



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
THIRTY-FIRST LEGISLATURE, 2021**

ON THE FOLLOWING MEASURE:

H.B. NO. 1296, H.D. 1, RELATING TO STATE FUNDS.

BEFORE THE:

SENATE COMMITTEES ON HEALTH AND ON HIGHER EDUCATION

DATE: Tuesday, March 23, 2021 **TIME:** 3:15 p.m.

LOCATION: State Capitol, Room 229 and Videoconference

TESTIFIER(S): Clare E. Connors, Attorney General, or
Blair Goto, Deputy Attorney General

Chairs Keohokalole and Kim and Members of the Committees:

The Department of the Attorney General provides the following comments on this bill.

The purpose of the bill is to repeal the tobacco prevention and control trust fund (Trust fund) and lapse unencumbered Trust fund moneys as of July 1, 2021, to the general fund. Specifically, section 5 on page 8, lines 3-5, of the bill requires that "[a]ny unencumbered balances remaining in the Hawaii tobacco prevention and control trust fund as of July 1, 2021, shall lapse to the credit of the general fund."

Pursuant to section 328L-5, Hawaii Revised Statutes (HRS), the Director of Health, with the concurrence of the Governor, selected the Hawaii Community Foundation (HCF) to invest Trust fund moneys and to implement a community grant program to reduce tobacco consumption. The current HCF contract runs from July 1, 2019, to June 30, 2024. Section 9 of the Special Conditions of the contract with HCF requires a twelve-month wind-down period if, among other things, "[t]he TRUST FUND has been terminated in statute through legislative action." Article I, section 10, of the U.S. Constitution provides, in part: "No State shall . . . pass any . . . Law impairing the Obligation of Contracts" Accordingly, section 5 of the bill, that requires "[a]ny unencumbered balances remaining in the Hawaii tobacco prevention and control trust

fund as of July 1, 2021, shall lapse to the credit of the general fund," may violate article I, section 10, of the U.S. Constitution.

The bar of article I, section 10, of the U.S. Constitution is not absolute. "Although the language of the Contract Clause is facially absolute, its prohibition must be accommodated to the inherent police power of the State 'to safeguard the vital interests of its people.'" Energy Reserves Group, Inc., v. Kansas Power & Light, 459 U.S. 400, 410, 103 S. Ct. 697, 704 (1983) (citing Home Bldg. & Loan Ass'n v. Blaisdell, 290 U.S. 398, 434, 54 S. Ct. 231, 239, 78 L. Ed. 413 (1934)). "The threshold inquiry is 'whether the state law has, in fact, operated as a substantial impairment of a contractual relationship.' Allied Structural Steel Co., 438 U.S., at 244, 98 S. Ct., at 2722. See United States Trust Co., 431 U.S., at 17, 97 S. Ct., at 1515. The severity of the impairment is said to increase the level of scrutiny to which the legislation will be subjected. Allied Structural Steel Co., 438 U.S., at 245, 98 S. Ct., at 2723. Total destruction of contractual expectations is not necessary for a finding of substantial impairment. United States Trust Co., 431 U.S., at 26–27, 97 S. Ct., at 1519–1520." Kansas Power & Light, 459 U.S. at 411, 103 S. Ct. at 704.

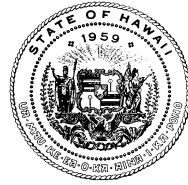
Here, the bill would terminate the five-year contract between the State Department of Health and HCF after two years and would either eliminate or substantially reduce the twelve-month wind-down period. The wind-down period was intended to allow HCF to terminate its grant contracts, account for Trust fund moneys, and redeploy its personnel in an orderly and accurate manner. Although the contract explicitly anticipated termination of the Trust fund by legislative action, elimination of the twelve-month wind-down period may constitute a substantial impairment.

If the threshold inquiry is met, i.e., if the bill operates as a substantial impairment of a contractual relationship, then a host of factors must be considered. In a series of cases, the U.S. Supreme Court recognized among them that "the state legislature had declared in the Act itself that an emergency need for the protection of homeowners existed," that "the state law was enacted to protect a basic societal interest, not a favored group," that "the relief was appropriately tailored to the emergency that it was designed to meet," that "the imposed conditions were reasonable," that "the legislation

was limited to the duration of the emergency," that the state law had "retroactive effect," that the law was "precisely and reasonably designed to meet a grave temporary emergency in the interest of the general welfare," that "[e]ven when the public welfare is invoked as an excuse, [the law could not cut down] the security of a mortgage . . . without moderation or reason or in a spirit of oppression," and that in "[e]valuating with particular scrutiny a modification of a contract to which the State itself was a party, the Court . . . held that legislative alteration of the rights and remedies of . . . bondholders violated the Contract Clause because the legislation was neither necessary nor reasonable." Allied Structural Steel Co. v. Spannaus, 438 U.S. 234, 242-44, 98 S. Ct. 2716, 2721-22 (1978) (emphasis added). Given the complexity of the analysis once a bill substantially impairs a contract, the safer course would be to reduce that impairment.

One way to reduce the substantiality of any impairment would be to amend section 5 of the bill to read: "Any unencumbered balances remaining in the Hawaii tobacco prevention and control trust fund as of [~~July 1, 2021,~~] September 1, 2022, shall lapse to the credit of the general fund." The new date would allow sufficient time from approval of the bill for the Department of Health to initiate and for HCF to conclude the twelve-month wind-down procedures. In this manner, the potential constitutional problem may be avoided.

We recommend that the Committees make the suggested amendment if the decision is to move this bill forward.



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

**Testimony in OPPOSITION to H.B. 1296, H.D. 1
RELATING TO STATE FUNDS**

SENATOR JARRETT KEOHOKALOOLE, CHAIR
SENATE COMMITTEE ON HEALTH

SENATOR DONNA MERCADO KIM, CHAIR
SENATE COMMITTEE ON HIGHER EDUCATION

Hearing Date: 3/23/2021

Room Number: Videoconference

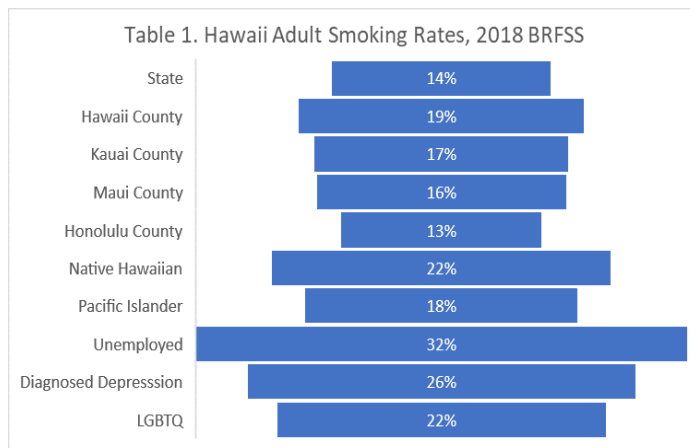
1 **Fiscal Implications:** This measure impacts the priorities of the Department of Health (DOH)
2 identified in the Governor's Executive Budget Request and Legislative Package.

3 **Department Testimony:** The Department strongly opposes this measure with comments.

4 House Bill 1296, House Draft 1 (H.B. 1296, H.D. 1) would dismantle the comprehensive
5 tobacco prevention and quit smoking services for youth and adults by repealing the Tobacco
6 Prevention and Control Trust Fund (Trust Fund) and the oversight role of the Tobacco
7 Prevention and Control Advisory Board (Advisory Board). The money in the Trust Fund is from
8 tobacco company profits, and exclusively used for tobacco prevention and control.

9 Tobacco use has been linked to diseases in nearly every organ, and nicotine is one of the
10 most addictive substances, and year over year, many keiki and adults in Hawaii are enticed to
11 start and keep using tobacco. The effect of the proposed measure would end the free services
12 through the Hawaii Tobacco Quitline for youth, pregnant women and adults who smoke and
13 vape. County level cessation, youth e-cigarette prevention, community and youth education
14 services provided through non-profit organizations on every island would also cease.

1 Despite the declines in the use of combustible cigarette use, each year 1,400 adults in
 2 Hawaii will die prematurely, and 1,000 keiki will lose at least one parent from smoking-caused
 3 death.^{1,2} Hawaii annually spends \$526 million in direct annual health care expenditures and
 4 \$387.3 million in worker productivity is lost due to smoking.³ Meanwhile the tobacco industry
 5 continues to spend billions of dollars in advertising, \$9.06 billion in 2018 alone, and our keiki
 6 continue to be enticed and become addicted.⁴ Where the traditional advertising of cigarettes was
 7 visible to parents, keiki now receive e-cigarettes marketing directly to their smart phones from
 8 online youth social influencers on social and digital media platforms.^{5,6}



The Trust Fund program meets the evolving challenges, is based on public health data, national standards and guidelines, focusing especially on communities impacted by tobacco marketing and use. Adult tobacco use rates and needs vary, see table 1.⁷ The 2019 youth HS e-cigarette use rates were higher by neighbor island counties, see

18 table 2, and rates for students who identify as Native Hawaiian, Pacific Islander, Filipino, and

¹ Lortet-Tieulent J, Goding Sauer A, Siegel RL, et al. State-Level Cancer Mortality Attributable to Cigarette Smoking in the United States. *JAMA Intern Med.* 2016;176(12):1792–1798. doi:10.1001/jamainternmed.2016.6530

² Leistikow BN, Martin DC, Milano CE. Estimates of smoking-attributable deaths at ages 15-54, motherless or fatherless youths, and resulting Social Security costs in the United States in 1994. *Prev Med.* 2000 May;30(5):353-60. doi: 10.1006/pmed.2000.0657. PMID: 10845743.

³ Campaign for Tobacco-Free Kids, “The Toll of Tobacco in Hawaii.” January 19, 2021.

