

Honolulu, Hawaii

, 2020

FEB 14

RE: H.B. No. 2346

H.D. 2

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 2346, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TOBACCO PRODUCTS,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish the offense of unlawful shipment of tobacco products;
- (2) Tax and regulate e-liquid products and electronic smoking devices in the same manner 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; and
- (5) Repeal various statutory provisions relating to electronic smoking devices made obsolete by this measure.



Your Committee received testimony in support of this measure from the Department of Health, University of Hawaii System, American Heart Association, Hawaii Pacific Health, American Lung Association, Hawaii Primary Care Association, Blue Zone Project Hawaii, The Friends of Kamalani and Lydgate Park, We Are One, Inc., Pediatric Therapies Hawaii, Hui No Ke Ola Pono, University of Hawaii Student Health Advisory Council, Filipina Advocacy Network FAN, Hawaii Community Foundation, Hawaii State Teachers Association, Cancer Action Network, Hawaii Public Health Institute, The Salvation Army, Maui Family Magazine, and numerous individuals. Your Committee received testimony in opposition to this measure from Volcano eCigs, Hawaii Smokers Alliance, and numerous individuals. Your Committee received comments on this measure from the Department of Taxation, Hawaii Substance Abuse Coalition, Hawaii Food Industry Association, and Tax Foundation of Hawaii.

Your Committee finds that tobacco use is the single most preventable cause of disease, disability, and death in the United States. Your Committee further finds that the rapid growth of the electronic smoking device industry necessitates additional regulations to protect consumers. Your Committee also finds that electronic smoking devices and e-liquids should be taxed to encourage users of e-liquids to quit, sustain cessation, prevent youth initiation, and reduce consumption.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2346, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 2346, H.D. 2.



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



CHRIS LEE, Chair



