

LATE

STATE OF HAWAII
DEPARTMENT OF HEALTH
P. O. Box 3378
Honolulu, HI 96801-3378
doh.testimony@doh.hawaii.gov

**Testimony in SUPPORT of S.B. 2227, S.D. 1
RELATING TO ELECTRONIC SMOKING PRODUCTS**

SENATOR DONOVAN M. DELA CRUZ, CHAIR
SENATE COMMITTEE ON WAYS AND MEANS

SENATOR KARL RHOADES, CHAIR
SENATE COMMITTEE ON JUDICIARY

Hearing Date: February 26, 2020

Room Number: 211

1 **Fiscal Implications:** The Department of Health (DOH) defers to the Department of Taxation
2 (DOTAX) for fiscal implications of implementation and to the Department of the Attorney
3 General (AG) for fiscal implications for enforcement.

4 **Department Testimony:** The DOH supports Senate Bill 2227, Senate Draft 1 (S.B 2227,
5 S.D. 1) as a measure to protect the public's health, especially youth, from the harmful effects of
6 tobacco use and initiation. The DOH offers amendments to add a new section to Chapter 245,
7 Hawaii Revised Statutes, addressing unlawful shipment of tobacco products.

8 This measure addresses Hawaii's youth vaping epidemic by creating parity between the
9 taxation and regulation of cigarettes and electronic smoking devices (ESDs). The bill includes
10 e-liquid and e-smoking devices in the definition of tobacco products, adds an excise tax, and
11 requires retailers of ESDs to obtain a permit and wholesalers/dealers of ESDs to obtain a license.
12 S.B. 2227, S.D. 1 also increases the fee for the required permits and licenses for retailers and
13 wholesalers. In addition, the measure allocates a portion of the funds collected on excise taxes to
14 fund health education, prevention, and nicotine cessation programs for youth regarding the risks
15 and dangers of the use of ESDs.

16 Youth are price sensitive and historically, increasing the cost of cigarettes is associated
17 with decreasing smoking rates, and likewise recent studies are now showing that increasing the

1 price of e-cigarettes will reduce consumption by youth.^{1,2} The DOH supports taxing e-liquid
2 products, which includes the e-liquid as well as ESDs containing e-liquid, and products with
3 e-liquid pre-filled cartridges or pod-based products. The DOH recommends broadening the
4 definition to include the entire ESD and component parts and offers amendments to the
5 definition of Tobacco Products in Section 2, page 9.

6 The changes in definition and application of the taxation to include ESD, e-liquid, and
7 component parts as tobacco products will result in the significant increase in price that will help
8 prevent youth initiation and encourage continued use. This inclusive definition of the ESDs is
9 consistent with the U.S. Food and Drug Administration (FDA) regulatory approach to ESDs as
10 tobacco products, that includes the component or parts assembled for the delivery and
11 consumption of a tobacco product.³ According to the U.S. Surgeon General, increasing the price
12 of tobacco products is the single most effective way to reduce consumption.⁴ A 10% increase in
13 price has been estimated to reduce overall cigarette consumption by 3-5%.⁵ Research suggests
14 that both youth and young adults are two to three times more likely to respond to increases in
15 price than adults.⁶ Twenty-one states and the District of Columbia (D.C.) now impose some
16 form of e-cigarette taxation.

17 Since the U.S. FDA and Surgeon General declaration of the unprecedented youth
18 e-cigarette epidemic in the fall of 2018, youth use continues to rise. By 2019, 27.5% of high
19 school students said they vaped compared to 20.8% in 2018.⁷ In total numbers, 4.1 million high
20 school youths and 1.2 million middle school youths said they currently use e-cigarettes.⁸ Hawaii

¹ Jawad, M., Lee, J. T., Glantz, S., & Millett, C. (2018). Price elasticity of demand of non-cigarette tobacco products: a systematic review and meta-analysis. *Tobacco control*, 27(6), 689–695. doi:10.1136/tobaccocontrol-2017-054056

² Pesko, M. F., Huang, J., Johnston, L. D., & Chaloupka, F. J. (2018). E-cigarette price sensitivity among middle- and high-school students: evidence from monitoring the future. *Addiction (Abingdon, England)*, 113(5), 896–906. doi:10.1111/add.14119

³ U.S. Food and Drug Administration, Interpretation of and Compliance Policy for Certain Label Requirement; Applicability of Certain Federal Food, Drug, and Cosmetic Act Requirements to Vape Shops, Guidance for Industry. Retrieved 2-25-2020: <https://www.fda.gov/media/102420/download>

⁴ U.S. Department of Health and Human Services. [Preventing Tobacco Use Among Youth and Young Adults: A Report of the Surgeon General](#). Atlanta: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2012 [accessed 2018 Jan 22].

⁵ Ibid

⁶ Ibid

⁷ Wang TW, Gentzke AS, Creamer MR, et al. Tobacco Product Use and Associated Factors Among Middle and High School Students — United States, 2019. *MMWR Surveill Summ* 2019;68(No. SS-12):1–22. DOI: <http://dx.doi.org/10.15585/mmwr.ss6812a1>

⁸ Ibid.

1 youth in 2017 had amongst the highest ESD rates in the nation, with 25.5% high school, and
2 15.7% middle school students reporting regular use.⁹ Youth who use e-cigarettes have been
3 casualties in the outbreak of e-cigarette or vaping product use associated lung injury (EVALI)
4 nationwide. The result has been 2,807 confirmed hospitalizations and 68 deaths. More than half
5 of the patients were 24 years old or younger, and 57% reported using nicotine-containing
6 products, with 14% exclusively using nicotine (as of January 14, 2020).¹⁰

7 The need for state action to protect youth from the promotion of ESDs is imperative. On
8 January 2, 2020, the U.S. FDA announced the agency was prioritizing the enforcement of their
9 existing authority only on flavored cartridge based ESDs products. This limited enforcement
10 excludes menthol, disposable, tank system, and refillable devices. All the ESD products on sale
11 today are considered pre-market, that is, these are being sold with no prior FDA testing and
12 approval. This limited enforcement does not do enough to protect youth since they report using
13 a variety of ESD products including refillable devices.^{11,12}

14 The federal administration in December 2019 raised the national legal age of sale of all
15 tobacco products, including ESDs, from 18 to 21 years of age. While such legislation is meant
16 to prevent youth access and initiation of tobacco, the acceleration of unregulated online tobacco
17 product sales has created a dangerous loophole, by providing an appealing option for underage
18 smokers. In the current unregulated online market, youth easily, and often, circumvent the age
19 verification process for purchasing tobacco. According to the Internet Tobacco Vendors Study
20 (ITV), supported by the National Cancer Institute and the U.S. FDA Center for Tobacco
21 Products, minors were successful in buying ESDs online 93% of the time despite age
22 restrictions. Another study found that ESDs were often shipped from internet vendors without
23 instructions or health warnings. Due to the easy access for minors through online marketing,

⁹Department of Health, [Hawaii Health Data Warehouse, Indicator-Based Information System](#), 2017 Hawaii Youth Risk Behavior Survey.

¹⁰Centers for Disease Control and Prevention, Office on Smoking and Health. Outbreak of Lung Injury Associated with the Use of E-cigarette, or Vaping, Products, retrieved February 25, 2020 from https://www.cdc.gov/tobacco/basic_information/e-cigarettes/severe-lung-disease.html#latest-outbreak-information

¹¹Cullen KA, Gentzke AS, Sawdey MD, et al. e-Cigarette Use Among Youth in the United States, 2019. *JAMA*. Published online November 05, 2019. doi:10.1001/jama.2019.18387: <https://jamanetwork.com/journals/jama/fullarticle/2755265>

¹²McMillen et al., Adolescent Use of Different E-Cigarette Products. *Pediatric*. Volume 142:4; 2018. Doi: [10.1542/peds.2018-0260](https://doi.org/10.1542/peds.2018-0260)

1 public health researchers recommend more vigorous policies to prohibit sales to minors.^{13,14}
2 The addition of a mechanism to prevent illegal shipping will address the loophole provided
3 through online access. The DOH offers amendments to address unlawful shipping of tobacco
4 products.

5 The DOH supports the components of S.B. 2227, S.D. 1 as part of a comprehensive
6 approach to create regulatory and tax parity with combustible cigarettes.

7 Thank you for the opportunity to testify.

8 **Offered Amendments:**

9 Section 2, page 8, line 1, add the following:

10 Section 2. Chapter 245, Hawaii Revised Statutes, is amended by adding a new section to be
11 appropriately designated and to read as follows:

12 "§245- Unlawful shipment of tobacco products; penalty;
13 reports; liability for unpaid taxes. (a) A person or entity
14 commits the offense of unlawful shipment of tobacco products if
15 the person or entity:

16 (1) Is engaged in the business of selling tobacco
17 products; and

18 (2) Ships or causes to be shipped any tobacco products to
19 a person or entity in this State that is not a licensee under
20 this chapter.

21 (b) This section shall not apply to the shipment of
22 tobacco products if any of the following conditions is met:

¹³ Williams RS, Derrick J, Ribisl KM. Electronic Cigarette Sales to Minors via the Internet. *JAMA Pediatric*. 2015;169(3): e1563. doi:10.1001/jamapediatrics.2015.63.

¹⁴ Kong AY, Derrick JC, Abrantes AS, Williams RS. *What is included with your online e-cigarette order? An analysis of e-cigarette shipping, product and packaging features. Tobacco Control*. [Epub ahead of print] June 29, 2016. doi:10.1136/tobaccocontrol-2016-053061.

1 (1) The tobacco products are exempt from taxes as provided
2 by section 245-3(b); or

3 (2) All applicable Hawaii taxes on the tobacco products
4 are paid in accordance with the requirements of this chapter.

5 (c) Unlawful shipment of tobacco products is a class C
6 felony if the person or entity knowingly ships or causes to be
7 shipped tobacco products with a value of \$10,000 or more in
8 violation of subsection (a).

9 (d) Unlawful shipment of tobacco products is a misdemeanor
10 if the person or entity knowingly ships or causes to be shipped
11 tobacco products with a value of less than \$10,000 in violation
12 of subsection (a).

13 (e) For purposes of this section, a person or entity is a
14 licensee if the person or entity's name appears on a list of
15 authorized licensees published by the department.

16 (f) Notwithstanding the existence of other remedies at
17 law, any person or entity that purchases, uses, controls, or
18 possesses any tobacco products for which the applicable taxes
19 imposed under title 14 have not been paid, shall be liable for
20 the applicable taxes, plus any penalty and interest as provided
21 for by law.

22 (g) For purposes of this section:

23 "Value" means the fair market value at the time of the
24 offense."

1 Section 2, item 2. page 9, starting line 8 amend following:

2 2. By amending the definition of "tobacco products" to read:

3 "Tobacco products" means tobacco in any form, other than
4 cigarettes or little cigars [~~, that is prepared or intended for~~
5 ~~consumption or for personal use by humans, including large~~
6 ~~cigars and any substitutes thereof other than cigarettes that~~
7 ~~bear the semblance thereof, snuff, chewing or smokeless tobacco,~~
8 ~~and smoking or pipe tobacco.]; including, but not limited to
9 large cigars and any substitutes thereof other than cigarettes
10 that bear the semblance thereof, pipe tobacco, chewing or
11 smokeless tobacco, snuff, snus, e-liquid, electronic smoking
12 devices containing e-liquid, any cartridge or other component
13 parts of the device or product containing e-liquid, and related
14 products."~~

HAWAII YOUTH SERVICES NETWORK

677 Ala Moana Boulevard, Suite 904 Honolulu, Hawaii 96813

Phone: (808) 489-9549

Web site: <http://www.hysn.org> E-mail: info@hysn.org

Rick Collins, President

Judith F. Clark, Executive Director

Bay Clinic

Big Brothers Big Sisters of Hawaii

Big Island Substance Abuse Council

Bobby Benson Center

Child and Family Service

Coalition for a Drug Free Hawaii

Collins Consulting, LLC

Domestic Violence Action Center

EPIC, Inc.

Family Programs Hawaii

Family Support Hawaii

Friends of the Children of West Hawaii

Hale Kipa, Inc.

Hale 'Opio Kauai, Inc.

Hawaii Children's Action Network

Hawaii Health & Harm

Reduction Center

Hawaii Student Television

Ho'ola Na Pua

Kahi Mohala

Kokua Kalihi Valley

Kokua Ohana Aloha (KOA)

Maui Youth and Family Services

Na Pu'uwai Molokai Native

Hawaiian Health Care Systems

P.A.R.E.N.T.S., Inc.

Parents and Children Together (PACT)

PHOCUSED

PFLAG – Kona Big Island

Planned Parenthood of the

Great Northwest and Hawaiian Islands

Residential Youth Services

& Empowerment (RYSE)

Salvation Army Family

Intervention Services

Sex Abuse Treatment Center

Susannah Wesley Community Center

The Catalyst Group

February 24, 2020

To: Senator Donovan Dela Cruz
And members of the Committee on Ways and Means

Testimony in Support of SB 2227 SD 1 Related to Flavored Products for Electronic Smoking Devices

Hawaii Youth Services Network, a statewide coalition of youth-serving organizations, supports SB 2227 SD 1 Relating to Electronic Smoking Products.