⁴ Centers for Disease Control and Prevention, Tobacco Industry Marketing. Retrieved 2-13-21:

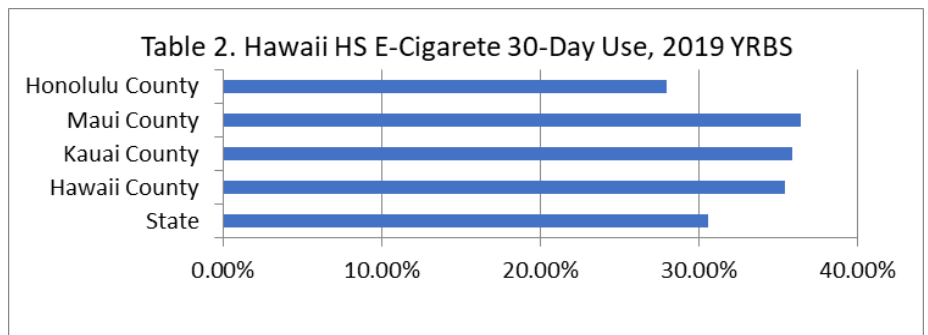
https://www.cdc.gov/tobacco/data_statistics/fact_sheets/tobacco_industry/marketing/index.htm

⁵ O'Brien EK, Hoffman L, Navarro MA, Ganz O. Social media use by leading US e-cigarette, cigarette, smokeless tobacco, cigar and hookah brands. *Tob Control.* 2020 Dec;29(e1):e87-e97. doi: 10.1136/tobaccocontrol-2019-055406. Epub 2020 Mar 26. PMID: 32217772.

⁶ FDA in Brief, March 17, 2021: [FDA In Brief: FDA Requires Four E-Cigarette Brands to Provide Critical Information on Social Media Practices](#). Accessed on March 19, 2021.

⁷ Hawaii State Department of Health, Hawaii Health Data Warehouse, Behavioral Risk Factor Surveillance System. '[Chart Title, appropriate years(s)].' Hawaii-IBIS <http://ibis.hhdw.org/ibisph-view>. Accessed on 2-23-2021.

1 Other, rose through 2015, 2017,
2 and 2019.⁸ The program of
3 work considers the geography
4 and challenges, and
5 opportunities between rural and
6 urban communities, and training
7 and networking is provided to share expertise and resources.



8 The origin of these funds is from the master settlement agreement (MSA) signed in 1998
9 between forty-six states, territories, and four of the largest cigarette manufacturers.⁹ Hawaii
10 passed Act 304 in 1999 that established the Tobacco Settlement Special Fund (TSSF) to receive
11 the annual payments resulting from the class action lawsuit, and codified in [Chapter 328L](#),
12 [Hawaii Revised Statutes](#) (HRS).¹⁰ The DOH receives and distributes the TSSF, and the changes
13 to the distribution since fiscal year (FY) 2000 are provided on table 3.

14 Table 3. TSSF Distribution Portions, FY2000 through FY2020, [Sec. 328L-2\(b\), HRS](#)

Fiscal Years	Rainy Day	DOH	DHS SCHIP	Trust Fund	UH JABSOM	General Fund
FY2000-FY2002	40.0%	25.0%	10.0%	25.0%	0.0%	0.0%
FY2003-FY2009	24.5%	25.0%	10.0%	12.5%	28.0%	0.0%
FY2010-FY2011	15.0%	15.0%	10.0%	6.5%	28.0%	25.5%
FY2012	0.0%	15.0%	10.0%	0.0%	28.0%	47.0%
FY2013	0.0%	15.0%	10.0%	0.0%	28.0%	47.0%
FY2014	15.0%	15.0%	10.0%	6.5%	27.0%	26.5%
FY2015	15.0%	15.0%	10.0%	6.5%	26.0%	27.5%
FY2016-FY2020	15.0%	0.0%	0.0%	12.5%	26.0%	46.5%

15 Notes: Rainy Day: also known as the Emergency & Budget Reserve Fund (EBRF)
16 DOH: Department of Health for health promotion and disease prevention programs, ended FY16
17 DHS SCHIP: Department of Human Services State Children’s Health Insurance Program, ended FY16¹¹
18 Trust Fund: Tobacco Prevention and Control Trust Fund established in the Hawaii Community Foundation
19 UH JABSOM: University revenue-undertakings fund for Kakaako medical school facility
20 TESF: Receives \$350,000 before portions to other funds, Sec. 328L-2(a), HRS

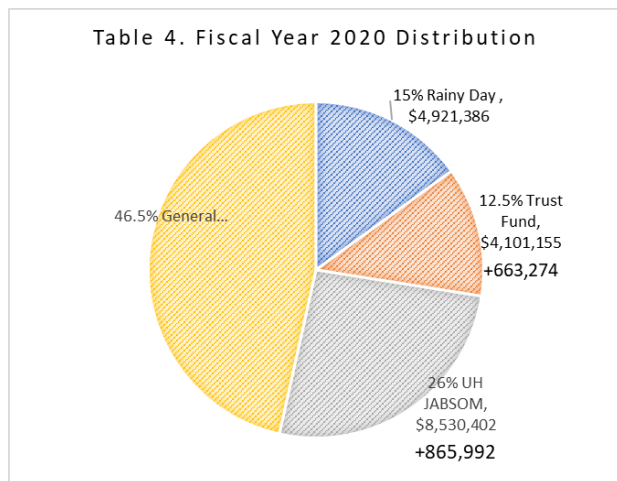
⁸ Hawaii State Departments of Health and Education, Hawaii Health Data Warehouse, 2015-2019 Youth Risk Behavior Survey. ‘: Hawaii-IBIS <http://ibis.hhdw.org/ibisph-view>.

⁹ Schlinger, T. The MSA – 20 Years Later. NAAG Center for Tobacco and Public Health. Retrieved 2-26-2021. <https://www.naag.org/tobacco-and-e-cigarettes/attorney-general-journal/tobacco-master-settlement-agreement-msa-20-years-later/>

¹⁰ Act 304, HSL 1999: https://www.capitol.hawaii.gov/session1999/acts/Act304_sb1034.htm

¹¹ Act 118, HSL 2015. https://www.capitol.hawaii.gov/session2015/bills/SB101_CD1_.PDF

1 In FY2020, the total MSA payment
2 received into the TSSF was \$35,309,044, and
3 \$350,000 was first distributed to the AG for
4 the TESF. The 5% central service and 1.21%
5 administrative assessments were applied and
6 \$2,149,806 went to the general fund. Table 4
7 illustrates the distribution of the net amounts.
8 Since the 2018 MSA arbitrated settlement
9 reduced the annual payments to Hawaii till
10 calendar year 2022, Act 12, SLH 2018, requires unencumbered TSSF be used to supplant any
11 losses to the UH JABSOM and Trust Fund portions (\$865,992 and \$663,274 respectively for
12 FY2020).



13 The Trust Fund is established as a separate fund in the Hawaii Community Foundation
14 (HCF), a non-profit entity with a board of governors, as described in [Sec. 328L-5, HRS](#). The
15 DOH has a contract with the HCF to invest and manage the Trust Fund, for tobacco prevention
16 and control efforts. The HCF provides reports on a quarterly basis on the investment
17 performance of the Trust Fund, conducts and submits an annual third-party auditor's report,
18 maintains an online portal where evaluation reports are submitted, and communicates weekly on
19 the progress of the program of work. Grant making and services are competitively selected
20 through requests for proposals with a rigorous review process. Currently, there are 17
21 community cessation and 14 youth e-cigarette prevention grantees, and contracts that support the
22 Hawaii Tobacco Quitline and evaluations. Since 2009, the community-based cessation programs
23 and the Hawaii Tobacco Quitline enrolled over 54,000 tobacco users and remain on target
24 reaching people experiencing greater health disparities. As described, the rigorous program of
25 work and timely delivery of services for communities cannot be accomplished through the
26 appropriation of funding to the DOH for FY 2021-2022 and FY2022-2023.

27 The Advisory Board described in [Sec. 328L-6, HRS](#), advises the HCF on the
28 administration of the Trust Fund, and is required in collaboration with the DOH to develop a

1 state strategic plan for tobacco prevention and control that guides the use of the Trust Fund. The
2 Advisory Board includes members nominated by the Senate President and House Speaker and
3 appointed by the Governor, departmental designees, and includes people with demonstrated
4 interest and expertise, and members representing populations at risk for tobacco use. The
5 meetings are publicly held and the HCF provides presentations on the progress of the strategic
6 areas of work, evaluation findings, and updates and recommendations to the budget.

7 When Hawaii settled the lawsuit against tobacco companies with other states and
8 territories, one important reason was to achieve for their citizens, “. . . significant funding for the
9 advancement of public health.”¹² The MSA included provisions to protect youth from
10 combustible cigarettes, and many states including Hawaii began funding tobacco prevention
11 programs. Unlike many states, Hawaii policy makers since 2000 have maintained the public
12 health objective to use the MSA portion for the Trust Fund to help residents quit smoking and to
13 prevent youth from starting. These programs and the individuals dedicated to protecting youth
14 and help people quit smoking are saving lives, improving health outcomes, and have over the
15 years saved the state \$1 billion dollars in total health care costs.¹³

16 The repeal of Chapter 328L-5, and amending 328L-6, HRS would break the nexus
17 between the annual MSA payments and the people of Hawaii, whose health continue to be
18 impacted by tobacco. The action to transfer the Trust Fund to the general funds would end the
19 work not finished, to prevent youth from becoming addicted to nicotine, and to help youth,
20 pregnant women, and adults to quit. Native Hawaiians, Filipino, and Pacific Islanders have been
21 disproportionately impacted by COVID-19 infections, hospitalizations, death, and life
22 disruptions during the pandemic – and these are also the communities the Trust Fund serves.
23 During the pandemic, the Department has continued its work with the HCF, and community
24 organizations. Together we have kept to an aggressive timeline to launch the comprehensive

¹² National Association of Attorneys General, The Master Settlement Agreement. Retrieved 2-12-2021:
<https://1li23g1as25g1r8so11ozniw-wpengine.netdna-ssl.com/wp-content/uploads/2020/09/MSA.pdf>

¹³ Holmes JR, Ching LK, Cheng D, Johnson L, Yap L, Starr RR and Irvin L. 2018. [Tobacco Landscape. Honolulu: Hawaii State Department of Health](#), Chronic Disease Prevention and Health Promotion Division.

