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## HOUSE 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

26  
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

9  
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

15  
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

19  
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

23  
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

27  
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,

32  
33 BE IT RESOLVED by the House of Representatives of the  
34 Thirtieth Legislature of the State of Hawaii, Regular Session of  
35 2019, that the Department of Taxation is requested to issue an  
36 assessment report of the fiscal implications of historic,  
37 current, and projected tobacco revenues; and

38  
39 BE IT FURTHER RESOLVED that the Department of Taxation is  
40 requested to include the following information regarding  
41 cigarette revenues, exclusive of revenues from other non-  
42 cigarette tobacco products, in its report:



- 1 (1) All historic, current, and projected sources of  
2 cigarette revenues to the State;
- 3
- 4 (2) Annual cigarette revenues received by the State since  
5 fiscal year 1995, and the allocation of these  
6 revenues;
- 7
- 8 (3) Projected cigarette revenues to be received by the  
9 State annually from fiscal years 2020 through 2040  
10 based on current economic forecasts, and projected  
11 allocations of these revenues; and  
12
- 13 (4) Projected cigarette revenues to be received by the  
14 State from fiscal years 2020 through 2040 if the  
15 minimum legal age to purchase cigarettes were  
16 increased as follows:  
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  - 18 (A) From twenty-one years of age to twenty-five years  
19 of age in 2020;
  - 20
  - 21 (B) From twenty-five years of age to thirty years of  
22 age in 2021; and
  - 23
  - 24 (C) Annual minimum age increases in five-year  
25 increments through 2040; and  
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27 BE IT FURTHER RESOLVED that the Department of Taxation is  
28 requested to include the following information regarding non-  
29 cigarette tobacco revenues, exclusive of cigarette revenues, in  
30 its report:

- 31
- 32 (1) All historic, current, and projected sources of non-  
33 cigarette tobacco revenues to the State;
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- 35 (2) Annual non-cigarette tobacco revenues received by the  
36 State since fiscal year 1995, and the allocation of  
37 these revenues;
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- 39 (3) Projected non-cigarette tobacco revenues to be  
40 received by the State annually from fiscal years 2020  
41 through 2040 based on current economic forecasts, and  
42 projected allocations of these revenues; and



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(4) Projected non-cigarette tobacco revenues to be received by the State from fiscal years 2020 through 2040 if the minimum legal age to purchase non-cigarette tobacco products were increased as follows:

(A) From twenty-one years of age to twenty-five years of age in 2020;

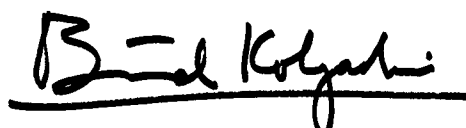
(B) From twenty-five years of age to thirty years of age in 2021; and

(C) Annual minimum age increases in five-year increments through 2040; and

BE IT FURTHER RESOLVED that the Department of Taxation is requested to submit a report of its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2020; and

BE IT FURTHER RESOLVED that a certified copy of this Resolution be transmitted to the Director of the Department of Taxation.

OFFERED BY: 





MAR 08 2019