Hawaii has the fifth highest amount of vaping in the United States. With up to 15,500 flavors, e-cigarettes are of particular interest and attraction to Hawai'i's youth. Along with the enticing flavors and packaging, youth perceive e-cigarettes to be less harmful than other nicotine filled tobacco products.

Youth do not understand the dangers of this harmful product. E-cigarettes contain toxic chemicals. These ingredients result in chronic health consequences including lung cancer, addiction, central nervous system damage, and delay of proper adolescent brain development.

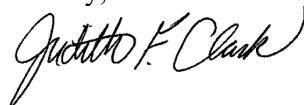
808novape researchers have found that:

- 26% of Hawai'i high school students are using e-cigarettes
- 94% online purchases of e-cigarettes have been successful amongst teens
- 60% of teens believe occasional use of e-cigarettes does little to of harm
- 70% of middle and high schoolers have recently seen e-cigarette advertising

Funding education and prevention programs for youth with taxes on electronic smoking products is needed and appropriate.

Thank you for this opportunity to testify.

Sincerely,



Judith F. Clark, MPH
Executive Director



American Heart Association testimony in SUPPORT of SB 2227, Relating to Electronic Smoking Products

Chairman of the Board

Glen Kaneshige

President

Kahealani Rivera, MD

Board Members

Rick Bruno, MD, FACEP

Jackie De Luz

Brandt Farias

Jason Fujita

Mimi Harris

Brandon Kurisu

Michael Lui, MD

Arnold Martines

Michael Rembis, FACHE

Andrew Rosen

Timothy Slottow

Jennifer Walker

The American Heart Association supports SB 2227 which includes e-liquid and electronic smoking devices within the definition of “tobacco products” in existing cigarette tax and tobacco tax state law, requires that wholesalers and retailers of electronic smoking devices obtain a tobacco license/permit, increases the license fee for wholesalers or dealers and the retail tobacco permit fee, and increases funding for community tobacco prevention and control programs.

Hawaii is in the midst of a youth epidemic concerning the use of electronic smoking devices. As stated in the bill’s preface, Hawaii has the highest rate of middle school-aged student use of those products in the nation, and the second highest high school student usage rate.

Even though there is more work needed to fully understand all the dangers of e-cigarettes, there’s plenty of evidence they’re harmful for growing minds and bodies.

The American Heart Association is working to combat this problem the same way we have battled health problems for nearly a century: We’re relying on the science.

Serving Hawaii since 1948

Mission Statement:

“To be a relentless force for a world of longer, healthier lives.”

That’s why we are funding \$20 million of new research to understand how vaping and nicotine affect the still growing hearts, brains, lungs and blood vessels of young people. This is important because there are few studies in this area.

Here’s a look at the latest science about vaping and nicotine, as well what science hasn’t uncovered yet.

For more information on the AHA’s educational or research programs, visit www.heart.org or contact your nearest AHA office.

Safety of vaping vs. cigarettes

One of the most basic things people want to know is whether vaping is better for you than cigarettes. It’s easy to jump to the conclusion that vaping is better. After all, there is no mystery about smoking: It can kill you.

Office: (808) 377-6630

Fax: (808) 524-0556

The problem is, no one knows if vaping is safe in the long run because e-cigarettes haven’t been around long enough to be studied deeply. Some diseases can take years and even decades to develop, including cancer and atherosclerosis (artery blockages that can cause heart attacks and strokes).

Neighbor Islands:

Served by the Oahu office

Another reason it’s difficult to study vaping is that people switch back and forth between smoking, vaping and not using either. We can see short-term effects in animals exposed to one or another, but understanding long-term effects requires long-term studies.

In addition to a lack of sufficient research, some contents of e-cigarettes remain unknown. The Food and Drug Administration – responsible for judging the safety of things Americans put into their bodies – has not yet evaluated these products for safety.

We do know that the lines between the vaping industry and Big Tobacco have blurred. Altria, the maker of Marlboro and Skoal, has invested more than \$12 billion into Juul, which makes e-cigarettes that are extremely popular with young people. The investment is 35% of Juul’s value.

Big Tobacco has a history of misrepresenting facts about nicotine and smoking. So vaping-safety claims from industry or research supported by industry should be met with skepticism. For example, there’s the claim that vaping produces only water “vapor” or aerosols – which sound far healthier than cigarette smoke. But there is a lot more than water in that aerosol.

The aerosols actually contain multiple chemicals known to be toxic. Some aerosols contain heavy metals and other toxic ingredients (like the volatile organic compounds you try to avoid in some house paint).

Some of the flavors designed to make e-cigarettes more attractive to children have been shown to harm lung tissue, heart muscle cells, the lining cells of blood vessels, and the cells we need for blood clotting after injury.

These studies have been done in cells from human volunteers, and in some cases, the functions of these cells have been studied in volunteers after they vape.

Even the chemicals used to deliver the aerosol (like propylene glycol or glycerol) can be toxic, as can the heavy metals often produced by these delivery systems themselves. And remember, aerosols are inhaled deep into the lungs, where their effects may be long-lasting.

E-cigarettes as tools to quit smoking

The idea that vaping is a better way to quit cigarettes than reliable methods using FDA-approved nicotine replacement products isn’t backed up by the weight of science.

Of the small number of studies about this, most show no advantage for e-cigarettes over the temporary use of FDA-approved products such as gum, lozenges and patches. The latter products have been proven helpful as part of an overall program for quitting, which should also include counselling and can include medications to reduce cravings.

One study frequently cited by industry and its supporters did show e-cigarettes to be effective in stopping smoking. However, as is often the case with science, that part of the study’s results doesn’t tell the whole story.

The study, published in The New England Journal of Medicine, was conducted in England. That’s significant because the e-cigarettes in England are far different from those in the

U.S. English products have much lower levels of nicotine, and physicians there actually encourage their use to quit smoking.

Two reports from Public Health England are often referenced for stating “e-cigarettes are less harmful than combustible cigarettes.” But those studies did not compare e-cigarette use to zero-nicotine exposure. And, those reports rely on small studies or reviews sponsored by organizations supported by Big Tobacco.

Some U.S. smokers have used e-cigarettes to quit, but a growing body of studies shows that approach doesn’t work for many people. They cut back, but they still smoke while vaping and they remain addicted. That’s called “dual use” in public health literature. The dangers of cigarettes remain, with the added dangers of vaping.

Unfortunately, dual use is a major problem among young people. Dual use also is something the American Heart Association is working to address through our massive new initiative combatting youth vaping called #QuitLying. Research shows some kids who had never smoked but began their exposure to nicotine by vaping later switched to smoking or did both.

The Association advises anyone quitting smoking to get off nicotine products altogether, using FDA-approved tools proven to be effective. We also don’t want anyone to ever start any nicotine-containing product.

The dangers of nicotine and the unknown

When discussing the dangers of e-cigarettes, many people think about the tragic outbreak of vaping-related deaths across the country. As an organization we are extremely concerned about this problem, which is still being investigated and has been linked to vaping THC well as using “off-brand” e-cigarette products.

But nicotine remains a major concern about e-cigarettes. They can contain unusually high levels of nicotine. One e-cigarette refill pod can contain as much nicotine as an entire pack of cigarettes and kids are sometimes vaping 2-4 pods a day. And open pod e-cigarette products popular among Hawaii youths can contain even much more nicotine.

That’s especially troubling because many studies in animals show nicotine is a neurotoxin (a poison affecting the nervous system). It can affect brain development from early fetal life through adolescence, permanently changing the ability to think or reason.

The National Academies of Science, Engineering and Medicine and the World Health Organization believe nicotine delivery via e-cigarettes during pregnancy can adversely affect the development of the fetus, and can affect immune system and lung function.

E-cigarettes are now the most popularly used tobacco product among Hawaii’s youth. According to recent Department of Health data, approximately 42 percent of Hawaii’s youths have tried e-cigarettes, and 25 percent are now regular users. On neighbor island, regular use of e-cigarettes by youths tops 30 percent.

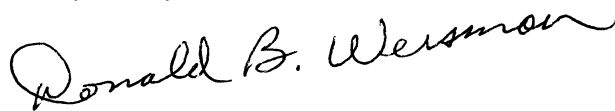
By adding e-liquid and electronic smoking devices within the definition of the state's "tobacco products" it would apply the tobacco tax to those products. This would have the greatest impact on reducing e-cigarette use rates among the youth market, which is more price sensitive, and which is the most highly targeted by tobacco industry marketing and advertising.

In Hawaii, tobacco use claims 1,400 lives each year and creates \$526 million in annual health care costs (\$141.7 million of that is covered by the state Medicaid program). Hawaii residents' state & federal tax burden from tobacco-caused government expenditures is \$836 per household. Hawaii's estimated tobacco tax and license revenue, estimated to be almost \$138.8 million does not come close to offsetting the losses to the state caused by tobacco use. Tobacco use declines related to state taxes directly reduce these smoking-caused economic burdens for all taxpayers, and Hawaii businesses which bear the brunt of employee healthcare costs in our state.

The tobacco industry spends an estimated \$25.5 million each year marketing its products in Hawaii. Hawaii's less than \$5 million investment in tobacco prevention, control and cessation programs last year pale in comparison, and fall well short of the Centers for Disease Control's (CDC) best practice recommendation of a \$13.7 million annual investment. We appreciate the allocation of \$2 million of additional revenue to community prevention, education and cessation programs which will help to increase the desired impact of this legislation by further reducing the use of electronic smoking devices by our youth and most health vulnerable populations.

The American Heart Association urges your strong support of SB 2227, SD1 as a means to continue to curtail tobacco use in any form, especially among our youth, if we are to control our state's healthcare costs and keep its Pre-Paid Healthcare law sustainable.

Respectfully submitted,

A handwritten signature in black ink that reads "Donald B. Weisman". The signature is written in a cursive style with a horizontal line above the name.

Donald B. Weisman

Hawaii Government Relations/Communications Director



HAWAII SUBSTANCE ABUSE COALITION

SB2227 SD1 Tax E-Cigarettes and Permits and Fund Prevention

COMMITTEE ON WAYS AND MEANS:

- Sen. Donovan Dela Cruz, Chair; Sen. Gilbert Keith-Agaran, Vice Chair

COMMITTEE ON JUDICIARY:

- Sen. Karl Rhoads, Chair; Sen. Jarrett Keohokalole, Vice Chair
- Wednesday, Feb. 26th, 2020: 1:10 pm
- Conference Room 211

Hawaii Substance Abuse Coalition Supports SB2227 SD1:

GOOD MORNING CHAIR, VICE CHAIR AND DISTINGUISHED COMMITTEE MEMBERS. My name is Alan Johnson. I am the current chair of the Hawaii Substance Abuse Coalition (HSAC), a statewide organization of over 30 non-profit alcohol and drug treatment and prevention agencies.

Funding for Prevention is needed to address the major concern for the health of our children:

- Given the Surgeon General's warning about the dangers of vaping, especially by the historic rise in its use by youth, allocating taxes has proven to help people quit or sustain cessation.
- to fund a youth prevention campaign is paramount.
- The danger to children is a growing major public health concern, of which having vendors secure a tobacco permit at a higher cost would help to ensure and fund compliance processes.
- Dedicating some of the taxes and the continuing increase in taxes to help a prevention program is an essential step to help youth, who will become future adults, to quit or sustain their cessation.

We appreciate the opportunity to provide testimony and are available for questions.

SB2227 SD1 Tax E-Cigarettes and Permits and Fund Prevention

COMMITTEE ON WAYS AND MEANS:

- Sen. Donovan Dela Cruz, Chair; Sen. Gilbert Keith-Agaran, Vice Chair

COMMITTEE ON JUDICIARY:

- Sen. Karl Rhoads, Chair; Sen. Jarrett Keohokalole, Vice Chair
- Wednesday, Feb. 26th, 2020: 1:10 pm
- Conference Room 211

The Coalition for a Drug-Free Hawaii **Strongly Supports SB2227 SD1**

Funding for Prevention is needed to address the major concern for the health of our children:

- Given the Surgeon General's warning about the dangers of vaping, especially by the historic rise in its use by youth, allocating taxes has proven to help people quit or sustain cessation.
- The danger to children is a growing major public health concern, of which having vendors secure a tobacco permit at a higher cost would help to ensure and fund compliance processes.
- Dedicating some of the taxes and the continuing increase in taxes to fund a prevention program is an essential step to help youth, who will become future adults, to quit and/or sustain their cessation.

We appreciate the opportunity to provide testimony and are available for questions.

With aloha,



Greg Tjapkes
Executive Director
Coalition for a Drug-Free Hawaii



**Testimony to the Senate Joint Committee on Ways and Means and Judiciary
Wednesday, February 26, 2020; 1:10 p.m.
State Capitol, Conference Room 211**

RE: SENATE BILL NO. 2227, SENATE DRAFT 1 RELATING TO ELECTRONIC SMOKING PRODUCTS.

Chair Dela Cruz, Chair Rhoads, and Members of the Joint Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA **SUPPORTS** Senate Bill No. 2227, Senate Draft 1, RELATING TO TOBACCO PRODUCTS.