1 youth prevention education program and strengthening the Hawaii Tobacco Quitline services to
2 meet the needs of addicted keiki. The work is not yet done.

3 The Department strongly recommends fidelity to original intent of Act 304 in 1999 that
4 established the Trust Fund for the comprehensive tobacco prevention and control program in
5 Hawaii.

6 Thank you for the opportunity to testify on this measure.

7 **Offered Amendments:** None



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
Senate Committee on Health
and the
Senate Committee on Higher Education
March 23, 2021 at 3:15 p.m.
by
Kalbert K. Young
Vice President for Budget and Finance/Chief Financial Officer
University of Hawai'i System

HB 1296 HD1 – RELATING TO STATE FUNDS

Chairs Keohokalole and Kim, Vice Chairs Baker and Kidani, and members of the Committees:

Thank you for the opportunity to present testimony today. The University of Hawai'i (UH) is providing comments regarding House Bill (HB) 1296 House Draft 1, Relating to State Funds. This bill repeals the Hawai'i Tobacco Prevention and Control Trust Fund, appropriates general funds to the Department of Health for tobacco prevention and control, and specifies that Hawai'i Tobacco Settlement Special Fund moneys shall only be deposited into the University Revenue-Undertakings Fund until July 1, 2033.

The implications of this bill are impactful on how the University will be able to rely on these special fund revenues. The tobacco settlement revenues received by UH are specifically appropriated to the purpose of paying debt service on bonds issued for construction of the John A. Burns School of Medicine (JABSOM) facility in Kaka'ako.

The outstanding bonds were sold in 2006 and the tobacco settlement revenues were a primary revenue pledge to bond buyers. Currently, there remains more than \$117.22 million in bonds outstanding and those bonds will mature prior to the July 1, 2033 sunset date in the bill. UH's annual debt service payments for these bonds are between \$9.4 million and \$10.04 million each year. The bonds have more than ten (10) years remaining until full maturity. Debt service over the remaining duration of the bonds total more than \$123.57 million. The par value of the outstanding bonds is approximately \$117.22 million. Changes to how the Hawai'i Tobacco Settlement Special Fund moneys are allocated and distributed – especially, for that portion to the University of Hawai'i – should be at least mindful of the impact on promised debt obligations.

Thank you for this opportunity to testify.



Wellness & Lifestyle Medicine

To: Senator Jarret Keohokalole, Chair
Senator Rosalyn H. Baker, Vice Chair
Senate Committee on Health

Senator Donna Mercado Kim, Chair
Senator Michelle N. Kidani, Vice Chair
Senate Committee on Higher Education

RE: Strong Opposition to HB 1296, HD1, Relating to State Funds

Hrg: March 23, 2021 at 3:15 PM via Videoconference

Adventist Health Castle is in **strong opposition to HB 1296, HD1**, which repeals the Hawaii Tobacco Prevention and Control Trust Fund.

Our organization is committed to our community's wellbeing and blessed to be working alongside with you in serving our community. An example of Castle's commitment is our "Live Well Tobacco Free Program", a comprehensive tobacco treatment program that has been funded by the Hawaii Tobacco Prevention and Control Trust Fund over the past twelve years. This free program has greatly impacted the well-being and quality of life for participants and their ohana, especially in east and north Oahu and throughout our state. It continues to successfully help tobacco users from priority populations quit tobacco use, including those with serious behavioral health diagnoses, pregnant mothers, the underinsured or uninsured, native Hawaiians and those dealing with substance abuse and/or homelessness. It reaches strong proportions of highly addicted tobacco users while providing participants with grant-funded nicotine replacement medications—a critical component which assists individuals to have the confidence to become tobacco-free and remain tobacco-free.

Even through the challenges of providing excellent care through the current pandemic, our program has been able to broaden access to the entire state through our free, remote, virtual services for effective individual counseling, group classes and support. Considering the research that shows **young adult and teen e-cigarette users had a five to seven times greater chance of being diagnosed with COVID-19** when compared to those that did not use e-cigarettes, our program continues to educate our community and provide hope with a proven strategy for tobacco cessation to increase immunity and reduce risks in the fight against COVID-19.

Yes, it is true that the bill appropriates \$5.7 million per year for the next two years for tobacco prevention and control, but that is less than the \$6.9 million that was spent in 2020. **That would**

amount to over a \$1 million cut in services. It would also take time for all the contracts to transfer from Hawaii Community Foundation (HCF) to DOH, possibly resulting in a **gap in services.** For now, it is a general fund appropriation, *not* in DOH's base budget (and there would have to be a **request to ensure funding continues beyond those 2 years**).

Furthermore, there are benefits of the trust fund structure itself. The trust fund is a **dedicated source of funding** for tobacco prevention and control efforts - its reliability and consistency are important for program stability and continuity. In addition, **HCF invests the money in the trust fund, allowing it to grow.** According to an article by the Hawaii Tribune Herald, HCF Program Director, Tom Masuda said, "... If the trust fund is repealed, and if instead the money goes to the DOH, the DOH does not have the ability to invest general fund dollars to raise additional revenue as a state entity. They cannot do that." The interest earned through its investments have helped them adapt and fund programs in response to the rise in youth e-cigarette use.

Tobacco prevention and cessation programs are important to reduce the burden of tobacco in our state. Thank you for the opportunity to provide testimony in opposition to HB 1296, HD1.

Mahalo,



Allie Hall, RN, BSN, MPH, NCTTP
Program Coordinator, Tobacco Control
Tobacco Treatment Specialist



To: The Honorable Senator Jarrett Keohokalole, Chair
The Honorable Senator Rosalyn Baker, Vice-Chair
Committee on Health

The Honorable Senator Donna Mercado Kim, Chair
The Honorable Senator Michelle Kidani, Vice-Chair
Committee on Higher Education

From: Trish La Chica, Community and Government Relations Manager, External Affairs

Hrg: March 23, 2021 at 3:15pm, Room 229/Zoom

RE: **HB1296 HD1, Relating to State Funds – Oppose**

AlohaCare appreciates the opportunity to testify in opposition to **HB1296 HD1**, which would repeal the Hawaii tobacco control and prevention trust fund, transfer the balance to the general fund, and allocate \$5.7 million to the Department of Health for tobacco prevention and control in FY 2021-2022 and 2022-2023.

Founded in 1994, AlohaCare is a community-rooted, non-profit health plan serving 73,000 Medicaid and dual-eligible health plan members on all islands. Our mission is to serve individuals and communities in the true spirit of aloha by ensuring and advocating access to quality health care for all. We believe that health is about supporting whole-person care, including access to housing and food security, to build a stronger, healthier Hawaii.

AlohaCare is concerned with this measure's proposal to repeal the tobacco control and prevention trust fund, which receives an annual amount from the Master Settlement agreement that was established to recover the damages brought upon by the deaths and illness caused by tobacco. Since 1999, the Legislature and the Hawaii State Department of Health has worked to ensure that the trust fund is designed to receive payments that is used to cover current and future costs to fight tobacco use. This program has been successful in reducing the youth smoking rate from 27.9% in 1999 to 5.3% in 2019 and the adult smoking rate from 19.9% in 2000 to 13.4% in 2019 ([Hawaii Tobacco Landscape, Dept. of Health](#)). The tobacco control and prevention trust fund is a great example of strong public health programming that keeps our communities and healthy and safe, especially for the thousands of lives that have already benefitted from this program.

AlohaCare believes that keeping this funding intact would help save lives and reduce healthcare costs paid with tax dollars through the State of Hawaii and U.S. Center for Medicaid and Medicare Services. AlohaCare's role is to administer health insurance benefits for Medicaid and

dual eligible Medicare beneficiaries on behalf of the Hawaii Department of Human Services and CMS.

In 2020, AlohaCare was charged \$13.9 million treating about 6,140 members for tobacco and vaping-related illness. Among adult tobacco users, 24.2% were being treated for a serious chronic condition. On average for each member, the charges for all health care services provided to tobacco users were 154% higher than charges for non-tobacco users. In addition, AlohaCare is concerned with the rising rates of youth being diagnosed with nicotine dependence and vaping-related disorders. In 2020, the youngest recorded age being treated for vaping at AlohaCare was 10 years old.

AlohaCare believes that there is never a more important time than now to invest in strong public health infrastructure and programming to prevent more lives lost due to tobacco-related complications and disease. We appreciate the Legislature's current proposals to regulate an industry that has contributed to the public health crisis that resulted in an outbreak of 2,807 e-cigarette or vaping product use-associated lung injury (EVALI) cases or deaths. [A 2020 Stanford study](#) has found that young adults who vape were five to seven times more likely to get the COVID-19 virus.

Hawaii has been experiencing a youth vaping epidemic and preserving the Hawaii tobacco control and prevention trust fund reflects the Legislature's commitment to protect our young people's health from the vaping and tobacco industry's efforts to get them addicted to life-threatening habits.

Mahalo and we are grateful for the opportunity to testify.



