

Honolulu, Hawaii

FEB 07 , 2020

RE: H.B. No. 2456  
H.D. 1

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

Sir:

Your Committee on Health, to which was referred H.B. No. 2456  
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) Include e-liquid and electronic smoking devices containing e-liquid within the definition of "tobacco products", as used in the cigarette tax and tobacco tax law;
- (3) Allocate a portion of funds collected from excise taxes on tobacco products to health education and prevention programs about the risks and dangers of the use of electronic smoking devices for youth; and
- (4) Repeal certain provisions of the Hawaii Revised Statutes relating to electronic smoking devices.

Your Committee received testimony in support of this measure from the Department of Health; Department of Taxation; Hawaii



Primary Care Association; Hawaii Pacific Health; Kapiolani Smokefree Families: Tobacco & Nicotine Cessation Program; American Heart Association; American Cancer Society Cancer Action Network; Hawaii Youth Services Network; Hawaii Substance Abuse Coalition; Hui No Ke Ola Pono; University of Hawaii Student Health Advisory Council; Pioneering Healthier Communities Initiative; Coalition for a Tobacco-Free Hawaii; Hawaii Food Industry Association; Kahoomiki - the Hawaii Council on Physical Activity and Nutrition; Friends of Kamalani & Lydgate Park Beach Cleanup Team; Hawaii State Teachers Association; We Are One, Inc.; American Academy of Pediatrics - Hawaii Chapter; American Lung Association; and numerous individuals. Your Committee received testimony in opposition to this measure from Logic Technology Development, LCC; Hawaii Smokers Alliance; and numerous individuals. Your Committee received comments on this measure from the Department of the Attorney General and one individual.

Your Committee finds that there is a serious nationwide concern over the use of electronic smoking devices containing e-liquids. Particularly, there is a grave concern over the historic rise in their use by youth and young adults. Currently, there is no state tobacco tax applied to e-liquid, even though the use of electronic smoking devices containing e-liquid carry similar health risks as cigarettes or tobacco products. Imposing a tax on e-liquids and electronic smoking devices will encourage users to quit or reduce consumption among those who continue to use those products, including youth and young adults.

Your Committee further notes the support indicated in testimony from the Department of Health of taxing e-liquid products, which include e-juice as well as products with e-liquid pre-filled cartridges or pod-based products.

Your Committee has amended this measure by:

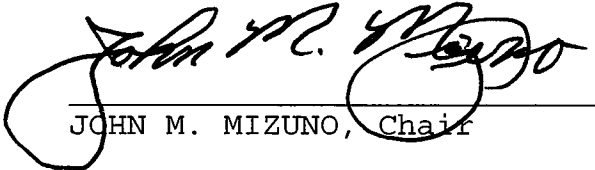
- (1) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No.



2456, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2456, 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