The bill, as received by your Committee, would:

- (1) Apply the Cigarette Tax and Tobacco Tax Law (Chapter 245, Hawaii Revised Statutes (HRS)) to e-liquid and electronic smoking devices, and revising the definition of smoke under that law to include activities that constitute "vaping";
- (2) Raise licensure fees under the Cigarette Tax and Tobacco Tax Law from \$2.50 to \$250;
- (3) Raise permit fees under the Cigarette Tax and Tobacco Tax Law from \$20 to \$50;
- (4) Provide that after June 30, 2020, and thereafter, \$2,000,000 of Cigarette Tax and Tobacco Tax revenues collected be deposited into the Hawaii Tobacco Prevention and Control Trust Fund for youth health education, prevention and nicotine cessation programs;
- (5) Make various housekeeping amendments to the Cigarette Tax and Tobacco Tax Law; and
- (6) Take effect on September 1, 2020.

By way of background, the HPCA represents Hawaii Federally-Qualified Health Centers (FQHCs). FQHCs provide desperately needed medical services at the frontlines in rural and underserved communities. Long considered champions for creating a more sustainable, integrated, and wellness-oriented system of health, FQHCs provide a more efficient, more effective and more comprehensive system of healthcare.

Testimony on Senate Bill No. 2227, Senate Draft 1
Wednesday, February 26, 2020; 1:10 p.m.
Page 2

FQHCs have long seen first-hand how tobacco has literally destroyed the lives of our patients and their families. Because of the ubiquity of cigarettes, chewing tobacco, and now electronic smoking devices, the impacts of tobacco affect our citizenry on a generational basis with people experimenting at even earlier ages.

It is for this reason that the HPCA joins the American Cancer Society of Hawaii, the Hawaii Public Health Institute, and other advocates in strong support of all efforts to rid the marketplace of these products.

Thank you for the opportunity to testify. Should you have any questions, please do not hesitate to contact Public Affairs and Policy Director Erik K. Abe at 536-8442, or eabe@hawaiiipca.net.

SB-2227-SD-1

Submitted on: 2/24/2020 5:26:23 PM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Anthony Orozco	Individual	Oppose	No

Comments:

SB-2227-SD-1

Submitted on: 2/24/2020 5:45:20 PM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Chris Cooper	Individual	Oppose	No

Comments:

SB-2227-SD-1

Submitted on: 2/24/2020 5:36:00 PM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Mark Dietrich	Individual	Oppose	No

Comments:

SB-2227-SD-1

Submitted on: 2/24/2020 5:49:48 PM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Cindy Nettles	Individual	Oppose	No

Comments:

I oppose ALL of this bill. All of it!

SB-2227-SD-1

Submitted on: 2/24/2020 7:00:47 PM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Clayton Silva	Individual	Oppose	No

Comments:



LATE

February 26, 2020
State Capitol, Conference Room 211

To:

COMMITTEE ON JUDICIARY

Senator Karl Rhoads, Chair
Senator Jarrett Keohokalole, Vice Chair

COMMITTEE ON WAYS AND MEANS

Senator Donovan M. Dela Cruz, Chair
Senator Gilbert S.C. Keith-Agaran, Vice Chair

From: Maile Ketelsen, Program Coordinator
Kapi'olani Smokefree Families: Tobacco & Nicotine Cessation Program

Re: Support of SB 2227, Relating to Electronic Smoking Products

Kapi'olani Smokefree Families, the tobacco & nicotine cessation program at Kapi'olani Medical Center for Women & Children, **strongly supports SB 2227** to regulate the sales and taxation of electronic smoking devices and to allocate funds for health education for youth on the topic of ESD health risks.

As a hospital-based tobacco and nicotine cessation program, we see the multitude of ways that these tobacco products impact the health of families in Hawai'i. We are very concerned that these electronic smoking devices are creating a generation of keiki that are hooked on nicotine. While there is decade's worth of research on smoking cessation, there is very little research on how to help our adolescents to quit using these e-cigarette products. It is crucial that we focus on prevention by taking measures such as creating tax parity between ESDs and cigarette products as research has shown taxes to be effective in lowering tobacco use, increasing the license and retail fees for those selling these products, and funding health programs to deliver clear messages to youths about the risks of ESDs.

In the best interest of our local youth and families, we would like to request your **support of SB 2231**.

Thank you for the opportunity to provide testimony on this measure.

SB-2227-SD-1

Submitted on: 2/24/2020 8:07:39 PM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jessica Chang	Individual	Oppose	No

Comments:

SB-2227-SD-1

Submitted on: 2/24/2020 10:04:07 PM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Ching, MD, MPH	Testifying for American Academy of Pediatrics, Hawaii Chapter	Support	No

Comments:

The American Academy of Pediatrics, Hawaii Chapter strongly supports this bill, which would regulate electronic smoking devices (ESDs) and e-liquids.

Electronic smoking devices (also known as vape devices) are clearly products meant to approximate the use of cigarettes and other tobacco products. Electronic smoking devices take a mixture of chemicals, including nicotine, and vaporize it at high temperatures. These devices emit nicotine byproducts and a variety of other chemicals, and they have not been fully studied in regards to safety. E-cigarette vapor has been shown to include carcinogens and toxins including nicotine, nitrosamines, diethylene glycol, formaldehyde, and acetaldehyde. The U.S. Food and Drug Administration has exhibited concern regarding the safety of electronic smoking devices as well.

E-cigarette use or vaping among youth and young adults has become a national public health concern. E-cigarettes are now the most popularly used tobacco product among youth and young adults, surpassing cigarettes. While smoking rates in Hawai'i have decreased through the years, ESD use has rapidly increased, threatening significant public health gains made over the last decade. This is particularly concerning because e-cigarettes provide a new way to deliver highly addictive nicotine. No matter how it is delivered, nicotine exposure can lead to addiction and harm the developing brain. Studies are also finding that ESDs can lead to smoking cigarettes for new users, including kids.

Online sales of e-cigarettes or vaping devices and liquid nicotine also needs to be regulated and monitored. Many young people can easily access vaping supplies via the internet. This bill would prohibit online shipment of tobacco products to consumers, limiting it to licensed sellers.

ESDs are the only tobacco product without a tobacco tax, yet they are essentially sold and used in the same manner. Please bring the tax amount on par with other tobacco products.

Please do not let vaping continue to go unregulated in Hawai'i. Thank you for your consideration and supporting this important bill.

SB-2227-SD-1

Submitted on: 2/25/2020 7:31:53 AM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Lisa Dau	Testifying for Keiki Injury Prevention Coalition	Support	No

Comments:

SB-2227-SD-1

Submitted on: 2/25/2020 7:47:04 AM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Mark Owens	Individual	Oppose	No

Comments:

SB-2227-SD-1

Submitted on: 2/25/2020 8:00:54 AM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jill Stensrud	Individual	Support	No

Comments:

I am writing in strong support of SB2227. It only makes sense that we treat all tobacco products the same. We regulate cigarettes, e-cigarettes, which have caused an epidemic among our youth, need to be treated in the same way. Specifically, those selling the devices and e-liquids should be registered and licensed, we also need to tax e-liquids and the devices at similar levels as cigarettes and allocate these funds towards youth education and prevention programs. While I strongly support this bill, I believe it needs to take a step further and close the online sales loophole. Again, you can't buy cigarettes online, why do we allow e-cigarettes and e-liquids to be sold in this way? These types of regulations helped reduce the youth smoking rates, they can do the same for e-cigarettes. Thank you for your support.

SB-2227-SD-1

Submitted on: 2/25/2020 9:02:09 AM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kerri Okamura	Individual	Support	No

Comments:

SB-2227-SD-1

Submitted on: 2/25/2020 9:03:28 AM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kathryn Braun	Individual	Support	No

Comments:

I am a professor of Public Health, testifying as an individual. My husband has Chronic Obstructive Pulmonary Disease, caused by smoking cigarettes from age 14 to age 34. When he started at age 14, he had no idea that he was causing damage to his lungs. Now, he is a high utilizer of our healthcare system!

E-cigarettes have evaded many of the tobacco regulations, and retailers are selling these products for as little as \$1. This is getting our children hooked on tobacco. As a result, Hawaii's youth are paying the price, with one of the highest e-cigarette use rates in the nation.

These products are cheap and accessible because they are not regulated. Yet they lead to tobacco dependence and, later in life, severe illness, which undercuts adult productivity and burdens our healthcare system.

[SB 2902](#) seeks to reverse this alarming statistic through licensing and permitting, taxation, online sales restrictions, and funding for youth e-cigarette education and prevention programs. Tobacco taxes are a proven strategy that discourages use of these products, especially among price-sensitive youth.

SB-2227-SD-1

Submitted on: 2/25/2020 9:06:23 AM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Joseph Keawe'aimoku Kaholokula	Individual	Support	No

Comments:

Aloha,

As a health professional and faculty member at UH JABSOM, I am in support of SB 2227 SD1 for the following reasons: Hawai'i has one of the highest rates of youth e-cigarette use in the nation. Tobacco taxes are a proven strategy that discourages use of these products, especially among price-sensitive youth. We appreciate the allocation of the tobacco tax to fund youth prevention and education programs. **Online sales restrictions to retailers only should be added to limit access to underage youth.** Mahalo nui for your consideration,

SB-2227-SD-1

Submitted on: 2/25/2020 9:12:41 AM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kelli Buenconsejo	Individual	Support	No

Comments:

I am in support of SB2227 to regulate e cigarettes and all e cigarette paraphernalia.

Hawaii's youth have one of the highest usage rates in the nation and regulating the purchase of e cigarettes in stores and online would curb access to these products, enforce our current laws and ultimately protect our youth.

SB-2227-SD-1

Submitted on: 2/25/2020 9:15:33 AM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jessanie Marques	Testifying for Kau Rural Health Community Association, Inc.	Support	No

Comments:

SB-2227-SD-1

Submitted on: 2/25/2020 9:23:59 AM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Anne Scharnhorst	Individual	Support	No

Comments:

Why We Need SB 2227

- Hawai'i has one of the highest rates of youth e-cigarette use in the nation.
- Tobacco taxes are a proven strategy that discourages use of these products, especially among price-sensitive youth.
- We appreciate the allocation of the tobacco tax to fund youth prevention and education programs.
- **Online sales restrictions to retailers only should be added to limit access to underage youth.**

SB-2227-SD-1

Submitted on: 2/25/2020 9:29:30 AM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Ludvina K Takahashi	Individual	Support	No

Comments:

I am astonished that Hawaii has one of the highest rates of youth e-cigarette use in the nation. Please help to limit access to underage youth and fund youth prevention and education programs.

Thank you for your support.

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 304

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: TOBACCO; Electronic Smoking Products

BILL NUMBER: SB 2227, SD-1

INTRODUCED BY: Senate Committee on Commerce, Consumer Protection, and Health

EXECUTIVE SUMMARY: Requires that e-liquid and electronic smoking devices be included within the definition of "tobacco products", as used in the cigarette tax and tobacco tax law. Increases the license fee for persons engaged as a wholesaler or dealer of cigarettes and tobacco products. Increases the retail tobacco permit fee for retailers engaged in the retail sale of cigarettes and tobacco products. Allocates a portion of funds collected on excise taxes on tobacco products to fund health education, prevention, and nicotine cessation programs for youth, regarding the risks and dangers of the use of electronic smoking devices. Repeals certain provisions of the Hawaii Revised Statutes relating to electronic smoking devices.

SYNOPSIS: Amends section 245-1, HRS, to include "e-liquid" within the definition of tobacco products taxable under the Tobacco Tax Law, and to define "e-liquid" as any liquid or like substance that may or may not contain nicotine and that is designed or intended to be used in an electronic smoking device, whether or not packaged in a cartridge or other container; except that E-liquid shall not include prescription drugs; medical cannabis or manufactured cannabis products; or medical devices used to inhale or ingest prescription drugs, including manufactured cannabis products sold or distributed in accordance with section 329D-10(a).

Defines "electronic smoking device" as any electronic product, or part thereof, that can be used by a person to simulate smoking in the delivery of nicotine or any other substance, intended for human consumption, through inhalation of vapor or aerosol from the product. Electronic smoking device includes but is not limited to an electronic cigarette, electronic cigar, electronic cigarillo, electronic pipe, electronic hookah, vape pen or related product, and any cartridge or other component part of the device or product.

Defines "smoke" or "smoking" as inhaling, exhaling, burning, carrying, or possessing any lighted or heated tobacco product, or similar substance intended for human consumption, including the use of an electronic smoking device that creates an aerosol or vapor, in any manner or in any form.

Amends section 245-2, HRS, to raise the annual fee for a tobacco license from \$2.50 to \$250.00.

Amends section 245-2.5, HRS, to raise the annual fee for a retail tobacco permit from \$20.00 to \$50.00.

Amends section 245-15, HRS, to earmark \$2 million of the tax imposed on tobacco products other than cigarettes and cigars to the credit of the Hawaii tobacco prevention and control trust fund established pursuant to section 328L-5 to establish a comprehensive youth tobacco

cessation program to fund health education, prevention, and nicotine cessation programs about the risks and dangers of the use of electronic smoking devices for youth.

Repeals section 245-17, HRS, relating to delivery sales.

EFFECTIVE DATE: Sept. 1, 2020.

STAFF COMMENTS: The question that should be asked is the purpose of the tobacco tax. If the goal is to make people stop smoking by making it cost-prohibitive to smoke, then (a) it's working, as hikes in the cigarette tax have begun to exert downward pressure on collections not only locally but also nationally, but (b) it shouldn't be expected to raise revenue, because of (a). If the goal is really to stop the behavior, why are we not banning it?