American Cancer Society
Cancer Action Network
2370 Nu'uanu Avenue
Honolulu, HI 96817
www.fightcancer.org

Senate Committee on Health
Senator Jarrett Keohokalole, Chair
Senator Rosalyn Baker, Vice Chair

Senate Committee on Higher Education
Senator Donna Mercado Kim, Chair
Senator Michelle Kidani, Vice Chair

Hearing: March 23, 2021

ACS CAN STRONGLY OPPOSES HB1296 HD1: Relating to State Funds

Cynthia Au, Grassroots Manager – Hawaii Pacific
American Cancer Society Cancer Action Network

The American Cancer Society Cancer Action Network (ACS CAN), the nonprofit, non-partisan advocacy affiliate of the American Cancer Society, advocates for public policies that reduce death and suffering from cancer including policies targeted at improving the health of our state by reducing tobacco use. ACS CAN recognizes that COVID-19 is serious and impacting all of our lives. At this critical moment with people focused on protecting their respiratory health, we must do everything in our power to keep our communities healthy and safe—which means building strong public health infrastructure including investing in comprehensive tobacco control programs. Long after this pandemic passes, people deserve to live full, healthy lives free from the ills of tobacco use. ACS CAN **STRONGLY OPPOSES** HB1296 HD1, which would eliminate funding for all tobacco control programs in Hawaii.

In 1998, Hawaii and 45 other states sued tobacco companies and won, resulting in the Master Settlement Agreement (MSA). The MSA included payments to the settling states to cover current and future costs of treating tobacco-related illnesses. A portion (12.5%) of the settlement funds are allocated to the Hawaii Tobacco Prevention and Control Trust Fund (Trust Fund). The Trust Fund was intended to reduce cigarette smoking and tobacco use among youth and adults. **Keep money collected from the tobacco company's settlement for its intended purpose and fund tobacco prevention control and cessation programs in Hawaii.**

In Hawaii, the comprehensive tobacco control program is currently funded at \$7.9 millionⁱ which is 58% of what the CDC recommends for an effective program in Hawaii based on state-specific factors.ⁱⁱ \$5.4 million from the general will only be available for two years. To reduce the devastating health impact of cancer and other tobacco-related disease, we need to invest in programs that prevent kids from starting to use tobacco and help others who are already addicted to quit. Despite much progress, the current rates of tobacco use remain unacceptable, and more than two-thirds (68%) of people who currently

ⁱ The Truth Initiative, et al (2021).

ⁱⁱ CDC, 2014.

smoke indicate they would still like to quit.ⁱⁱⁱ Simply stated, these are people who need our help, their lives are depending on it.

The Problem: Tobacco Use and the Toll of Tobacco in Hawaii

24% of cancer deaths in Hawaii are attributed to smoking. Tobacco is an addictive and deadly product and tobacco use remains the nation's number one cause of preventable death. According to the U.S. Surgeon General, smoking is a known cause of cancer of the oropharynx, larynx, lung/trachea/bronchus, stomach, liver, pancreas, kidney, cervix, bladder, colon, and acute myeloid leukemia.^{iv} In fact, smoking is responsible for an estimated 24.6% of cancer deaths in Hawaii.^v Additionally, smokeless tobacco use can cause cancer of the mouth, esophagus, and pancreas.

Smoking harms nearly every organ in the body and increases the risk for many types of cancer, heart attack, stroke, chronic obstructive pulmonary disease (COPD), emphysema, chronic bronchitis and other diseases.^{vi} People who smoke or who used to smoke are at increased risk for severe illness from COVID-19. Smoking is also a proven risk factor for cancer, COPD and heart disease, which also put people at increased risk for severe illness from COVID-19. Regardless of any association with COVID-19, the adverse health effects of smoking are well-documented and irrefutable.

Evidence suggests cigarettes are being manufactured and marketed in ways that make them more deadly than ever. The Surgeon General has determined that individuals who smoke cigarettes today have a much higher risk for lung cancer and COPD than did people who smoked in 1964, despite smoking fewer cigarettes.^{vii} If you add the deaths from all diseases attributable to smoking, the number of annual deaths climbs to 1,400 lives lost to smoking each year in Hawaii.^{viii} In fact, if nothing is done to reduce smoking rates in our state, 21,000 kids under 18 currently alive in Hawaii will ultimately die prematurely from smoking.^{ix}

Unfortunately, after years of decline, we've seen sharp increases in youth tobacco use nationwide in recent years, largely due to skyrocketing rates of e-cigarette use. At the same time, progress on previously declining youth use of other tobacco products, including cigarettes and cigars, stalled. Unfortunately, many young people who use tobacco do not identify the type they use as a tobacco product or do not identify the tobacco product as harmful.^x Furthermore, studies have found that e-cigarette use increases the risk of youth and young adults using cigarettes^{xi, xii, xiii}

ⁱⁱⁱ U.S. Centers for Disease Control and Prevention. Quitting smoking among adults – United States 2000-2015. Morbidity and Mortality Weekly Report, January 6, 2017: 65(52); 1457–1464.

^{iv} U.S. Department of Health and Human Services. The Health Consequences of Smoking—50 Years of Progress: 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, 2014.

^v American Cancer Society Cancer Action Network. [State-Specific Smoking-Related Cancer Cases and Deaths, 2017](#). December 2020.

^{vi} Centers for Disease Control and Prevention (CDC). Health Effects of Cigarette Smoking. Updated April 28, 2020. https://www.cdc.gov/tobacco/data_statistics/fact_sheets/health_effects/effects_cig_smoking/

^{vii} HHS, 2014.

^{viii} CDC, *Best Practices for Comprehensive Tobacco Control Programs*, 2014.

^{ix} Campaign for Tobacco-Free Kids. The Toll of Tobacco in Hawaii. Updated October 20, 2020.

^x Agaku I, Odani S, Vardavas C, Neff L. Self-Identified Tobacco Use and Harm Perceptions Among US Youth. *Pediatrics*. 2018 Apr, 141 (4).

^{xi} U.S. Department of Health and Human Services. E-Cigarette Use Among Youth and Young Adults. A Report of the Surgeon General. Atlanta, GA: 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, 2016.

^{xii} National Academies of Sciences, Engineering, and Medicine. 2018. Public health consequences of e-cigarettes. Washington, DC: The National Academies Press.

^{xiii} Berry KM, Fetterman JL, Benjamin EJ, et al. Association of Electronic Cigarette Use With Subsequent Initiation of Tobacco Cigarettes in US Youths. *JAMA Netw Open*. 2019;2(2):e187794.

It should be noted that the damage tobacco inflicts upon our state is not limited to death and disease. Annual health care costs from smoking exceed \$526 million in Hawaii including \$141 million Hawaii's Medicaid program spends each year to treat smoking-related diseases.^{xiv} Smoking-caused productivity losses cost Hawaii an additional \$387.3 million annually.^{xv} Given the projected budget deficit in Hawaii, it is vital that evidence-based programs are in place to reduce tobacco use and reduce taxpayer-funded healthcare costs. Increasing the state cigarette tax by \$1 per pack with a parallel tax on all other tobacco products would provide a substantial source of revenue for the state while further reducing tobacco use.

Reducing Health Disparities Related to Tobacco Use

Due to historical and ongoing patterns of tobacco industry marketing to targeted populations, tobacco use and tobacco-related disease tend to disproportionately impact some groups more than others. Here in Hawaii, the tobacco industry has targeted youth and Pacific Islanders. These differences are in large part due to the tobacco industry's targeted marketing through advertising, price discounting and other strategies.^{xvi} Well-funded, evidence-based tobacco control programs can counter the tobacco industry's targeting while providing resources to support those trying to quit and other health programs that directly benefit populations with higher tobacco use and deaths due to tobacco, and ultimately reduce health disparities.

Historical Efforts and Evidence in Support of Comprehensive Tobacco Control in Hawaii

In the over 50 years since the first Surgeon General's report on tobacco use was published, scientists and policymakers have learned a lot about what works to reduce tobacco use. The Centers for Disease Control and Prevention (CDC) evidence-based recommendations for a comprehensive tobacco control program provides states with the needed framework to educate people on the dangers of tobacco use as well as connect people who are already addicted to tobacco to resources to help them quit. Comprehensive tobacco control programs establish smoke-free policies and social norms, promote tobacco cessation and support those trying to quit, prevent initiation of tobacco use among prospective new users including youth and reduce tobacco-related health disparities among disparate populations.^{xvii} When appropriately funded in accordance with CDC recommendations, comprehensive tobacco control programs are able to reduce tobacco use.^{xviii}

The 2014 Surgeon General's report on tobacco concluded that comprehensive statewide and community tobacco control programs are effective in preventing and reducing tobacco use by keeping young people from becoming addicted and helping individuals who use tobacco to quit.^{xix}

Tobacco Prevention & Cessation Programs in Hawaii are Vital to Protect Youth

Due to skyrocketing rates of youth tobacco use in recent years, the decades of progress that has been made in reducing tobacco use rates in youth is now in jeopardy. Here in Hawaii approximately one third of high school students use tobacco products, including 5.3% who smoke cigarettes, and 30.6% who use

^{xiv} Campaign for Tobacco-Free Kids. The Toll of Tobacco in Hawaii. Updated October 20, 2020.

^{xv} Campaign for Tobacco-Free Kids. The Toll of Tobacco in Hawaii. Updated October 20, 2020.

^{xvi} The Truth Initiative, Campaign for Tobacco-Free Kids, American Heart Association and American Stroke Association, American Cancer Society Cancer Action Network, American Lung Association, Americans for Nonsmokers' Rights, and Robert Wood Johnson Foundation. A report entitled *Broken Promises to Our Children: A State-By-State Look at the 1998 State Tobacco Settlement 22 Years Later*. January, 2021. Available on-line at: <https://www.tobaccofreekids.org/what-we-do/us/statereport>.

^{xvii} CDC, 2014.

^{xviii} CDC, 2014.

^{xix} HHS, 2014.

electronic cigarettes.^{xx} Action is needed to reverse these trends. As the tobacco industry is evolving, the need for funding for tobacco prevention programs has never been greater.

Increased counter marketing that can protect kids from tobacco industry appeals is a critical aspect of state comprehensive state tobacco control programs.^{xxi} This type of media effort is needed to counteract the \$26.1 million per year that tobacco companies are spending to market cigarettes and smokeless tobacco alone in Hawaii not including their other deadly and addictive products.^{xxii} Funding is needed to negate the influence Big Tobacco's marketing has on youth.

