

STAND. COM. REP. NO.

149

Honolulu, Hawaii

February 7, 2019

RE: H.B. No. 1574

H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Health, to which was referred H.B. No. 1574
entitled:

"A BILL FOR AN ACT RELATING TO ELECTRONIC SMOKING PRODUCTS,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish the offense of unlawful shipment of e-liquid products;
- (2) Tax e-liquid products as other tobacco products;
- (3) Increase the license fee for persons engaged as a wholesaler or dealer of cigarettes and tobacco products;
- (4) Increase the retail tobacco permit fee for retailers engaged in the retail sale of cigarettes and tobacco products;
- (5) Fund health education and prevention programs about the risks and dangers of the use of electronic smoking devices for youth; and
- (6) Repeal various statutory provisions relating to electronic smoking devices.



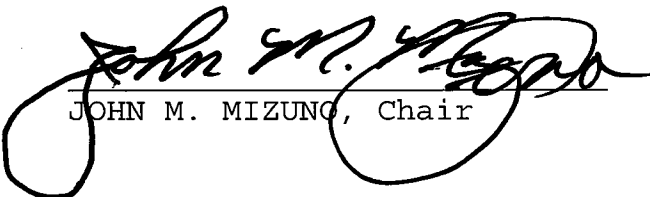
The Department of Health, Blue Zones Project Hawaii, Hawaii Primary Care Association, Hawai'i Public Health Institute, American Cancer Society Cancer Action Network, American Heart Association, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawaii Pacific Health, Hawaii COPD Coalition, Student Health Advisory Council, and numerous concerned individuals supported this measure. Volcano Fine Electronic Cigarettes, Retail Merchants of Hawaii, Hawaii Smokers Alliance, Hi Lyfe Vaporz, LLC, Logic Technology Development, LLC, and numerous concerned individuals opposed this measure. The Department of Taxation, Department of the Attorney General, Hawaii Food Industry Association, and Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Specifying that the offense of unlawful shipment of e-liquid products with a value of \$10,000 or more may be considered a class C felony; and
- (2) Changing the effective date to July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1574, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1574, H.D. 1, and be referred to your Committees on Consumer Protection & Commerce and Judiciary.

Respectfully submitted on
behalf of the members of the
Committee on Health,


JOHN M. MIZUNO, Chair