As the Foundation's previous President, Lowell Kalapa, wrote in the Tax Foundation of Hawaii's weekly commentary on October 28, 2012:

Lawmakers seem to have a simplistic reaction to solving problems the solution to which plagues their constituents – tax it.

Probably the best example is what people like to call sin taxes, those excise taxes that are levied on tobacco and alcohol products. After all, smoking causes cancer and alcohol causes all sorts of problems including driving under the influence. Lawmakers and community advocates shake their heads and push for higher tax rates, arguing that making these products more expensive will deter folks from using these products.

The problem is that lawmakers also like the revenues that are generated from the sales of these products and, in some cases, they have tried to link the use and sale of these products with noble causes such as the funding of the Cancer Research Center that is currently being built. Again, the argument is that smokers should pay for programs and projects which seek to cure the related ill which in this case is cancer caused by smoking.

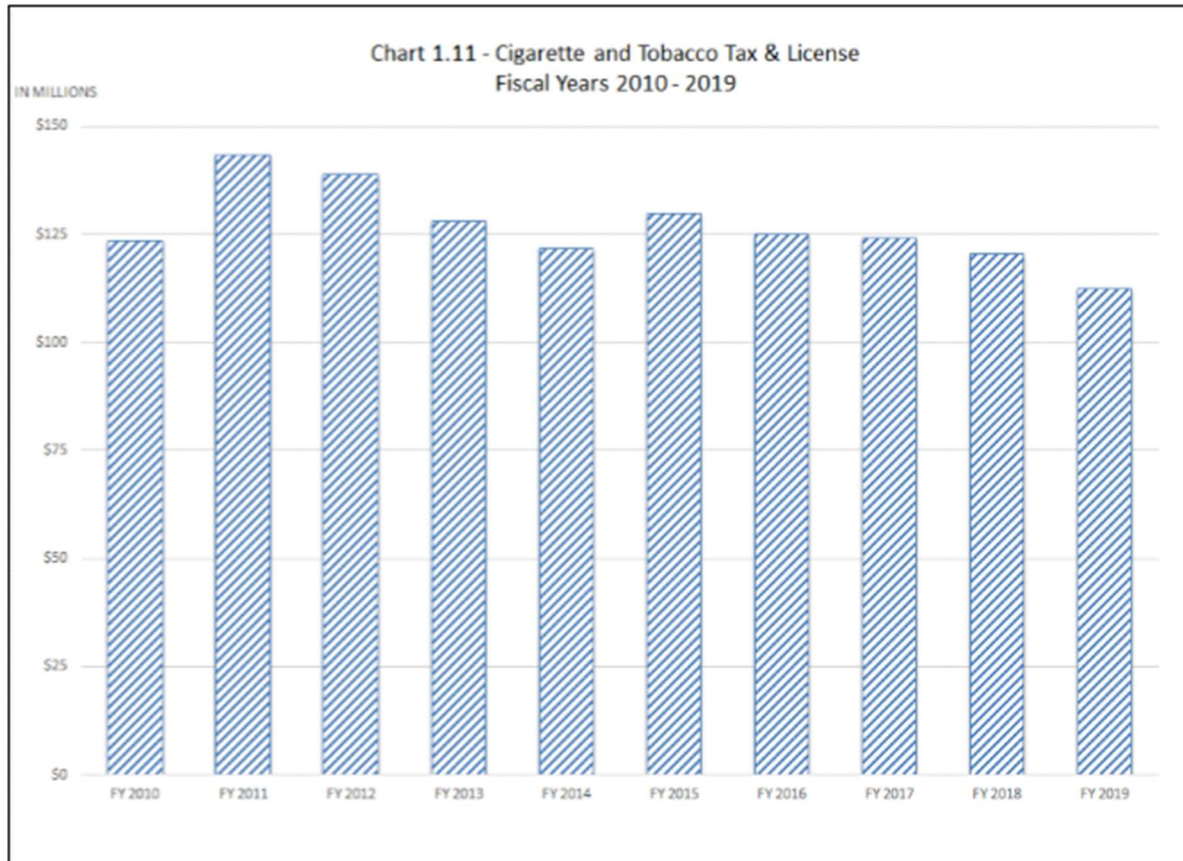
The irony is that arguments to increase the tax on tobacco and, more specifically, cigarettes, is a goal of getting smokers to quit while depending on the revenues from tobacco and cigarette taxes to fund an ongoing program, in this case the Cancer Research Center. So, which is it folks, stop smokers from smoking and if successful, there won't be any revenues to fund the Cancer Research Center?

The fact of the matter is that it appears that both locally and nationally, higher taxes on cigarettes are influencing smokers as tax collections on the sale of cigarettes have fallen. Certainly some of the decline is due to smokers actually quitting, but to some degree one has to suspect that some purchases were made via mail order from exempt Indian reservation outlets while others may be what is called gray market purchases, that is from sources outside the country.

What should come as a surprise is that most of the folks who have quit are of some means as they are more likely to recognize the health hazard caused by use of this product. That means most of those who are still smoking are among the lower-income members of our

community. Thus, the tax is regressive, generating less and less collections from middle and higher-income individuals.

As predicted, programs that have been fed by earmarks from the tobacco tax, like the Cancer Research Center, have become a victim of the success of tobacco cessation programs and publicity. Revenues produced by the tobacco tax have been in steady decline over the past few years despite tax rate increases, and hoisting the smoking age to 21 in the 2015 session certainly didn't reverse the trend.



Source: Department of Taxation Annual Report (2018-2019), page 24.

Do we really need an elaborate study to tell ourselves that fiscal reliance on funds from a sin tax is inadvisable or outright dangerous? If the goal is to affect social behavior, use of the tax law is not the most effective way to do so.

Digested 2/24/2020

SB-2227-SD-1

Submitted on: 2/25/2020 9:31:46 AM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Marivelle Martin	Individual	Support	No

Comments:

Aloha,

My name is Marivelle Martin and I am in very strong support of SB 2227. E-liquid and electronic smoking devices need to be included within the definition of tobacco products as used in the cigarette tax and tobacco tax laws. Hawai'i has one of the highest rates of youth e-cigarette use in the nation. Tobacco taxes are a proven strategy that discourages use of these products, especially among price-sensitive youth. Online sales restrictions to retailers only should be added to limit access to underage youth. Our youth are purchasing e-liquid/e-juice as well as their electronic smoking devices (ESD) online either thru a prepaid visa card that they can purchase at Longs CVS, WalMart, etc. on their own or else they ask someone else to make the purchase for them online. Have you ever tried going online to see how easy it is to purchase these things? The youth just needs to click that they are of age and they can purchase. Besides banning all flavored tobacco products we also need to make sure that they aren't able to purchase any tobacco products such as e-liquid/e-juice and ESD's. We need to regulate all e-cigarettes as tobacco products!!

Mahalo,

Marivelle Martin

SB-2227-SD-1

Submitted on: 2/25/2020 9:39:18 AM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kathy Kim	Individual	Oppose	No

Comments:

I very strongly oppose this bill because it bans flavors from adults.



HIPHI Board

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Kaiser Permanente

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MacKinnon LLP

Date: February 25, 2020

To: Senator Karl Rhoads, Chair
Senator Jarrett Keohokalole, Vice Chair
Members of the Senate Judiciary Committee

Senator Donovan M. Dela Cruz, Chair
Senator Gilbert S.C. Keith-Agaran, Vice Chair
Members of the Senate Ways and Means Committee

Re: Strong Support SB 2227, SD1, Relating to Electronic Smoking
Products

Hrg: February 26, 2020 at 1:10 PM at Conference Room 211

The Coalition for a Tobacco-Free Hawai'i, a program of the Hawai'i Public Health Institute¹ is in **Strong Support of SB 2227, SD1** which (1) imposes a tax e-liquids and electronic smoking devices (ESDs); (2) requires ESD and e-liquid wholesalers to obtain a license and ESD and e-liquid retailers to obtain a tobacco permit; (3) increases the fee for licenses and permits; and (4) allocates \$2 million to the Tobacco Prevention and Control Trust fund for health education and prevention programs relating to risks and dangers of ESD use by youth. The Coalition requests that the committee adds restrictions on the shipment of tobacco products to anyone other than a licensee.

E-cigarette use among youth and young adults has become a public health concern.

In 2017, 1 in 4 (25.5%) public high school students and more than 1 in 6 (15.7%) public middle school students in Hawai'i reported that they are regularly vapingⁱⁱ. Hawai'i has the third highest high school e-cigarette rate in the Country. Because ESDs remain unregulated, e-cigarette companies have aggressively marketed their products by glamorizing their use, using celebrities and young adults as endorsers, and making false health claims. E-cigarettes often contain nicotine, which is addictive and harmful particularly to adolescents, whose brains are still developing. A 2016 report by the Surgeon General concluded that e-cigarettes are dangerous and a health threat to youth and young adultsⁱⁱⁱ. According to an article published by Dr. Robert

Jackler and Dr. Divya Ramamurthi, “JUUL has triggered a widespread rush among aerosol purveyors to market e-liquid in unprecedentedly high nicotine concentrations^{iv}.”

ESDs are the only tobacco product without a tobacco tax.

In 2016, the FDA deemed e-cigarettes, including its components and parts as tobacco products. In a poll^v conducted by Ward Research Inc. for the Coalition in November 2019, 86% of registered Hawai'i voters were in support of taxing e-cigarettes at the same rate as cigarettes or other tobacco products. Because ESDs are not subject to current State tobacco tax laws, they are seen as lower-priced tobacco alternatives with virtually no restrictions that can be appealing to the youth.

The Coalition supports establishing an ESD tax and appreciates that this measure dedicates a portion of the tax revenue to tobacco prevention and control programs. In the same poll conducted by Ward Research, 93% of registered Hawai'i voters believe it is important to dedicate some of the funding from an ESD tax to tobacco prevention and cessation programs.

ESD licensing and permitting protects both consumers and merchants.

The Coalition recommends that ESD sellers and vendors obtain a tobacco permit and/or license which is currently required for any tobacco retailer or wholesaler. This consistency would assist with the communication and enforcement of current tobacco tax and purchase laws. In addition, the Coalition supports the proposed increased fees for the tobacco permit and license.

An amendment to add online sales and shipment restrictions will correct a loophole in our minimum age selling and tax laws.

Online ESD sellers simply ask users to click a button to verify their age – a process that is both ineffective and inadequate. Restricting the shipment of tobacco products to anyone other than a tobacco licensee will help to correct this loophole and allow the State to enforce current tobacco selling and taxation laws.

To reiterate, 25.5% of our high school youth reported that they are regularly vaping. However, our adult rate is 4.3%^{vi}. A study has shown that for every one adult that quits smoking using e-cigarettes, 81 youth who would not have considered smoking, will become cigarette smokers, starting with e-cigarettes^{vii}. This is not a trade-off we can accept. We need to take action and regulate electronic smoking devices for our kids. The current Surgeon General, VADM Jerome Adams issued an advisory in December 2018 “emphasizing the importance of protecting our children from a lifetime of nicotine addiction and associated health risks by immediately addressing the epidemic of youth e-cigarette use. The recent surge in e-cigarette use among youth, which has been fueled by new types of e-cigarettes that have recently entered the market, is a cause for great concern. We must take action now to protect the health of our nation’s young people^{viii}.”

Hawai'i has made enormous progress on tobacco control and we ask the legislature to take the necessary steps to reverse our youth vaping epidemic in order to save our youth from a lifetime of addiction.

Thank you for the opportunity to testify. We strongly support SB 2227, SD1 and respectfully ask you to pass this measure with the requested amendment out of committee.

Mahalo,



Jessica Yamauchi, MA
Executive Director

ⁱ The Coalition for a Tobacco-Free Hawai'i (Coalition) is a program of the Hawai'i Public Health Institute (HIPHI) that is dedicated to reducing tobacco use through education, policy, and advocacy. With more than two decades of history in Hawai'i, the Coalition has led several campaigns on enacting smoke-free environments, including being the first state in the nation to prohibit the sale of tobacco and electronic smoking devices to purchasers under 21 years of age.

The Hawai'i Public Health Institute is a hub for building healthy communities, providing issue-based advocacy, education, and technical assistance through partnerships with government, academia, foundations, business, and community-based organizations.

ⁱⁱ 2017 Youth Risk Behavior Surveillance System (YRBS).

<http://www.hawaiihealthmatters.org/indicators/index/dashboard?id=83016762154173692>

ⁱⁱⁱ U.S. Department of Health and Human Services. *E-cigarette Use Among Youth and Young Adults, a Report from the Surgeon General (2017)*. From https://e-cigarettes.surgeongeneral.gov/documents/2016_SGR_Exec_Summ_508.pdf

^{iv} Jackler RK, Ramamurthi D. Tob Control Epub ahead of print: 2.6.19.doi:10.1136/tobaccocontrol-2018-054796. <https://tobaccocontrol.bmj.com/content/early/2019/01/31/tobaccocontrol-2018-054796>

^v This study by Ward Research, Inc. summarizes findings from a phone survey among n=807 Hawaii registered voters (maximum sampling error +/-3.3%), conducted between November 7 - December 4, 2019.