According to projections developed by the Campaign for Tobacco-Free Kids, the proposal to Hawaii cut's already underfunded program by 100% would mean 1,900 more Hawaii kids growing up to be adults who smoke and increase future healthcare expenditures by \$39.9 million.^{xxiii}

Maintaining tobacco control program funding for which we ask your support here today is backed by extensive science, evidence, and success stories from other states. Research shows that the more states spend on comprehensive tobacco control programs, the greater the reductions in smoking. The longer states invest in such programs, the greater and quicker the impact. Following the CDC funding recommendations for a comprehensive tobacco control program provides states with the needed framework to educate people on the dangers of tobacco use as well as connect people who are already addicted to tobacco to resources to help them quit.

Thanks to the decades of program implementation, surveillance, and evaluation, we now know what works best to prevent and reduce smoking and tobacco use. Extensive research shows enacting comprehensive smoke-free laws, regularly and significantly increasing tobacco taxes and adequately funding tobacco prevention and cessation programs work together to effectively reduce tobacco use and save lives. While Hawaii is facing unprecedented public health challenges, it is critical that programs to prevent kids from starting to use tobacco and help adults quit are preserved. No matter when someone quits tobacco, there are large and immediate benefits—perhaps these benefits are as important now as ever. For some people who use tobacco products, the COVID-19 crisis might provide motivation to quit; for others, trying to quit during a time of stress might be even harder. Hawaii should do everything we can to help those who choose to quit to succeed.

If we are serious about fighting the death and disease caused by tobacco, holding HB1296 HD1 is a critical step. Thank you for the opportunity to testify today.

^{xx} Campaign for Tobacco-Free Kids. Oct. 20, 2020 <https://www.tobaccofreekids.org/problem/toll-us/hawaii>

^{xxi} CDC, 2014.

^{xxii} The Truth Initiative, et al (2021).

^{xxiii} Campaign for Tobacco-Free Kids. Impact on Youth Smoking, Deaths & Related Health Costs From Changes to Hawaii Tobacco Prevention Funding. February 5, 2021

Aloha Senate Committee on Health and Committee on Higher Education,

Attached is a compilation of testimony for Tuesday, March 23, 2021; 3:15 p.m.; State Capitol, Conference Room 229 in **OPPOSITION** of **HB1296HD1: Relating to State Funds** for the following individuals:

Tyler Kamisato, UH Undergraduate in Public Health Studies - Mililani, 96789

Ellie Ventula-Honda, Citizen - Honolulu, 96825

J. Fowler, Citizen – Honolulu, 96814

Beverly Wong, Citizen - Halawa, 96818

Chandra Quinlan, Citizen - Waipio Gentry (Waipahu), 96797

Frank V. Guillermo - Waipahu, 96797

Jenny Hausler, Citizen - Pearl City, 96782

Kellen King, Citizen - Ewa Beach, 96706

LokeLani Chong - UH Nursing Student Hilo, 96720

Lauren Simpson-Gomez, UH Student - Honolulu, HI 96822

Lynn Wilson, Citizen - Honomu, 96728

Madeline Bush, UH Nursing Student - Hilo, 96720

Cheryl Okuma, Citizen – Wailuki, Maui 96793

Date: March 23, 2021

To: The Honorable Senator Jarrett Keohokalole, Chair
The Honorable Senator Rosalyn Baker, Vice Chair
Members of the Senate Committee on Health

The Honorable Senator Donna Mercado Kim, Chair
The Honorable Senator Michelle N. Kidani, Vice Chair
Members of the Senate Committee on Higher Education

Re: Strong Opposition of HB 1296 HD1: RELATING TO STATE FUNDS

Hrg: Tuesday, March 23, 2021 at 3:15pm at Capitol Room 229

Aloha, my name is Tyler Kamisato from Mililani, HI, 96789. Thank you for the opportunity to submit testimony in **strong opposition** to HB1296HD1 relating to defunding tobacco enforcement, Hawaii tobacco special settlement fund, and Hawaii tobacco prevention and control trust fund. Hawaii has made significant progress towards tobacco control and having the committee pass this bill would have Hawaii take several years worth of work back.

I volunteer with the American Cancer Society Cancer Action Network and have personally seen my friends under the influence of some of my own peers to try and start vaping using electronic cigarettes (e-cigarettes). All of her friends (who were under the age of 21 at the time) were using these tobacco devices because it was “cool.” When they saw that she wasn’t using one, they kept peer pressuring her to just “try it.” After taking several hits from her friend's devices, she became addicted to nicotine and started using my own device. She’s only 19 but with the help of her older friends, she’s able to get her hands on e-cigarettes. I see what nicotine does to her almost everyday. At work, she has to take smoke breaks when it’s not busy because her body needs the nicotine or well she’ll start to have headaches, mood swings, ravings etc. She tells me that after using e-cigarettes, she gets really bad coughs and her throat hurts from time to time. Also, she feels a little “sluggish” here and there. She knows the risks but still chooses to participate in this act. E-cigarettes have negatively impacted her life and her life has only just begun.

The Hawaii Tobacco Prevention and Control Trust Fund was created for the purpose of preventing youth from starting to use tobacco and help people quit. Being able to have prevention education for youth across the state is actually a very vital step towards cessation. School-based tobacco prevention education programs that focus on skills training approaches have proven successful in the past by reducing the onset of smoking, according to numerous independent studies. A summary of these findings demonstrates positive outcomes across programs that vary in scope, format, and delivery method. To be most effective, school-based programs need to target the youth before they initiate tobacco use or drop out of school. Due

to the considerable number of students that begin using tobacco products before the age of 15, it is imperative that school-based programs continue throughout high school. In Hawaii,

- An estimated 1,400 deaths are caused by smoking each year.
- 12.30% of adults and 5.3% of high school students smoke cigarettes and approximately one third of high school students use tobacco products.
- Over 24.6 percent of cancer deaths in Hawaii are caused by smoking.
- 30.6% of high school students currently use e-cigarettes

Investing in tobacco control programs, including having access to prevention education, is needed to reverse these alarming new trends. The need for funding tobacco prevention programs has never been greater. It's imperative that programs are funded to protect the next generation from a lifetime of addiction.

I understand that the state is trying to find money in order to fund the state budget however, please take into consideration the years of work Hawaii has gone through in order to be where we are now. I strongly recommend that you consider the setbacks of defunding tobacco prevention and control programs for the future of our ohana living in Hawaii. I urge you to hold this bill. Thank you again for the opportunity to testify.

Sincerely,
Tyler Kamisato
Mililani, 96789

Date: March 23, 2021

To: The Honorable Senator Jarrett Keohokalole, Chair
The Honorable Senator Rosalyn Baker, Vice Chair
Members of the Senate Committee on Health

The Honorable Senator Donna Mercado Kim, Chair
The Honorable Senator Michelle N. Kidani, Vice Chair
Members of the Senate Committee on Higher Education

Re: Strong Opposition of HB 1296 HD1: RELATING TO STATE FUNDS

Hrg: Tuesday, March 23, 2021 at 3:15pm at Capitol Room 229

Position: Strong Opposition

Good morning Chairs, Vice Chairs, and joint committee members. My name is Ellie Ventula-Honda, from Honolulu, 96825. Thank you so much for the opportunity to submit testimony in STRONG OPPOSITION to HB1296HD1. I urge for the preservation of the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund.

I volunteer with the American Cancer Society Cancer Action Network and it saddens me that funds for programs that have been proven to protect kids from the challenges of addiction to tobacco and especially to help the adults to quit is in consideration of being eliminated. My loving parents were cigarette smokers, which made a profound impact on my breathing. I developed asthma and many respiratory issues. My father passed away from lung cancer, and my mother was diagnosed with colon cancer, at which time; both parents were in their 60's. Today, I continue to struggle with respiratory problems and can't stand the smell of cigarettes' when I pass people who are smoking in public. I watch young children walking the mall with cigarettes and other smoking devices as they emulate the adults doing the same thing. Many are too young to even drive. Why do you even want to consider stopping the funding for prevention programs and why can't we just stop the selling of these deadly items as a whole? Consider the right actions to take for the children, perhaps your loved ones and for the people of Hawaii. Please continue the must needed funding for the state's tobacco prevention and cessation programs. Please make the right decision, do what's right...

Fully funding evidence-based tobacco prevention and cessation programs, along with regular and significant tobacco tax increases and comprehensive smoke-free laws can reduce tobacco

use. While Hawaii is facing unprecedented public health challenges, it is critical that programs to prevent kids from starting to use tobacco and help adults quit are preserved.

I understand that the state is trying to find money to fund the state budget. Please consider the impact and cost it would be defunding tobacco prevention and control programs on the future of Hawaii.

I urge you to hold this bill.

Mahalo for the opportunity to submit testimony.

Date: March 23, 2021

To: The Honorable Senator Jarrett Keohokalole, Chair
The Honorable Senator Rosalyn Baker, Vice Chair
Members of the Senate Committee on Health

The Honorable Senator Donna Mercado Kim, Chair
The Honorable Senator Michelle N. Kidani, Vice Chair
Members of the Senate Committee on Higher Education

Re: Strong Opposition of HB 1296 HD1: RELATING TO STATE FUNDS

Hrg: Tuesday, March 23, 2021 at 3:15pm at Capitol Room 229

Position: Strong Opposition

Good morning Chairs, Vice Chairs, and joint committee members. My name is J. Fowler, from Honolulu, 96814. Thank you so much for the opportunity to submit testimony in STRONG OPPOSITION to HB1296HD1. I urge for the preservation of the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund.

For as long as I remember my mom has smoked. She has smoked for over 30 years. Had the tobacco prevention programs been in place at a time when she started, I believe her life would be very different than what it is today. Please do not take away funding for programs that can help people to quit.

I understand that the state is trying to find money to fund the state budget. Please consider the impact and cost it would be defunding tobacco prevention and control programs on the future of Hawaii.

I urge you to hold this bill.

Mahalo for the opportunity to submit testimony.

