON FISCAL IMPLICATIONS OF HISTORIC, CURRENT, AND
PROJECTED TOBACCO REVENUES.

1 WHEREAS, despite great efforts, cigarette smoking is still
2 the leading cause of preventable disability and death in the
3 State and the nation; and
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5 WHEREAS, because of the State's efforts to curb cigarette
6 use, the prospect for a cigarette-free society may become a
7 reality as the number of current smokers is now small enough
8 that completely banning tobacco sales by progressively
9 increasing the minimum age to purchase tobacco products may be
10 considered; and
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12 WHEREAS, the Institute of Medicine has proposed
13 establishing three minimum ages for persons to purchase
14 cigarettes: nineteen, twenty-one, and twenty-five years of age;
15 and
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17 WHEREAS, Hawaii was the first state in the nation to
18 institute a minimum age of twenty-one for the purchase of
19 tobacco products; and
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21 WHEREAS, women in the State who are of childbearing age, as
22 well as these women's potential fetuses and children, would
23 significantly and immediately benefit from raising the minimum
24 age for the purchase of cigarettes to twenty-five years of age;
25 and
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27 WHEREAS, in 2001, 17.5 percent of teenage mothers smoked
28 during pregnancy, while only eighteen to twenty-five percent of
29 all women quit smoking once they become pregnant; and
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1 WHEREAS, all nicotine delivery devices, including
2 electronic cigarettes that contain nicotine, negatively affect
3 reproduction; and
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5 WHEREAS, it is the nicotine in cigarettes, rather than the
6 carcinogens, that negatively affects reproduction by altering
7 the flow of blood to the fetus and damaging various fetal organ
8 systems; and
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10 WHEREAS, the reproductive effects of nicotine also include
11 an increased risk of infertility, pregnancy complications,
12 premature birth, low birth weight, still birth and infant death,
13 placenta previa, placental abruption, premature rupture of
14 membranes, and preeclampsia; and
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16 WHEREAS, low birth weight is one of the leading causes of
17 infant deaths, resulting in more than three hundred thousand
18 infant deaths annually in the United States; and
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20 WHEREAS, concerns over the negative effects of nicotine
21 should also necessitate increasing the minimum age for the
22 purchase of electronic cigarettes; and
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24 WHEREAS, the impact on the State's tobacco tax revenues is
25 possibly the most important limitation on increasing the minimum
26 age for the purchase of tobacco products; and
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28 WHEREAS, additional knowledge on the effect on the State's
29 tax revenue of raising the minimum age for the purchase of
30 cigarettes will allow for more informed public policy decision-
31 making; now, therefore,
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33 BE IT RESOLVED by the House of Representatives of the
34 Thirtieth Legislature of the State of Hawaii, Regular Session of
35 2019, the Senate concurring, that the Department of Taxation is
36 requested to issue an assessment report of the fiscal
37 implications of historic, current, and projected tobacco
38 revenues; and
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40 BE IT FURTHER RESOLVED that the Department of Taxation is
41 requested to include the following information regarding



1 cigarette revenues, exclusive of revenues from other non-
2 cigarette tobacco products, in its report:

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- (1) All historic, current, and projected sources of cigarette revenues to the State;
- (2) Annual cigarette revenues received by the State since fiscal year 1995, and the allocation of these revenues;
- (3) Projected cigarette revenues to be received by the State annually from fiscal years 2020 through 2040 based on current economic forecasts, and projected allocations of these revenues; and
- (4) Projected cigarette revenues to be received by the State from fiscal years 2020 through 2040 if the minimum legal age to purchase cigarettes were increased as follows:
 - (A) From twenty-one years of age to twenty-five years of age in 2020;
 - (B) From twenty-five years of age to thirty years of age in 2021; and
 - (C) Annual minimum age increases in five-year increments through 2040; and

BE IT FURTHER RESOLVED that the Department of Taxation is requested to include the following information regarding non-cigarette tobacco revenues, exclusive of cigarette revenues, in its report:

- (1) All historic, current, and projected sources of non-cigarette tobacco revenues to the State;
- (2) Annual non-cigarette tobacco revenues received by the State since fiscal year 1995, and the allocation of these revenues;



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- 1 (3) Projected non-cigarette tobacco revenues to be
- 2 received by the State annually from fiscal years 2020
- 3 through 2040 based on current economic forecasts, and
- 4 projected allocations of these revenues; and
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- 6 (4) Projected non-cigarette tobacco revenues to be
- 7 received by the State from fiscal years 2020 through
- 8 2040 if the minimum legal age to purchase non-
- 9 cigarette tobacco products were increased as follows:
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- 11 (A) From twenty-one years of age to twenty-five years
- 12 of age in 2020;
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- 14 (B) From twenty-five years of age to thirty years of
- 15 age in 2021; and
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- 17 (C) Annual minimum age increases in five-year
- 18 increments through 2040; and
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20 BE IT FURTHER RESOLVED that the Department of Taxation is

21 requested to submit a report of its findings and

22 recommendations, including any proposed legislation, to the

23 Legislature no later than twenty days prior to the convening of

24 the Regular Session of 2020; and

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26 BE IT FURTHER RESOLVED that a certified copy of this

27 Concurrent Resolution be transmitted to the Director of the

28 Department of Taxation.

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OFFERED BY: *Richard Lopez*

Brian Koljanski

John M. [Signature]

MAR 08 2019