^{vi} 2016 Behavioral Risk Factor Surveillance System (BRFSS).

<http://www.hawaiihealthmatters.org/indicators/index/view?indicatorId=5203&localeId=14>

^{vii} Association Between Initial Use of e-Cigarettes and Subsequent Cigarette Smoking Among Adolescents and Young Adults: A Systematic Review and Meta-analysis Samir Soneji, PhD^{1,2}; Jessica L. Barrington-Trimis, PhD³; Thomas A. Wills, PhD⁴; et al JAMA Pediatr. 2017;171(8):788-797. doi:10.1001/jamapediatrics.2017.1488

^{viii} Surgeon General Advisory, December 2018. <https://e-cigarettes.surgeongeneral.gov/documents/surgeon-generals-advisory-on-e-cigarette-use-among-youth-2018.pdf>

DAVID Y. IGE
GOVERNOR
JOSH GREEN M.D.
LT. GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TAXATION
P.O. BOX 259
HONOLULU, HAWAII 96809
PHONE NO: (808) 587-1540
FAX NO: (808) 587-1560

RONA M. SUZUKI
DIRECTOR OF TAXATION
DAMIEN A. ELEFANTE
DEPUTY DIRECTOR

To: The Honorable Donovan M. Dela Cruz, Chair;
The Honorable Gilbert S.C. Keith-Agaran, Vice Chair;
and Members of the Senate Committee on Ways and Means

To: The Honorable Karl Rhoads, Chair;
The Honorable Jarrett Keohokalole, Vice Chair
and Members of the Senate Committee on Judiciary

From: Rona M. Suzuki, Director
Department of Taxation

Re: **S.B. 2227, S.D. 1, Relating to Electronic Smoking Products**

Date: Wednesday, February 26, 2020

Time: 1:10 P.M.

Place: Conference Room 211, State Capitol

The Department of Taxation (Department) **supports** S.B. 2227, S.D. 1. This measure makes multiple amendments to chapter 245, Hawaii Revised Statutes (HRS). These amendments will enable improved regulation of the sale of e-liquid and electronic smoking devices.

The Department appreciates the increase in license fees in section 245-2, HRS, and permit fees in section 245-2.5, HRS. In most cases, the current fee amount does not cover the cost to the State to issue the license.

Thank you for the opportunity to provide testimony in support of this measure.

SB-2227-SD-1

Submitted on: 2/25/2020 9:56:06 AM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kristin Mills	Individual	Support	No

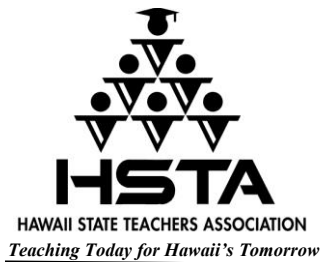
Comments:

As a health educator for the State Health Department and as a parent of two children, I am in strong support of SB 2227. Tobacco taxes are a proven strategy that discourages use of these products, especially among price-sensitive youth. ALL tobacco products (including electronic smoking devices [ESDs]) need to be regulated and taxed. Further, online sales of ESDs need to be regulated to assure that our youth are not able to purchase these devices.

E-cigarettes have evaded many of the tobacco regulations that led to historically low smoking rates. With the abundance of both brick-and-mortar and online retailers selling these products for as little as \$1, they are cheap and easily accessible to our keiki. As a result, Hawaii's youth are paying the price, with one of the highest e-cigarette use rates in the nation.

I appreciate the allocation of the tobacco tax to fund youth prevention and education programs. **The addition of online sales restrictions to retailers will help to decrease youth access and enforce current laws.**

I support the intent of the bill, which seeks to fund health and education programs on the dangers of ESDs for youth and ask that language be inserted to allocate tobacco tax revenue towards these programs.



Corey Rosenlee
President
Osa Tui, Jr.
Vice President
Logan Okita
Secretary-Treasurer
Wilbert Holck
Executive Director

TESTIMONY BEFORE THE SENATE COMMITTEES ON JUDICIARY AND
WAYS AND MEANS

RE: SB 2227 SD1 - RELATING TO ELECTRONIC SMOKING PRODUCTS

WEDNESDAY, FEBRUARY 26, 2020

COREY ROSENLEE, PRESIDENT
HAWAII STATE TEACHERS ASSOCIATION

Chair Rhoads, Chair Dela Cruz, and Members of the Committees:

The Hawaii State Teachers Association **strongly supports SB 2227 SD1 with a suggested amendment, to add restrictions to online sale and shipment of electronic smoking products so that it further protects youth from easy access to these products.**

This bill requires that e-liquid and electronic smoking devices be included within the definition of "tobacco products", as used in the cigarette tax and tobacco tax law, increases the license fee for persons engaged as a wholesaler or dealer of cigarettes and tobacco products, increases the retail tobacco permit fee for retailers engaged in the retail sale of cigarettes and tobacco products, allocates a portion of funds collected on excise taxes on tobacco products to fund health education, prevention, and nicotine cessation programs for youth regarding the risks and dangers of the use of electronic smoking devices, and repeals certain provisions of the Hawaii Revised Statutes relating to electronic smoking devices.

The use of electronic smoking products among youth is at epidemic levels. According to data from the Centers for Disease Control and Prevention and the Food and Drug Administration's National Youth Tobacco Survey, **the percentage of high school-age children reporting past 30-day use of e-cigarettes rose by more than 75 percent between 2017 and 2018. Use among middle school-age children also increased nearly 50 percent.** Furthermore, 1 in 5 high school students reported using e-cigarettes in the past month according to the Surgeon General. **Locally, Hawaii's 2017 Youth Risk Behavior Survey revealed that over 42% of Hawaii**

high school students have tried using electronic smoking devices and over 25% of Hawaii high school students indicated that they are regular users.

Adolescence is a time of crucial brain development; it has been documented that nicotine exposure during adolescence and young adulthood can cause addiction and harm the developing brain. Additionally, nicotine is not the only harmful ingredient in electronic smoking devices; other harmful and potentially harmful ingredients include ultrafine particles that can be inhaled deep into the lungs, flavorants such as diacetyl, a chemical linked to serious lung disease, volatile organic compounds, and heavy metals such as nickel, tin, and lead.

The electronic cigarette industry has gone largely unregulated for far too long and has therefore been able to market their products both directly and indirectly to our youth. It is time that regulation of the electronic cigarette industry be on par with the regulation of traditional tobacco products. As such, this bill would align taxation of electronic smoking device products to that of other tobacco products. Because taxation of tobacco products is a proven strategy to reduce usage among youth, this bill would help deter children from not only trying electronic cigarettes but also from becoming habitual users of these products.

This bill will also fund health education, prevention, and nicotine cessation programs for youth regarding the risks and dangers of the use of electronic smoking devices. These education programs will be extremely important in reversing the harm the electronic smoking industry has caused and will go hand in hand with the regulations outlined in this bill.

For these reasons, we respectfully request **support of SB 2227 SD1 with a requested amendment to add restrictions to online sale and shipment of electronic smoking products so that it further protects youth from easy access to these products.**

SB-2227-SD-1

Submitted on: 2/25/2020 10:16:08 AM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
David Buck	Individual	Support	No

Comments:

Please consider the long-term impact of healthcare by allowing a new generation to become addicted to nicotine. Please consider the positive role you can play for your children or grandchildren and the state of Hawaii's healthy future by not helping a new generation become nicotine dependant. Ask yourself who are the flavors designed to attract?

Nicotine Addiction is one of the hardest addictions to quit. Electronic cigarettes are a gateway to nicotine addiction increasing the likelihood of smoking combustible cigarettes. Kids are drawn to flavors with over 15,000 flavors to choose from and disposable devices (ie. Puffbar) that are loaded in nicotine to addict children due to the loopholes in the new federal flavor ban. If adults are truly using these devices to quit smoking then they will not mind a flavor band, or they will use other proven smoking cessation options such as: nicotine transdermal patches, gum, and lozenges.

Obvious nicotine dependency, brain developing until age 25, increase mood disorders, attention deficits, lack of self-control and impulse control, developing increased need in instant gratification. E-cigs are different than combustible cigarettes where kids are using them every 15-30 minutes and developing a sensory reward of instant gratification when they need nicotine. The tobacco industry has developed these devices into tiny, scent and smoke free devices where kids are using them in class when the teacher is not looking. They use them in class and between every class.

Youth e-cig rates in Hawaii have increased to astronomical rates. The long-term impact of addicting a new generation to nicotine when adolescent and youth rates of smoking combustible cigarettes is at an all-time low is creating a bankrupting financial impact for the future. This is the tobacco industry's tactic to popularize a socially acceptable form of smoking to increase combustible cigarette use in the future. If you are using e-cigs in middle school, you are going to smoke combustible cigarettes within the next 10 years. They will be using the dual use where they vape during the day and smoke at night.

Are you thinking future of health health-care and the costs of health care in 10+ years when smoking rates increase or are you thinking immediate impact on vape shops that will lose money, because a large amount of their profit comes from youth buying flavors?

Please consider the long-term impact of healthcare, and the positive role you can play for your children or grandchildren.

Mahalo for reading or listening, and everything you do for the state that most people will never know.

David P. Buck

Doctor of Nursing Practice Student, University of Hawaii at Hilo



1050 Bishop St. PMB 235 | Honolulu, HI 96813
P: 808-533-1292 | e: info@hawaiiifood.com

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TO:

Committee on Judiciary and Committee on Ways and Means
Senator Donovan M. Dela Cruz and Senator Karl Rhoads, Chairs
Senator Gilbert S.C. Keith-Agaran and Senator Jarrett Keohokalole, Vice Chairs

FROM: HAWAII FOOD INDUSTRY ASSOCIATION
Lauren Zirbel, Executive Director

DATE: February 26, 2020
TIME: 1:10pm
PLACE: Conference Room 211

RE: SB2227 SD1 Relating to Electronic Smoking Products

Position: Comments

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, and distributors of food and beverage related products in the State of Hawaii.

We oppose sections of this measure to increase license and wholesaler fees. Changing fees from \$2.50 to \$250 is a 10,000% increase, which is extreme. Increasing license and permit fees, unfairly and misguidedly targets retailers and wholesalers rather than tobacco users.

We also believe it is important to understand that there is no nexus between license fees and smoking cessation. Retailer license fees exist to pay for the licensing process and enforcement; these fees were not created to fund other programs. Using licensing fees to fund programs for which they were not intended creates a situation where fees are likely to rise unpredictably, this impedes retailers' ability to budget and creates unnecessary financial and administrative burdens. We thank you for the opportunity to testify.

SB-2227-SD-1

Submitted on: 2/25/2020 10:23:58 AM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Joseph Kohn MD	Testifying for We Are One, Inc. - www.WeAreOne.cc - WAO	Support	No

Comments:

Strongly Support SB2227 SD1

E-cigarettes have evaded many of the tobacco regulations that led to historically low smoking rates. With the abundance of both brick-and-mortar and online retailers selling these products for as little as \$1, they are cheap and easily accessible to our keiki. As a result, Hawaii's youth are paying the price, with one of the highest e-cigarette use rates in the nation.

[SB 2227](#) seeks to reverse this alarming statistic through licensing and permitting, taxation, and allocating \$2 million to the Tobacco Prevention and Control trust fund for youth e-cigarette education and prevention programs. **The addition of online sales restrictions will help to decrease youth access and enforce current laws.**

Protect People

www.WeAreOne.cc

SB-2227-SD-1

Submitted on: 2/25/2020 10:24:53 AM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Chien-Wen Tseng	Individual	Support	No

Comments:

Nearly half a million persons still die each year from tobacco-related causes. Smoking has harmed the health of multiple generations and now e-cigarettes and vaping are on the rise in our youth. Regulation of tobacco and nicotine products through licensing, permitting, and taxes to pay for nicotine education is critical to protecting public health and needed to counteract the commercial marketing of these products and the addictive nature of nicotine.

SB-2227-SD-1

Submitted on: 2/25/2020 10:27:29 AM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jake J. Watkins	Individual	Oppose	No

Comments:

SB-2227-SD-1

Submitted on: 2/25/2020 10:51:47 AM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
John A. H. Tomoso	Individual	Support	No

Comments:

02-25-20

RE: SB2227

I know E-cigarettes have evaded many of the tobacco regulations that have led to historically low smoking rates. With the abundance of both on the street/ physically located and online retailers selling these products for as little as \$1, they are cheap and easily accessible to our youth. As a result, Hawaii's youth are paying the price, with one of the highest e-cigarette use rates in the nation.

Thus, I am in strong support of this Bill.

John A. H. Tomoso+, MSW

51 Ku'ula Street, Kahului, HI 96732-2906

CC: CTFH-Maui

Testimony Presented Before the
2020 Hawaii State Legislature

SB 2227 - Relating to Vaping

I am writing in **strong support** of SB2227.

As a physician, I believe that preventing kids from vaping is the most important public health intervention of our generation.

With 42% of Hawai'i high school students trying e-cigarettes, we have an urgent need to act!

Of the youth who use tobacco products, 81% started with a flavored product, and more than half of youth smokers use menthol cigarettes.

Therefore, we have to stop kids from getting hooked on these dangerous products.

Thank you for the opportunity to provide testimony.