Date: March 23, 2021

To: The Honorable Senator Jarrett Keohokalole, Chair
The Honorable Senator Rosalyn Baker, Vice Chair
Members of the Senate Committee on Health

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Re: Strong Opposition of HB 1296 HD1: RELATING TO STATE FUNDS

Hrg: Tuesday, March 23, 2021 at 3:15pm at Capitol Room 229

Position: Strong Opposition

Good morning Chairs, Vice Chairs, and joint committee members. My name is Beverly Wong, from Halawa, 96818. Thank you so much for the opportunity to submit testimony in STRONG OPPOSITION to HB1296HD1. I urge for the preservation of the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund.

My father was a chain smoker and the results of this addiction his health was affected and family members were affected by colon cancer, prostate cancer and skin cancer problems. I strongly feel that we must stop the use of tobacco so that families will not experience the suffering and loss of loved ones.

People who smoke or who used to smoke are at increased risk for severe illness from COVID-19. Smoking is also a proven risk factor for cancer, chronic obstructive pulmonary disease (COPD) and heart disease, which also put people at increased risk for severe illness from COVID-19. Regardless of any association with COVID-19, the adverse health effects of smoking are well-documented and irrefutable. Now is a better time than ever to quit.

Health Impact of Tobacco Use in Hawaii

Smoking harms nearly every organ of the body and the use of tobacco products remains the nation's number one cause of preventable death. Tobacco use is responsible for nearly 1 in 5 deaths nationwide.ⁱ In Hawaii:

- An estimated 1,400 deaths are caused by smoking each year.ⁱⁱ
- 12.30% of adults and 5.3% of high school students smoke cigarettes.^{iii,iv}
- Over 24.6 % of cancer deaths in Hawaii are caused by smoking.^v
- 30.6% of high school students currently use e-cigarettes

Tobacco Control Programs help our state save money

In 1998, Hawaii and 45 other states sued tobacco companies and won, resulting in the Master Settlement Agreement (MSA). The MSA included payments to the settling states to cover current and future costs of treating tobacco-related illnesses. A portion (12.5%) of the settlement funds are allocated to the Hawaii Tobacco Prevention and Control Trust Fund. For over 20 years, Hawaii's Tobacco Prevention and Control Trust Fund has reduced the burden of tobacco in our state, saving both lives and healthcare costs. Since its inception, the state has achieved significant declines in smoking rates for both adults and youth smoking rates. Despite this progress, the toll of tobacco is substantial, and there is still work to be done. In recent years we've seen skyrocketing rates of youth tobacco use, driven by the e-cigarette epidemic.

Smoking is estimated to cost Hawaii \$526 million in direct health care costs, including \$141 million in Medicaid costs annually.^{vi} Given the projected budget deficit, it is vital that evidence-based programs are in place to reduce tobacco use and reduce taxpayer-funded healthcare costs. According to projections from the Campaign for Tobacco-Free Kids, the elimination of funding in HB 1296 would:

- Increase youth smoking rates by 8.7%.
- Lead to 1,900 more kids growing up to become addicted adult smokers.
- Lead to 600 more kids growing up to die prematurely from smoking.
- Result in \$39.9 million in future healthcare additional expenses.

Fully funding evidence-based tobacco prevention and cessation programs, along with regular and significant tobacco tax increases and comprehensive smoke-free laws can reduce tobacco use. While Hawaii is facing unprecedented public health challenges, it is critical that programs to prevent kids from starting to use tobacco and help adults quit are preserved.

I understand that the state is trying to find money to fund the state budget. Please consider the impact and cost it would be defunding tobacco prevention and control programs on the future of Hawaii.

Mahalo for the opportunity to submit testimony. I deeply care about the health of Hawaii people and I urge you to hold this bill.

ⁱ Centers for Disease Control and Prevention (CDC). Health Effects of Cigarette Smoking. Updated April 28, 2020. https://www.cdc.gov/tobacco/data_statistics/fact_sheets/health_effects/effects_cig_smoking/

ⁱⁱ Campaign for Tobacco-Free Kids (CTFK). The Toll of Tobacco in Hawaii. Updated October 20, 2020. <https://www.tobaccofreekids.org/problem/toll-us/hawaii>

ⁱⁱⁱ Campaign for Tobacco-Free Kids (CTFK). The Toll of Tobacco in Hawaii. Updated October 20, 2020. <https://www.tobaccofreekids.org/problem/toll-us/hawaii>

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Re: Strong Opposition of HB 1296 HD1: RELATING TO STATE FUNDS

Hrg: Tuesday, March 23, 2021 at 3:15pm at Capitol Room 229

Position: Strong Opposition

Good morning Chairs, Vice Chairs, and joint committee members. My name is Chandra Quinlan from Waipio Gentry (Waipahu), 96797. Thank you so much for the opportunity to submit testimony in STRONG OPPOSITION to HB1296HD1. I urge for the preservation of the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund.

I volunteer with the American Cancer Society Cancer Action Network and I am a breast cancer survivor. I am a non-smoker. In fact, I've never smoked a cigarette, but the ill-effects of tobacco use has had a huge impact on me because I've lost too many family members to smoking, starting with my paternal grandmother Betty Lou, who died from emphysema and liver disease at 42. My maternal grandmother Evelyn, died of lung cancer with metastasis to the brain at 67. Both smokers, my Uncle Roy also lost his battle with lung cancer at 66 as did my cousin Roman at 55. Most recently, my friend Terra, a single mother in her early 40s was diagnosed with mouth cancer after discovering a malignant tumor under her tongue. After completing chemotherapy and radiation she said "I never thought I would get cancer from smoking" despite having smoked since she was a teen and knowing all the risks. Terra's statement just encapsulates why we need to maintain funding for education and prevention programs, especially now during this pandemic.

Health Impact of Tobacco Use in Hawaii

Smoking harms nearly every organ of the body and the use of tobacco products remains the nation's number one cause of preventable death. Tobacco use is responsible for nearly 1 in 5 deaths nationwide.ⁱ In Hawaii:

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Tobacco Control Programs help our state save money

In 1998, Hawaii and 45 other states sued tobacco companies and won, resulting in the Master Settlement Agreement (MSA). The MSA included payments to the settling states to cover current and future costs of treating tobacco-related illnesses. A portion (12.5%) of the settlement funds are allocated to the Hawaii Tobacco Prevention and Control Trust Fund. For over 20 years, Hawaii's Tobacco Prevention and Control Trust Fund has reduced the burden of tobacco in our state, saving both lives and healthcare costs. Since its inception, the state has achieved significant declines in smoking rates for both adults and youth smoking rates. Despite this progress, the toll of tobacco is substantial, and there is still work to be done.

Smoking is estimated to cost Hawaii \$526 million in direct health care costs, including \$141 million in Medicaid costs annually.^{vi} Given the projected budget deficit, it is vital that evidence-based programs are in place to reduce tobacco use and reduce taxpayer-funded healthcare costs. According to projections from the Campaign for Tobacco-Free Kids, this cut would:

- Increase youth smoking rates by 8.7%.
- Lead to 1,900 more kids growing up to become addicted adult smokers.
- Lead to 600 more kids growing up to die prematurely from smoking.
- Cost the state \$39.9 million in future healthcare additional expenses.

Fully funding evidence-based tobacco prevention and cessation programs, along with regular and significant tobacco tax increases and comprehensive smoke-free laws can reduce tobacco use. While Hawaii is facing unprecedented public health challenges, it is critical that programs to prevent kids from starting to use tobacco and help adults quit are preserved.

I understand that the state is trying to find money to fund the state budget. Please consider the impact and cost it would be defunding tobacco prevention and control programs on the future of Hawaii.

I urge you to hold this bill.

Mahalo for the opportunity to submit testimony.

ⁱ Centers for Disease Control and Prevention (CDC). Health Effects of Cigarette Smoking. Updated April 28, 2020. https://www.cdc.gov/tobacco/data_statistics/fact_sheets/health_effects/effects_cig_smoking/

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Re: Strong Opposition of HB 1296 HD1: RELATING TO STATE FUNDS

Hrg: Tuesday, March 23, 2021 at 3:15pm at Capitol Room 229

Position: Strong Opposition

Good morning Chairs, Vice Chairs, and joint committee members. My name is Frank V. Guillermo, from Waipahu, 96797. Thank you so much for the opportunity to submit testimony in STRONG OPPOSITION to HB1296HD1. I urge for the preservation of the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund.

I volunteer with the American Cancer Society Cancer Action Network and I am in my last semester of my bachelor's program at University of Hawaii at Hilo School of Nursing.

My 11th grade brother once told me, "I always see students vaping everywhere like in school bus, hallway, and even in class. It looks so cool and smells so good. I want to try it!" As a future healthcare provider, I am obligated to educate my brother about the harmful effects of vaping and discourage him from vaping. My brother's statement and the increasing rate of high-school e-cigarette/vape users in Hawaii shows a lack of regulations, health education, and prevention programs of e-cigarettes.

People who smoke or who used to smoke are at increased risk for severe illness from COVID-19. Smoking is also a proven risk factor for cancer, chronic obstructive pulmonary disease (COPD) and heart disease, which also put people at increased risk for severe illness from COVID-19. Regardless of any association with COVID-19, the adverse health effects of smoking are well-documented and irrefutable. Now is a better time than ever to quit.

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Smoking is estimated to cost Hawaii \$526 million in direct health care costs, including \$141 million in Medicaid costs annually.^{vi} Given the projected budget deficit, it is vital that evidence-based programs are in place to reduce tobacco use and reduce taxpayer-funded healthcare costs. According to projections from the Campaign for Tobacco-Free Kids, the elimination of funding in HB 1296 would:

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I understand that the state is trying to find money to fund the state budget. Please consider the impact and cost it would be defunding tobacco prevention and control programs on the future of Hawaii.

Mahalo for the opportunity to submit testimony. I deeply care about the health of Hawaii people and I urge you to hold this bill.

ⁱ Centers for Disease Control and Prevention (CDC). Health Effects of Cigarette Smoking. Updated April 28, 2020. https://www.cdc.gov/tobacco/data_statistics/fact_sheets/health_effects/effects_cig_smoking/

ⁱⁱ Campaign for Tobacco-Free Kids (CTFK). The Toll of Tobacco in Hawaii. Updated October 20, 2020. <https://www.tobaccofreekids.org/problem/toll-us/hawaii>

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^v American Cancer Society Cancer Action Network. [State-Specific Smoking-Related Cancer Cases and Deaths, 2017](#). December 2020.

^{vi} Campaign for Tobacco-Free Kids. The Toll of Tobacco in Hawaii. October 20, 2020. <https://www.tobaccofreekids.org/problem/toll-us/hawaii>

Date: March 23, 2021

To: The Honorable Senator Jarrett Keohokalole, Chair
The Honorable Senator Rosalyn Baker, Vice Chair
Members of the Senate Committee on Health

The Honorable Senator Donna Mercado Kim, Chair
The Honorable Senator Michelle N. Kidani, Vice Chair
Members of the Senate Committee on Higher Education

Re: Strong Opposition of HB 1296 HD1: RELATING TO STATE FUNDS

Hrg: Tuesday, March 23, 2021 at 3:15pm at Capitol Room 229

Position: Strong Opposition

Good morning Chairs, Vice Chairs, and joint committee members. My name is Jenny Hausler from Pearl City, 96782. Thank you so much for the opportunity to submit testimony in STRONG OPPOSITION to HB1296HD1. I urge for the preservation of the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund.

I volunteer with the American Cancer Society Cancer Action Network because cancer has affected my life. Tobacco killed my husband in March two years ago 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.

People who smoke or who used to smoke are at increased risk for severe illness from COVID-19. Smoking is also a proven risk factor for cancer, chronic obstructive pulmonary disease (COPD) and heart disease, which also put people at increased risk for severe illness from COVID-19. Regardless of any association with COVID-19, the adverse health effects of smoking are well-documented and irrefutable. Now is a better time than ever to quit.

Health Impact of Tobacco Use in Hawaii

Smoking harms nearly every organ of the body and the use of tobacco products remains the nation's number one cause of preventable death. Tobacco use is responsible for nearly 1 in 5 deaths nationwide.¹ In Hawaii:

¹ Centers for Disease Control and Prevention (CDC). Health Effects of Cigarette Smoking. Updated April 28, 2020. https://www.cdc.gov/tobacco/data_statistics/fact_sheets/health_effects/effects_cig_smoking/

- An estimated 1,400 deaths are caused by smoking each year.²
- 12.30% of adults and 5.3% of high school students smoke cigarettes.^{3,4}
- Over 24.6 % of cancer deaths in Hawaii are caused by smoking.⁵
- 30.6% of high school students currently use e-cigarettes

Tobacco Control Programs help our state save money

In 1998, Hawaii and 45 other states sued tobacco companies and won, resulting in the Master Settlement Agreement (MSA). The MSA included payments to the settling states to cover current and future costs of treating tobacco-related illnesses. A portion (12.5%) of the settlement funds are allocated to the Hawaii Tobacco Prevention and Control Trust Fund. For over 20 years, Hawaii's Tobacco Prevention and Control Trust Fund has reduced the burden of tobacco in our state, saving both lives and healthcare costs. Since its inception, the state has achieved significant declines in smoking rates for both adults and youth smoking rates. Despite this progress, the toll of tobacco is substantial, and there is still work to be done. In recent years we've seen skyrocketing rates of youth tobacco use, driven by the e-cigarette epidemic.

Smoking is estimated to cost Hawaii \$526 million in direct health care costs, including \$141 million in Medicaid costs annually.⁶ Given the projected budget deficit, it is vital that evidence-based programs are in place to reduce tobacco use and reduce taxpayer-funded healthcare costs. According to projections from the Campaign for Tobacco-Free Kids, the elimination of funding in HB 1296 would:

- Increase youth smoking rates by 8.7%.
- Lead to 1,900 more kids growing up to become addicted adult smokers.
- Lead to 600 more kids growing up to die prematurely from smoking.
- Result in \$39.9 million in future healthcare additional expenses.

Fully funding evidence-based tobacco prevention and cessation programs, along with regular and significant tobacco tax increases and comprehensive smoke-free laws can reduce tobacco use. While Hawaii is facing unprecedented public health challenges, it is critical that programs to prevent kids from starting to use tobacco and help adults quit are preserved.

I understand that the state is trying to find money to fund the state budget. Please consider the impact and cost it would be defunding tobacco prevention and control programs on the future of Hawaii.

I urge you to hold this bill.

Mahalo for the opportunity to submit testimony.

² Campaign for Tobacco-Free Kids (CTFK). The Toll of Tobacco in Hawaii. Updated October 20, 2020.

<https://www.tobaccofreekids.org/problem/toll-us/hawaii>

³ Campaign for Tobacco-Free Kids (CTFK). The Toll of Tobacco in Hawaii. Updated October 20, 2020.

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⁴ Campaign for Tobacco-Free Kids (CTFK). The Toll of Tobacco in Hawaii. Updated October 20, 2020.

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⁵ American Cancer Society Cancer Action Network. [State-Specific Smoking-Related Cancer Cases and Deaths, 2017](#). December 2020.

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To: The Honorable Senator Jarrett Keohokalole, Chair
The Honorable Senator Rosalyn Baker, Vice Chair
Members of the Senate Committee on Health

The Honorable Senator Donna Mercado Kim, Chair
The Honorable Senator Michelle N. Kidani, Vice Chair
Members of the Senate Committee on Higher Education

Re: Strong Opposition of HB 1296 HD1: RELATING TO STATE FUNDS

Hrg: Tuesday, March 23, 2021 at 3:15pm at Capitol Room 229

Position: Strong Opposition

Good morning Chairs, Vice Chairs, and joint committee members. My name is Kellen King from Ewa Beach, 96706. Thank you so much for the opportunity to submit testimony in STRONG OPPOSITION to HB1296HD1. I urge for the preservation of the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund.

I volunteer with the American Cancer Society Cancer Action Network and through my service, I've come to meet so many vibrant people. There is always one common thread - they have cancer.

With lung cancer, I've witnessed the physical effects of the cancer and the corresponding treatments that have a devastating effect on the body.

Some win their battle, and some lose their battle. They often tell me that they started smoking in school because it helped them to fit in. They didn't know what we know now and wish that there was a stronger force to stop them.

The effects of lung cancer go far beyond the personal physical ailments. Whole ohana and communities rally behind them in their fight against cancer. If your loved one battled cancer, you know the hollow feeling of helplessness as you watch them endure the suffering.

People who smoke or who used to smoke are at increased risk for severe illness from COVID-19. Smoking is also a proven risk factor for cancer, chronic obstructive pulmonary disease (COPD) and heart disease, which also put people at increased risk for severe illness from COVID-19. Regardless of any association with COVID-19, the adverse health effects of smoking are well-documented and irrefutable. Now is a better time than ever to quit.

Health Impact of Tobacco Use in Hawaii

Smoking harms nearly every organ of the body and the use of tobacco products remains the nation's number one cause of preventable death. Tobacco use is responsible for nearly 1 in 5 deaths nationwide.ⁱ In Hawaii:

- An estimated 1,400 deaths are caused by smoking each year.ⁱⁱ
- 12.30% of adults and 5.3% of high school students smoke cigarettes.^{iii,iv}
- Over 24.6 % of cancer deaths in Hawaii are caused by smoking.^v
- 30.6% of high school students currently use e-cigarettes

Tobacco Control Programs help our state save money

In 1998, Hawaii and 45 other states sued tobacco companies and won, resulting in the Master Settlement Agreement (MSA). The MSA included payments to the settling states to cover current and future costs of treating tobacco-related illnesses. A portion (12.5%) of the settlement funds are allocated to the Hawaii Tobacco Prevention and Control Trust Fund. For over 20 years, Hawaii's Tobacco Prevention and Control Trust Fund has reduced the burden of tobacco in our state, saving both lives and healthcare costs. Since its inception, the state has achieved significant declines in smoking rates for both adults and youth smoking rates. Despite this progress, the toll of tobacco is substantial, and there is still work to be done. In recent years we've seen skyrocketing rates of youth tobacco use, driven by the e-cigarette epidemic.

Smoking is estimated to cost Hawaii \$526 million in direct health care costs, including \$141 million in Medicaid costs annually.^{vi} Given the projected budget deficit, it is vital that evidence-based programs are in place to reduce tobacco use and reduce taxpayer-funded healthcare costs. According to projections from the Campaign for Tobacco-Free Kids, the proposed cut in HB 1296 would:

- Increase youth smoking rates by 8.7%.
- Lead to 1,900 more kids growing up to become addicted adult smokers.
- Lead to 600 more kids growing up to die prematurely from smoking.
- Result in \$39.9 million in future healthcare additional expenses.

Fully funding evidence-based tobacco prevention and cessation programs, along with regular and significant tobacco tax increases and comprehensive smoke-free laws can reduce tobacco use. While Hawaii is facing unprecedented public health challenges, it is critical that programs to prevent kids from starting to use tobacco and help adults quit are preserved.

I understand that the state is trying to find money to fund the state budget. Please consider the impact and cost it would be defunding tobacco prevention and control programs on the future of Hawaii. I volunteer with the American Cancer Society Cancer Action Network so that we can someday rid the world of cancer.

Today, that means maintaining these programs to combat tobacco use and ultimately reduce the number of our loved ones from suffering of cancer.

I urge you to hold this bill. Mahalo for the opportunity to submit testimony.