Kelley Withy, MD, PhD

SB-2227-SD-1

Submitted on: 2/25/2020 11:15:28 AM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Danielle Gross	Individual	Support	No

Comments:

Addiction to dugs in Hawai'i is a big problem, and as a mother of two young boys, I fear my sons will have early encounters with e-cigarettes due to their prevalence here. Not only are e-cigarettes just as harmful as traditional cigarettes, but they can be even more damaging as they can appear to kids (and the uninformed public) to be non-tobacco products.

I'm extremely saddened to learn that Hawaii has the highest rates of youth e-cigarette use in the nation. Angered that e-cigarette companies market sweet flavored vaping tobacco that attracts children, and makes an addictive product even more palatable for kids and adults alike.

Tobacco taxes are a proven strategy that discourages use of these products, especially among price-sensitive youth. I support the tobacco tax and allocation of the revenue generated to fund youth prevention and education programs in our state.

Date: February 25, 2020

To: The Honorable Donovan M. Dela Cruz, Chair
The Honorable Gilbert S.C. Keith-Agaran, Vice Chair
Members of the Senate Committee on Ways and Means

The Honorable Karl Rhoads, Chair
The Honorable Jarrett Keohokalole, Vice Chair
Members of the Senate Committee on Judiciary

Re: **Strong Support for SB2227 SD1**, Relating to Electronic Smoking Products

Hrg: February 26, 2020 at 1:10 PM in Capitol Room 211

Aloha Senate Committees on Ways and Means and Judiciary,

As a parent, educator and healthcare professional, I am writing in **strong support of SB2227 SD1**, which requires that e-liquid and electronic smoking devices be included within the definition of "tobacco products", as used in the cigarette tax and tobacco tax law; increases the license fee for persons engaged as a wholesaler or dealer of cigarettes and tobacco products; increases the retail tobacco permit fee for retailers engaged in the retail sale of cigarettes and tobacco products; allocates a portion of funds collected on excise taxes on tobacco products to fund health education, prevention, and nicotine cessation programs for youth, regarding the risks and dangers of the use of electronic smoking devices; and repeals certain provisions of the Hawaii Revised Statutes relating to electronic smoking devices.

Hawai'i is in the midst of an unprecedented youth vaping (nicotine addiction) epidemic, with one of the highest rates of youth e-cigarette use in the nation. Due to the highly concentrated nicotine salt e-liquids available in a multitude of sweet flavors, these products are highly attractive to, and pose a huge risk of addiction and life-long impaired brain development for, youth who use these products.

For the health and welfare of our children and future generations the measures as addressed in **SB2227 SD1** are urgently needed to help halt the youth vaping epidemic in Hawai'i.

Electronic smoking devices (ESDs) are far less expensive than combustible tobacco cigarettes, making them economically attractive to youth. Bringing e-cigarettes and e-liquids under the definition of tobacco products in the cigarette tax and tobacco tax law provides a mechanism to tax these nicotine-containing products on par with conventional tobacco cigarettes, increasing their prices. Raising prices is a proven strategy to discourage use of tobacco/nicotine products, especially among price-sensitive youth.

Youth education is key to preventing nicotine use and addiction, making it critical to allocate tobacco taxes to fund youth prevention and education programs.

Bringing ESDs and e-liquids within the definition of tobacco products for licensing and permitting will create a level playing field for all retail establishments selling any tobacco/nicotine products, allowing state agencies to readily and effectively communicate regulatory changes, product recalls and other important information to retailers.

I **strongly support SB2227 SD1** and respectfully ask you to pass this bill out of committee.

Many thanks for your consideration,

Forrest Batz, PharmD
Kea'au, HI



95 Mahalani St. Rm #21

Wailuku, HI 96793

P - (808)244-4647, F – (808)442-6884

Hui No Ke Ola Pono strongly supports Electronic Smoking Device/E-Cigarette Regulations

Tobacco License and Permit requirement:

- This requirement is critical to educating and enforcing current laws applicable to electronic smoking device retailers.
- Currently, the tobacco license is only \$2.50 annually and a retail permit is \$20 annually. The proposed increase is \$250 for a tobacco license and \$50 for a retailer permit. These fees are still much lower than alcohol license and permit fees. In comparison the annual wholesale liquor license for the City and County of Honolulu is \$2,640.

Electronic Smoking Device tax:

- Currently there is no tobacco tax attached to e-cigarettes. This bill would tax electronic smoking devices and e-liquid, which includes the e-juice as well as products with e-liquid pre-filled cartridges or pod-based products.
- The proposed tax would be the same as other tobacco products, which is 70% of the wholesale price. Retail price of some e-liquids is offered as low as \$0.99 cents per bottle.
- Taxing tobacco products and cigarettes is a proven strategy to reduce youth initiation and encourage those who smoke or use tobacco products to quit.

Online Sales:

- **Requested amendment:** Restricting online sales and shipment of tobacco products to only tobacco licensees will help to prevent youth access to these products and enforce current laws.

Funding for e-cigarette health and education programs for youth

- Funding for tobacco prevention and control programs complement and strengthen the effect of tobacco policies in reducing smoking rates.

Mahalo a nui loa for your time and consideration.

SB-2227-SD-1

Submitted on: 2/25/2020 11:47:16 AM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Treece MD	Individual	Support	No

Comments:

As a pediatrician, I deal with many nicotine-addicted teens. The idea that vape products are something other than tobacco is absurd, and the legal fiction that there is any difference should be done away with. I request that you pass SB 2227 and help protect teens from the ravages of nicotine addiction.

SB-2227-SD-1

Submitted on: 2/25/2020 11:50:35 AM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
C. Azelski	Individual	Support	No

Comments:

E-cigarettes have evaded many of the tobacco regulations that led to historically low smoking rates. With the abundance of both brick-and-mortar and online retailers selling these products for as little as \$1, they are cheap and easily accessible to our keiki. As a result, Hawaii's youth are paying the price, with one of the highest e-cigarette use rates in the nation.

[SB 2227](#) seeks to reverse this alarming statistic through licensing and permitting, taxation, and allocating \$2 million to the Tobacco Prevention and Control trust fund for youth e-cigarette education and prevention programs. **The addition of online sales restrictions will help to decrease youth access and enforce current laws.**

Date: February 26, 2020

To: The Honorable Karl Rhoads, Chair
The Honorable Jarrett Keokokalole, Vice Chair
Members of the Committee on Judiciary

The Honorable Donovan M. Dela Cruz, Chair
The Honorable Gilbert S.C. Keith-Agaran, Vice Chair
Members of the Committee on Ways and Means

From: Members of the University of Hawaii Student Health Advisory Council

Re: Strong Support for SB2227, Relating to Electronic Smoking Products

Hearing: Wednesday, February 26 at 1:10 pm at Capitol Room 211

Thank you for the opportunity to submit testimony in SUPPORT of SB2227, which requires that e-liquid and e-smoking devices be included within the definition of "tobacco products", as used in the cigarette tax and tobacco tax law. The Student Health Advisory Council has played a pivotal role in the development and implementation of health policies and tobacco education on the UH System campuses. We remain deeply committed to the mission of reducing the use of tobacco products, including electronic smoking devices, among adolescents and young adults.

With products like Juul and other popular electronic smoking devices, it is increasingly clear that these products are addicting a whole generation of youth to a harmful product. The Surgeon General has gone so far as to declare youth e-cigarette use an epidemic, and that there is an urgent need to protect children from a lifetime of nicotine addiction and associated health risks.

According to the Center for Disease Control and Prevention, Hawaii's middle schoolers rank the highest and high schoolers rank the second highest in the nation for reported usage of e-cigarettes. This underscores the severity with which e-cigarette use has penetrated our state's middle and high schools.

Under the Food and Drug Administration, electronic smoking devices are classified as a tobacco product, and yet they are the only product with that classification that does not have a tobacco tax. From the many decades of research done on tobacco control policy, it is clear that increasing the price of these products is a proven strategy that discourages access to these products. By prohibiting online sales to retailers, underage youth will have limited access to e-cigarettes. In addition, distributing tobacco taxes towards health education and prevention programs could help youth quit or prevent them from using vape products in the first place.

We therefore urge you to support this measure. For the sake of our general public health, Hawaii should not allow e-cigarettes to continue to fly below the State's tobacco tax radar.

Mahalo,
Student Health Advisory Council

Wednesday, February 26, 2020 at 1:10 PM
Conference Room 211

Senate Committee on Ways and Means

To: Senator Donovan Dela Cruz, Chair
Senator Gilbert Keith-Agaran, Vice Chair

Senate Committee on Judiciary

To: Senator Karl Rhoads, Chair
Senator Jarrett Keohokalole, Vice Chair

From: Michael Robinson
Vice President, Government Relations & Community Affairs

**Re: Testimony in Support of SB 2227, SD1
Relating to Electronic Smoking Products**

My name is Michael Robinson, Vice President, Government Relations & Community Affairs at Hawai'i Pacific Health. Hawai'i Pacific Health is a not-for-profit health care system comprised of its four medical centers – Kapi'olani, Pali Momi, Straub and Wilcox and over 70 locations statewide with a mission of creating a healthier Hawai'i.

I write in support of SB 2227, SD1 which includes e-liquid and e-smoking devices within the definition of "tobacco products", as used in the cigarette tax and tobacco tax law. The bill also increases the license fee for persons engaged as a wholesaler or dealer of cigarettes and tobacco products, and allocates a portion of the funds collected on excise taxes on tobacco products to fund health education, prevention and nicotine cessation programs for youth.

E-cigarette use or vaping among youth and young adults has become a national public health concern. E-cigarettes are now the most popularly used tobacco product among youth and young adults, surpassing cigarettes. While smoking rates in Hawaii have decreased through the years, ESD use has rapidly increased, threatening significant public health gains through our Tobacco 21 law and tobacco youth access laws. This is particularly concerning because e-cigarettes provide a new way to deliver the addictive drug nicotine. No matter how it is delivered, nicotine exposure can lead to addiction and harm the developing brain. Studies are also finding that ESDs can lead to smoking cigarettes for new users, including kids.

Without regulation, e-cigarette manufacturers will continue to aggressively market their products by using young adults and celebrities as endorsers, glamorizing its use, promoting deep discounts, and offering popular local e-liquid flavors such as Kona coffee, Maui mango, and pineapple.

Now that the FDA has deemed ESDs as tobacco products, this measure timely and appropriately seeks to regulate and tax e-liquids, which are not currently taxed, the same way as other tobacco products. In addition, a use of a portion of these revenues would help in curbing the prevalence of e-cigarette use especially among our youths.

Thank you for the opportunity to testify.

SB-2227-SD-1

Submitted on: 2/25/2020 12:13:58 PM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Alicia	Individual	Support	No

Comments:

- Hawai'i has one of the highest rates of youth e-cigarette use in the nation. this is so disturbing to me. these kids are our future and vaping is ruining them. I support SB2227. Please do the right thing for the youth of Hawaii.

SB-2227-SD-1

Submitted on: 2/25/2020 12:41:47 PM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Chris Wells	Individual	Oppose	No

Comments:

I don't need your NANNY STATE dictating what products I can enjoy.

LATE

SB-2227-SD-1

Submitted on: 2/25/2020 1:18:22 PM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Shani Gacayan	Individual	Support	No

Comments:

I strongly support SB2227 that would regulate Electronic Smoking Devices that would ensure the proper licenses are in place for those who are selling these e-cig products. I also strongly support this bill because funding would be provided for education and prevention for our people who are becoming addicted to ESD's.

I strongly and respectfully request that this bill also include regulations for on-line sales that it may only be available to tobacco licensees therefore less probability of our youth getting easy on-line access to e-cig products including devices and e-juice.

With great desperation in keeping and getting our keiki healthier, Kai Gacayan (mother of 4 young children, community member, tobacco treatment specialist)

LATE

SB-2227-SD-1

Submitted on: 2/25/2020 2:00:48 PM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jeanne Wilks	Testifying for Holy Nativity School	Support	No

Comments:

Thank you for the opportunity to provide testimony in support of SB2227.

Hawai'i has one of the highest rates of youth e-cigarette use in the nation. That alone should be sufficient to cause your support of SB2227.

As part of their tobacco prevention education initiative, Stanford Medical School has developed a bank of resources to inform the public about the terrible impact e-cigarettes and vaping have on health of the youth, nationally. Sadly, all of those statistics are greatly multiplied when considering the youth of Hawai'i. This is not merely a product with negative health consequences. This a product *intentionally designed attract young people* to use it. It is a product that is **more addictive than any previously existing tobacco products**, delivering the nicotine from 40 cigarettes in one vaping pod. By its very nature, it seeks to create lifelong users, and therefore runs the risk of devastating entire generations of Hawai'i's youth.

I strongly encourage you all to gain more insight from the research at Stanford and commend [their website](#) to the committee members.

Tobacco taxes are a proven strategy that discourages use of these products; allocating the tobacco tax to fund youth prevention and education programs, and the restriction of online sales to retailers are common sense responses to this health risk for our youth.

I urge you to vote in support of SB 2227.

Thank you for your time and consideraion,

Jeanne Wilks

Interim Head of School

Holy Nativity School

LATE

SB-2227-SD-1

Submitted on: 2/25/2020 2:02:21 PM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Sabrina Spencer	Individual	Oppose	No

Comments:

Enough already.

LATE

SB-2227-SD-1

Submitted on: 2/25/2020 2:46:25 PM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jason Park	Individual	Oppose	No

Comments:

LATE

SB-2227-SD-1

Submitted on: 2/25/2020 3:06:51 PM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Melanie Boehm	Individual	Support	No

Comments:

LATE

SB-2227-SD-1

Submitted on: 2/25/2020 3:47:50 PM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Chad Wheeling	Individual	Oppose	No

Comments:

LATE

SB-2227-SD-1

Submitted on: 2/25/2020 4:08:52 PM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Ned Garcia	Individual	Oppose	No

Comments:

From: [WAM Testimony](#)
To: [JDCTestimony](#)
Subject: FW: WAM Testimony SB 2227 SD1 - February 26, 2020; 1:10 p.m
Date: Tuesday, February 25, 2020 11:07:24 AM
Attachments: [SB2227 SD1 Testimony in Support 20.02.26 WAM.pdf](#)
[image003.png](#)
[image004.png](#)

From: Cynthia Au <cynthia.au@cancer.org>
Sent: Tuesday, February 25, 2020 10:10 AM
To: WAM Testimony <WamTestimony@capitol.hawaii.gov>
Subject: WAM Testimony SB 2227 SD1 - February 26, 2020; 1:10 p.m

Aloha Senate Committee on Ways and Means & Committee on Judiciary,

Attached is a compilation of testimony for Wednesday, February 26, 2020; 1:10 p.m.; State Capitol, Conference Room 211 in SUPPORT of SB 2227 SD1: RELATING TO ELECTRONIC SMOKING PRODUCTS for the following individuals:

Ramic Santiago, UH Graduate Student
Jenny Hausler, Citizen
Ruthie Diaz, BSW
Cassandra Castillo, Citizen
Marissa Powers, RDH
Uri Martos, Citizen

[Cynthia Au](#)
Hawaii Grassroots Manager

American Cancer Society Cancer Action Network, Inc.
2370 Nuuanu Avenue
Honolulu, HI 96817
fightcancer.org | 1.800.227.2345



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Testimony to Senate Committee on Ways and Means Judiciary
AND Committee on Judiciary
Wednesday, February 26, 2020; 1:10 p.m.
State Capitol, Conference Room 211

Dear Chair Dela Cruz, Chair Keohokalole, and Joint Committee Members,

My name is Ramic Santiago and I support SB 2227 SD1: RELATING TO ELECTRONIC SMOKING PRODUCTS.

There are too many children under 18 that are choosing to vape in Hawaii. According to the Center for Disease Control and Prevention Hawai'i ranks second in children ranging from 6th to 12th grade who choose to vape (1). According to Kaiser Health News numbers reported in 2018 translate to 3 million high school students nationally who vape. These staggering numbers continue to rise with advancements in vaping technology. Vaping devices can come in a variety of sizes and others like the JUUL product which is the size of a small USB port and can be used almost undetectable. Nicotine levels are manipulated and highly concentrated like the JUUL that can contain as much nicotine as 20 packs of cigarettes.

Nicotine is extremely unhealthy for youth because it can be extremely harmful to the developmental process in the youths brain and nicotine causes changes in the brains synapses which are built faster than the adults brain (1). Most e cigs contain nicotine and nicotine use in adolescence may further the risk for future addiction to drugs (1). There are many carcinogenic chemicals used in the production of e-cigs including cancer-causing compounds and heavy metals such as nickel, tin, and lead (1).

Many vaping products come with or are used with flavor additives such as candy flavorings. These flavorings are targeted at making nicotine products familiar to youth and make the vaping product more palatable to taste than traditional burning tobacco products which are restricted by the 2009 Family Smoking Prevention and Tobacco Control Act which banned fruit and candy flavorings in cigarettes but did not include smokeless tobacco products like chew and e-cigs.

As of January 2020 the Trump administration has enacted a ban on the flavoring of e-cigarettes which use pre filled cartridges but does not include tank based systems where users fill their own nicotine and flavor mixturing(2). Furthermore, mentol pre-filled vaping devices are excluded from the ban (2) . According to the National Institute on Drug Abuse 66% of teens vape only flavoring (2). Banning pre-filled e-cig products will have little effect when teens can still get ahold of products that contain flavored vaping products like fillable tank systems.

Hawaii needs to further the Trump administration's efforts to reduce the increasing number of underage children who use vaping products. Hawaii needs to ban all flavored vaping products in the state to fight the epidemic of underage teen vaping.

Sincerely,

Ramic P.H. Santiago, B.S.
1614 Emerson Street # 5
Honolulu, Hawaii 96813

Resources

1. Center for Disease Control and Prevention(2019). Smoking and Tobacco Use
2. MarketWatch.(2020). Federal Government Bans Popular E-cigg Flavors to the Curb.
3. NIH National Institute on Drug Abuse.(2015). Teens and E-cigs.

Testimony to Senate Committee on Ways and Means Judiciary
AND Committee on Judiciary
Wednesday, February 26, 2020; 1:10 p.m.
State Capitol, Conference Room 211

Dear Chair Dela Cruz, Chair Keohokalole, and Joint Committee Members,

I support SB 2227 SD1: RELATING TO ELECTRONIC SMOKING PRODUCTS.

Tobacco killed my husband last March from smoking. He ended up dying from COPD and had lung cancer. He suffered greatly before he passed away and died an early death.

We have 6 grandchildren that I don't want to have the same fate as their grandfather. Our keiki are a vulnerable group and must be protected. Don't make it easy for electronic smoking devices to get into the hands of our kids from accessibility online and for being cheap to buy.

Please pass SB 2227 SD1 to save our children for the future.

Sincerely,

Jennifer Hausler
Pearl City, 96782

Date: February 25, 2020
To: The Honorable Donovan Dela Cruz, Chair
Gilbert Keith-Agaran, Vice Chair
Members of the Committee on Judiciary

The Honorable Karl Rhoads, Chair
Jarrett Keohokaole, Vice Chair
Members of the Committee on Judiciary

From: Ruthie Diaz, BSW
rddiaz@hawaii.edu
Honolulu, 96813

Re: Support SB 2227 SD1: RELATING TO ELECTRONIC SMOKING PRODUCTS.

Hearing: Wednesday, February 26, 2020 at 1:10 pm at Conference Room 211

Thank you for the opportunity to submit testimony in SUPPORT SB 2227 SD1: RELATING TO ELECTRONIC SMOKING PRODUCTS.

I am a non-traditional student at the University of Hawai'i, Mānoa, and completing the master's degree at the Myron B. Thompson School of Social Work. As a full-time student, social work practicum student, and a part-time employee, I have opportunities to engage with the communities at the University of Hawai'i as well as the Oahu community working with individuals and families. Most importantly, I am a mother of two children, ages five and an 11. I care deeply for my children as well as all the youth of Hawai'i, and prevention is key to many health risks.

Although there are various stories that I have encountered with electronic nicotine delivery systems ENDS and vape products, the one I can recall involves my four-year-old son. I live in a condominium with a wraparound lanai that welcomes cool trade wind breezes on most days. Because of this, my lanai doors are always wide open. My home is a smoke-free building, which should eliminate such behaviors and provide clean air for my family. However, addictive behaviors will often lead to the disregarding of such rules. Neighboring units smoking on their lanai lead to clouds of smoke to travel down to my family's unit. My four-year-old smelled the strawberry flavors and savored it. Luckily, he spoke out loud and mentioned that it smells like candy. I knew what it was, and I had no choice but to report it to our building management and close my lanai door. I realized that the smell of such flavors was very enticing to my four-year-old, and had I not stopped him, he would have continued to inhale the vape products contaminating our fresh air. This was a teaching moment for my older child about the health risk and the inconvenience it causes other people and families, but not necessarily to a four-year-old. This experience allowed me to see how dangerously enticing these ENDS flavors to even the youngest children. It made me aware of how normalized use or even continued exposure to ENDS and vape products may lead to experimentation and subsequent addiction.

Bill SB 2227 SD1, if enacted, it will prevent many health problems that are related to electronic nicotine delivery systems (ENDS) and vape products. The increasing youth vaping epidemic, particularly in Hawai'i, is due to the

lack of regulation pertaining to ENDS, enticement to youth using candy-flavored vape products as well as communities and social behaviors among youth normalizing the use of these items.

The opposition's argument that the use of ENDS and vape products is successful as a smoking cessation product has not been proven true, nor is it FDA approved. A study conducted in 2016 by Garcia-Arcos *et al.*, concluded that mice who were exposed to aerosolized nicotine-free and nicotine-containing e-cigarette fluid "triggered effects normally associated with the development of COPD including cytokine expression, airway hyper-reactivity, and lung tissue destruction" (Garcia-Arcos et al., 2016). The medically proven and documented health risks and addictive behaviors of ENDS and vaping outweighs the unsubstantiated arguments of successful cessation for existing smokers.

The continuous use and exposures of the harmful products to minors may cause addiction, lead to dual use of combustible cigarettes and vape products, and damage to the developing adolescent brain. The banning of flavored tobacco products is an imperative next step in tobacco control if SB2228 SD1 becomes law.

Garcia-Arcos, I., Geraghty, P., Baumlin, N., Campos, M., Dabo, A. J., Jundi, B., ... Foronjy, R. (2016). Chronic electronic cigarette exposure in mice induces features of COPD in a nicotine-dependent manner. *Thorax*, *71*(12), 1119–1129. doi: 10.1136/thoraxjnl-2015-208039

Testimony to Senate Committee on Ways and Means Judiciary
AND Committee on Judiciary
Wednesday, February 26, 2020; 1:10 p.m.
State Capitol, Conference Room 211

Dear Chair Dela Cruz, Chair Keohokalole, and Joint Committee Members,

My name is Cassandra Castillo and I am in support of I strongly support SB 2227 SD1: RELATING TO ELECTRONIC SMOKING PRODUCTS. I am in my last semester of my master's program at Myron B. Thompson's School of Social Work and I have experienced first-hand the dangers of e-cigarettes. My first year of the program, my internship was at an elementary school. One of the challenges that we faced were children in the fourth grade getting their hands-on e-cigarettes and trying it because they thought it was "cool". Children are encouraged through social media, commercials, the radio station, and other outlets that e-cigarettes are the fun thing to do. They are persuaded by these fun flavors like cotton candy, strawberry, pink lemonade, and more. Children are encouraged that e-cigarettes are not dangerous and safe to use.

As a future social worker, we need to educate our future generations of just how dangerous e-cigarettes can be and the long-term effects that could happen by picking up this habit. I do not want to see my 8-month-old nephew grow up thinking that e-cigarettes are cool. I urge the committee to pass SB 2227 SD1 for the future of our children's tomorrow. Thank you for this opportunity to testify.

Cassandra Castillo
Ewa Beach, 96706

Testimony to Senate Committee on Ways and Means Judiciary
AND Committee on Judiciary
Wednesday, February 26, 2020; 1:10 p.m.
State Capitol, Conference Room 211

Dear Chair Dela Cruz, Chair Keohokalole, and Joint Committee Members,

I strongly support SB 2227 SD1: RELATING TO ELECTRONIC SMOKING PRODUCTS. I am a registered dental hygienist, and every day I see patients who are tobacco/e-cigarette users. In recent years, we have been seeing patients who do not have a history of decay, but have started developing cavities. When asked about changes habits or diet, many of the patients report the use of e-cigarettes, in particular, flavored e-cigarettes, which contain sugar. Many times, this is the only change, and these patients are experiencing decay due to the frequency of use. This is just one of the many problems caused by e-cigarettes.

I am an aunt to seven nieces and nephews, and I do not want to see them become the next generation of tobacco users, because they are able to easily get their hands on something that seems harmless and tastes like candy.

Mahalo,

Marissa Powers, RDH
Honolulu, Hawaii, 96815

Testimony to Senate Committee on Ways and Means Judiciary
AND Committee on Judiciary
Wednesday, February 26, 2020; 1:10 p.m.
State Capitol, Conference Room 211

Dear Chair Dela Cruz, Chair Keohokalole, and Joint Committee Members,

RE: SB 2227 SD1: RELATING TO ELECTRONIC SMOKING PRODUCTS.

My name is Uri Martos, and I am writing to express my support for SB 2227 SD1: RELATING TO ELECTRONIC SMOKING PRODUCTS to help stop our keiki from using tobacco products.

I work right next to Wilcox elementary school and the Boys & Girls Club on Kauai. Everyday I am seeing more and more of Kauai's kids using e-cigarettes/vapes and it worries me terribly. These flavored tobacco products are targeting our children and hooking them on dangerous nicotine often for life. I'm afraid that Hawaii already has a high incidence of lung cancer and being a breast cancer survivor, I know firsthand the pain of dealing with this disease. I don't ever want our keiki to have to go through the hardship of having cancer or any other tobacco related illness. By simply eliminating these flavored tobacco products we will be able to save hundreds of our youth in Hawaii from becoming lifelong tobacco addicts.

I urge you to support SB 2227 SD1: RELATING TO ELECTRONIC SMOKING PRODUCTS.

Thank you for the consideration of my testimony.

Mahalo,
Uri Martos
Lihue, Kauai 96766

LATE

SB-2227-SD-1

Submitted on: 2/25/2020 5:59:20 PM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Elizabeth Tam	Individual	Support	No

Comments:

YES!

Please support SB2227 to apply to e-cigarette products the same controls applied to tobacco cigarettes. Put these deadly products out of the reach of our children. With their unregulated and extraordinarily high concentrations of nicotine, these products ARE NOT SAFE. 1 Puff Bar, for instance, delivers as much nicotine as 1-2 packs of cigarettes, and can be smoked within an hour. This is frying our kids' brains, cardiovascular, respiratory, and all organs that are forming rapidly during the growth spurt of adolescence. There will be longterm consequences, in addition to the risks of vaping-related lung injury.

If a virus was harming 25-50% of our children to this extent, we would be up in arms. Let's not allow the lies and greed of the tobacco and vaping industry deter us from protecting our children.

LATE

SB-2227-SD-1

Submitted on: 2/25/2020 6:01:51 PM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Denny Diez	Individual	Oppose	No

Comments:

LATE

SB-2227-SD-1

Submitted on: 2/25/2020 7:02:17 PM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Bryan Mih	Individual	Support	No

Comments:

As a pediatrician and medical director of the Kapi'olani Smokefree Families Program, I strongly support this bill, which improves regulations on electronic smoking devices.

Electronic smoking devices are used in a similar manner as cigarettes, yet are not taxed as such. The American Academy of Pediatrics strongly supports regulation and taxation of electronic smoking devices to prevent initiation of use, especially by young people.

Hawaii has one of the highest rates of middle schoolers (16%) and high schoolers (26%) currently using e-cigarettes—it is twice the national average. Nicotine is a highly addictive drug that impacts the adolescent brain, reducing impulse control and affecting mood. Those who use e-cigarettes are four times more likely to smoke regular cigarettes later on. The e-cigarette industry claims these are cessation devices, but a recent study has shown that even if one adult can quit with these devices, the trade-off is 81 young people who will start the habit in their place. This is completely unacceptable.

Once young people are addicted to nicotine, it is extremely difficult to quit. By appropriately regulating and taxing these products, we have the chance to improve the health of many, especially of our keiki.

Please also consider amending this bill to restrict online sales and shipments of electronic smoking devices and the liquid nicotine. It is way too easy for young people to currently obtain these products online.

Mahalo for your consideration and support of this important measure.

Sincerely,

Bryan Mih, MD, MPH, FAAP

Pediatrician



Ph: (808) 446-2032
Fax: (833) 565-3144
PediatricTherapiesHawaii@gmail.com
PediatricTherapiesHawaii.com

To: Hawaii State Legislature

Regarding: Electronic Smoking Device Regulations

Position: Strong Support

I am writing to express my strong support for stronger regulations for electronics smoking devices. I fully support the following changes to current regulations.

Tobacco License and Permit requirement:

- This requirement is critical to educating and enforcing current laws applicable to ESD retailers.
- Currently, the tobacco license is only \$2.50 annually and a retail permit is \$20 annually. The proposed increase is \$250 for a tobacco license and \$50 for a retailer permit. These fees are still much lower than alcohol license and permit fees. In comparison the annual wholesale liquor license for the City and County of Honolulu is \$2,640.

ESD tax:

- Currently there is no tobacco tax attached to e-cigarettes. This bill would tax electronic smoking devices and e-liquid, which includes the e-juice as well as products with e-liquid pre-filled cartridges or pod-based products.
- The proposed tax would be the same as other tobacco products, which is 70% of the wholesale price. Retail price of some e-liquids is offered as low as \$0.99 cents per bottle.
- Taxing tobacco products and cigarettes is a proven strategy to reduce youth initiation and encourage those who smoke or use tobacco products to quit.

Funding for ESD health and education programs for youth

- Funding for tobacco prevention and control programs complement and strengthen the effect of tobacco policies in reducing smoking rates. The revenue from the ESD tax should go to these programs.

Requested amendment: We respectfully request that online sale and shipment restrictions be added to this bill. Only allowing shipment to tobacco licensees will help to decrease access to underage youth.

I feel these are important measures that needs to be taken by our community leaders to protect our keiki and their health. As we all know, tobacco is highly addictive and detrimental to people's health so we need to

prevent kids from getting hooked in the first place. Since Hawaii has one of the highest middle and high school vaping rates in the country, it seems obvious that immediate action needs to be taken to address this epidemic. [A study](#) found that e-cigarette use is a strong risk factor for eventual cigarette smoking so preventing kids from starting vaping should be the focus for addressing this issue. Big tobacco argues that vaping helps adults quit smoking but the truth is, that for every adult that quits smoking using e-cigarettes, 81 young people will become future smokers, which is an unacceptable trade off.

Please do the right thing and help protect our keiki from Big Tobacco. Protect them from getting starting using tobacco products and protect them from all the health risks that come with it. It is our job as adults, parents, business owners, law makers, and community leaders to do something about this issue because we can and it is our obligation to our youth.

Sincerely,

Dr. Amy Peterson
Executive Director/Physical Therapist
Pediatric Therapy Hawaii

LATE

February 25, 2020

Strong Support of SB 2227 RELATING TO ELECTRONIC SMOKING PRODUCTS.

To the House of Representatives

Hrg: Wednesday, February 26, 2020, 1:10 P.M., Conference Room 211

I strongly support SB 2227 RELATING TO ELECTRONIC SMOKING PRODUCTS, which would regulate e-cigarettes by: (1) requiring e-cigarette retailers and wholesalers to obtain a tobacco license and/or permit; (2) establishing a tax on e-liquid and electronic smoking devices of 70% of the wholesale price; and (3) only allow the shipment of ESDs to those with a tobacco license. In addition, it also appropriates monies towards tobacco prevention, control, and research.

State lawmakers have been trying to regulate ESDs for the last five years. Hawai'i is in the midst of a youth vaping epidemic, and we must regulate these products to reverse this trend. ESDs are the only tobacco products without a tobacco tax and sellers are not required to obtain a tobacco permit and license to sell. Tobacco taxes and increasing the price is a proven strategy that discourages use of these products, especially among youth. I appreciate that a portion of revenues generated from this tax will be dedicated to tobacco prevention, cessation, education programs, which will help with ESD prevention efforts and support individuals who want to quit. In addition, restricting online sales to retailers with a tobacco license will prevent sales to underage youth.

I strongly support SB 2227 RELATING TO ELECTRONIC SMOKING PRODUCTS and ask you to pass this out of committee.

Sincerely,
Jessica Cambra ~mother of 3 Maui boys
101 Kealohilani Street
Kahului HI 96732
808-280-0055



Kaho'omiki
Hawai'i Council on Physical Activity & Nutrition

February 4, 2020

To: Chair Rhoads
Vice Chair Keohokalole
Senate Committee on Judiciary

Chair Dela Cruz
Chair Keith-Agaran
Senate Committee on Ways & Means

Re: **Support for SB2227 SD1**

Aloha Chair Rhoads, Vice Chair Keohokalole, Senate Committee on Judiciary, Chair Dela Cruz, Keith-Agaran, and Senate Committee on Ways & Means:

Thank you for your dedication to our community and for this opportunity to provide testimony in strong **support** of **SB2227 SD1**. Kaho'omiki, the Hawai'i Council on Physical Activity and Nutrition, is a local non-profit that supports and encourages lifelong healthy lifestyles and closely works with organizations across the state to better the lives of youth.

Electronic smoking devices directly attack our communities and, given the availability of over 7,000 different varieties of flavored e-liquids, our they especially put our keiki at a high risk for negative health outcomes. Research shows that chemicals used in flavorings of ESD liquid, such as Diacetyl and acetyl propionyl, are not approved by the FDA for inhalation and are associated with respiratory disease when inhaled.¹² Specifically, high doses of diacetyl have been shown to cause acute-onset bronchiolitis obliterans, a severe and irreversible obstructive lung disease when inhaled.³ Additionally, human lung cells that are exposed to ESD aerosol and flavorings are show increased oxidative stress and inflammatory responses.⁴

Therefore, I urge you to pass **SB2227 SD1** to tax and better regulate ESD products and allocate funds raised to support tobacco prevention, control, and cessation. Mahalo for this opportunity to testify.

Sincerely,

Colby Takeda, MBA, MPH
President

¹ CDC (2018). Quick facts on the risks of e-cigarettes for kids, teens, and young adults. Retrieved from https://www.cdc.gov/tobacco/basic_information/e-cigarettes/Quick-Facts-on-the-Risks-of-E-cigarettes-for-Kids-Teens-and-Young-Adults.html

² Konstantinos E. Farsalinos, KE; Kistler, KA; Gilman, G; Voudris, V., "Evaluation of electronic cigarette liquids and aerosol for the presence of selected inhalation toxins," *Nicotine and Tobacco Research* 17(2): 168-174, February 2015.

³ "Preventing Lung Disease in Workers: Who Use or Make Flavorings," National Institute for Occupational Safety and Health. DHHS (NIOSH) Publication Number 2004-110, December 2003.

⁴ Lerner CA, Sundar IK, Yao H, Gerloff J, Ossip DJ, McIntosh S, et al. "Vapors Produced by Electronic Cigarettes and E-Juices with Flavorings Induce Toxicity, Oxidative Stress, and Inflammatory Response in Lung Epithelial Cells and in Mouse Lung," *PLoS ONE* 10(2): e0116732, February 6, 2015.

LATE

SB-2227-SD-1

Submitted on: 2/25/2020 9:12:49 PM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jessica Rampton	Individual	Support	No

Comments:

I am in support of SB 2227 and the work it will do to help decrease youth access to e-cigarettes. With the alarming information we have on the effects of E-cigarettes, E-cigarettes should absolutely be regulated and every effort should go towards keeping our children away from them. I think that taxation through SB 2227 is one of many ways to discourage use.

LATE

SB-2227-SD-1

Submitted on: 2/25/2020 9:16:34 PM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Chris C.K. Arakaki	Individual	Oppose	No

Comments:



LATE

American Cancer Society
Cancer Action Network
2370 Nu`uanu Avenue
Honolulu, Hawai`i 96817
808.432.9149
www.acscan.org

Senate Committee on Judiciary
Senator Karl Rhoads, Chair
Senator Jarrett Keohokalole, Vice Chair

Senate Committee on Ways and Means
Senator Donovan M. Dela Cruz, Chair
Senator Gilbert S.C. Keith-Agaran, Vice Chair

SB 2227 SD1 – RELATING TO ELECTRONIC SMOKING PRODUCTS

Cory Chun, Government Relations Director – Hawaii Pacific
American Cancer Society Cancer Action Network

Thank you for the opportunity to provide written testimony in support of SB 2227 SD1, which applies the tax on other tobacco products to e-liquids, increases the license and permit fees for wholesalers, dealers, and retailers engaged in the sale of tobacco products and allocates a portion of funds collected from excise taxes on tobacco products to tobacco control programs.

According to data from the Centers for Disease Control and Prevention and the Food and Drug Administration's National Youth Tobacco Survey, the percentage of high school-age children reporting past 30-day use of e-cigarettes rose by 135% between 2017 and 2019.

The following statistics highlight the problem we are facing.

- In the United States, youth are more likely than adults to use e-cigarettes.
- In 2019, more than 5 million U.S. middle and high school students used e-cigarettes in the past 30 days, including 10.5% of middle school students and 27.5% of high school students.
- In 2017, 2.8% of U.S. adults were current e-cigarette users.
- In 2015, among adult e-cigarette users overall, 58.8% also were current regular cigarette smokers, 29.8% were former regular cigarette smokers, and 11.4% had never been regular cigarette smokers.
- Among current e-cigarette users aged 45 years and older in 2015, most were either current or former regular cigarette smokers, and 1.3% had never been cigarette smokers. In contrast, among current e-cigarette users aged 18–24 years, 40.0% had never been regular cigarette smokers.

Tobacco retail licensing is a policy tool that enables the state to regulate businesses that sell tobacco products to ensure they comply with tobacco laws by holding retailers accountable and actively enforcing tobacco youth access laws with strong retailer penalties that include suspension and revocation for non-compliant retailers. Strong tobacco retail license laws are part of a comprehensive strategy to reduce tobacco use among youth and young adults.

The committee may want to consider including unlawful shipment provisions contained in similar measures, including section 2 of Senate Bill 2902, SD1, which would close a loophole in online shipping.

Thank you for the opportunity to provide written testimony on this important matter.

LATE

SB-2227-SD-1

Submitted on: 2/26/2020 7:28:59 AM

Testimony for JDC on 2/26/2020 1:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Diane Y Omura	Individual	Support	No

Comments:

My name is Diane Omura and I recently retired from the DOE as a health educator for 39 years. My educational focus has been on reducing teen risks while promoting safety and wellness. From the beginning of my career I have fought hard in preventing tobacco use among youth. Through continued spread of education and awareness, teen smoking rates has declined since peaking in 1997. However, it is disheartening to see how the advent of vapes has reversed twenty years of smoking decline in such a short time. We are reliving history by hooking teens and it is estimated that 21,000 vapers under 18 years will die prematurely from smoking.

We need to strongly regulate these products in order to protect our youth. Please support SB 2227 which will regulate the sale of e-cigs, including online purchases. This move will also require licensing for retailers, create restrictions to prevent teens from making online purchases and generate revenues toward education and prevention. I strongly support SB2227 and ask you to pass this out of committee.