ⁱ Centers for Disease Control and Prevention (CDC). Health Effects of Cigarette Smoking. Updated April 28, 2020. https://www.cdc.gov/tobacco/data_statistics/fact_sheets/health_effects/effects_cig_smoking/

ⁱⁱ Campaign for Tobacco-Free Kids (CTFK). The Toll of Tobacco in Hawaii. Updated October 20, 2020. <https://www.tobaccofreekids.org/problem/toll-us/hawaii>

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Date: March 23, 2021

To: The Honorable Senator Jarrett Keohokalole, Chair
The Honorable Senator Rosalyn Baker, Vice Chair
Members of the Senate Committee on Health

The Honorable Senator Donna Mercado Kim, Chair
The Honorable Senator Michelle N. Kidani, Vice Chair
Members of the Senate Committee on Higher Education

Re: Strong Opposition of HB 1296 HD1: RELATING TO STATE FUNDS

Hrg: Tuesday, March 23, 2021 at 3:15pm at Capitol Room 229

Position: Strong Opposition

Good morning Chairs, Vice Chairs, and joint committee members. My name is LokeLani Chong from Hilo, 96720. Thank you so much for the opportunity to submit testimony in STRONG OPPOSITION to HB1296HD1. I urge for the preservation of the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund.

I volunteer with the American Cancer Society Cancer Action Network and I am in my last semester of my bachelor's program at University of Hawaii at Hilo School of Nursing.

My father-in-law was severely affected from Tobacco use. He developed stage 4 oral cancer and almost lost his life. Luckily, he survived but there are many people who are not as lucky. Tobacco use does not just affect the person who is using it, but their whole family. I do not want to see my friends and family using tobacco products. Young adults, teenagers, and kids are easily fooled by these new and fruity flavors. They think that it cannot be bad for you if it tastes like fruits or candy. I see many underage teenagers selling E-cigarettes that have exotic flavors and using those products on social media. E-cigarettes and tobacco products need to have more strict regulations, so they do not fall into our youth's hands.

People who smoke or who used to smoke are at increased risk for severe illness from COVID-19. Smoking is also a proven risk factor for cancer, chronic obstructive pulmonary disease (COPD) and heart disease, which also put people at increased risk for severe illness from COVID-19. Regardless of any association with COVID-19, the adverse health effects of smoking are well-documented and irrefutable. Now is a better time than ever to quit.

Health Impact of Tobacco Use in Hawaii

Smoking harms nearly every organ of the body and the use of tobacco products remains the nation's number one cause of preventable death. Tobacco use is responsible for nearly 1 in 5 deaths nationwide.ⁱ In Hawaii:

- An estimated 1,400 deaths are caused by smoking each year.ⁱⁱ
- 12.30% of adults and 5.3% of high school students smoke cigarettes.^{iii,iv}
- Over 24.6 % of cancer deaths in Hawaii are caused by smoking.^v
- 30.6% of high school students currently use e-cigarettes

Tobacco Control Programs help our state save money

In 1998, Hawaii and 45 other states sued tobacco companies and won, resulting in the Master Settlement Agreement (MSA). The MSA included payments to the settling states to cover current and future costs of treating tobacco-related illnesses. A portion (12.5%) of the settlement funds are allocated to the Hawaii Tobacco Prevention and Control Trust Fund. For over 20 years, Hawaii's Tobacco Prevention and Control Trust Fund has reduced the burden of tobacco in our state, saving both lives and healthcare costs. Since its inception, the state has achieved significant declines in smoking rates for both adults and youth smoking rates. Despite this progress, the toll of tobacco is substantial, and there is still work to be done. In recent years we've seen skyrocketing rates of youth tobacco use, driven by the e-cigarette epidemic.

Smoking is estimated to cost Hawaii \$526 million in direct health care costs, including \$141 million in Medicaid costs annually.^{vi} Given the projected budget deficit, it is vital that evidence-based programs are in place to reduce tobacco use and reduce taxpayer-funded healthcare costs. According to projections from the Campaign for Tobacco-Free Kids, the elimination of funding in HB 1296 would:

- Increase youth smoking rates by 8.7%.
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Fully funding evidence-based tobacco prevention and cessation programs, along with regular and significant tobacco tax increases and comprehensive smoke-free laws can reduce tobacco use. While Hawaii is facing unprecedented public health challenges, it is critical that programs to prevent kids from starting to use tobacco and help adults quit are preserved.

I understand that the state is trying to find money to fund the state budget. Please consider the impact and cost it would be defunding tobacco prevention and control programs on the future of Hawaii.

Mahalo for the opportunity to submit testimony. I deeply care about the health of Hawaii people and I urge you to hold this bill.

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The Honorable Senator Rosalyn Baker, Vice Chair
Members of the Senate Committee on Health

The Honorable Senator Donna Mercado Kim, Chair
The Honorable Senator Michelle N. Kidani, Vice Chair
Members of the Senate Committee on Higher Education

Re: Strong Opposition of HB 1296 HD1: RELATING TO STATE FUNDS

Hrg: Tuesday, March 23, 2021 at 3:15pm at Capitol Room 229

Position: Strong Opposition

Good morning Chairs, Vice Chairs, and joint committee members. My name is Lauren Simpson-Gomez, from Honolulu, HI 96822. Thank you so much for the opportunity to submit testimony in STRONG OPPOSITION to HB1296HD1. I urge for the preservation of the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund.

I volunteer with the American Cancer Society Cancer Action Network because I grew up with a mother who constantly smoked. She still does. I struggle with the consequences from second-hand smoke inhalation. Imagine what it does to those who actually smoke.

People who smoke or who used to smoke are at increased risk for severe illness from COVID-19. Smoking is also a proven risk factor for cancer, chronic obstructive pulmonary disease (COPD) and heart disease, which also put people at increased risk for severe illness from COVID-19. Regardless of any association with COVID-19, the adverse health effects of smoking are well-documented and irrefutable. Now is a better time than ever to quit.

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- Over 24.6 % of cancer deaths in Hawaii are caused by smoking.^v
- 30.6% of high school students currently use e-cigarettes

Fully funding evidence-based tobacco prevention and cessation programs, along with regular and significant tobacco tax increases and comprehensive smoke-free laws can reduce tobacco use. While

Hawaii is facing unprecedented public health challenges, it is critical that programs to prevent kids from starting to use tobacco and help adults quit are preserved.

I understand that the state is trying to find money to fund the state budget. Please consider the impact and cost it would be defunding tobacco prevention and control programs on the future of Hawaii.

I urge you to hold this bill.

Mahalo for the opportunity to submit testimony.

ⁱ Centers for Disease Control and Prevention (CDC). Health Effects of Cigarette Smoking. Updated April 28, 2020.
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Re: Strong Opposition of HB 1296 HD1: RELATING TO STATE FUNDS

Hrg: Tuesday, March 23, 2021 at 3:15pm at Capitol Room 229

Position: Strong Opposition

Good morning Chairs, Vice Chairs, and joint committee members. My name is Lynn Wilson, from Honouliuli, 96728. Thank you so much for the opportunity to submit testimony in STRONG OPPOSITION to HB1296HD1. I urge for the preservation of the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund.

I volunteer with the American Cancer Society Cancer Action Network because my brother died of lung cancer. Now his only child has to grow up without him, she was seven years old. Nicotine is so addicting and so unhealthy for the body---whether it be nicotine gum or the smoke itself---nicotine reduces the growth of a healthy body and its blood vessels etc. It restricts their ability to function essentially it puts a straitjacket on your veins and arteries. If you really love your country, don't take an opportunity for a healthy full life away from a child, teenager.

People who smoke or who used to smoke are at increased risk for severe illness from COVID-19. Smoking is also a proven risk factor for cancer, chronic obstructive pulmonary disease (COPD) and heart disease, which also put people at increased risk for severe illness from COVID-19. Regardless of any association with COVID-19, the adverse health effects of smoking are well-documented and irrefutable. Now is a better time than ever to quit.

Health Impact of Tobacco Use in Hawaii

Smoking harms nearly every organ of the body and the use of tobacco products remains the nation's number one cause of preventable death. Tobacco use is responsible for nearly 1 in 5 deaths nationwide.ⁱ In Hawaii:

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Tobacco Control Programs help our state save money

In 1998, Hawaii and 45 other states sued tobacco companies and won, resulting in the Master Settlement Agreement (MSA). The MSA included payments to the settling states to cover current and future costs of treating tobacco-related illnesses. A portion (12.5%) of the settlement funds are allocated to the Hawaii Tobacco Prevention and Control Trust Fund. For over 20 years, Hawaii's Tobacco Prevention and Control Trust Fund has reduced the burden of tobacco in our state, saving both lives and healthcare costs. Since its inception, the state has achieved significant declines in smoking rates for both adults and youth smoking rates. Despite this progress, the toll of tobacco is substantial, and there is still work to be done. In recent years we've seen skyrocketing rates of youth tobacco use, driven by the e-cigarette epidemic.

Smoking is estimated to cost Hawaii \$526 million in direct health care costs, including \$141 million in Medicaid costs annually.^{vi} Given the projected budget deficit, it is vital that evidence-based programs are in place to reduce tobacco use and reduce taxpayer-funded healthcare costs. According to projections from the Campaign for Tobacco-Free Kids, the elimination in funding of HB 1296 would:

- Increase youth smoking rates by 8.7%.
- Lead to 1,900 more kids growing up to become addicted adult smokers.
- Lead to 600 more kids growing up to die prematurely from smoking.
- Result in \$39.9 million in future healthcare additional expenses.

Fully funding evidence-based tobacco prevention and cessation programs, along with regular and significant tobacco tax increases and comprehensive smoke-free laws can reduce tobacco use. While Hawaii is facing unprecedented public health challenges, it is critical that programs to prevent kids from starting to use tobacco and help adults quit are preserved.

I understand that the state is trying to find money to fund the state budget. Please consider the impact and cost it would be defunding tobacco prevention and control programs on the future of Hawaii.

I urge you to hold this bill. Mahalo for the opportunity to submit testimony. Lead by example, read my book, "One God For All These People, The Way to World Peace --xulonpress.com

God bless Lynn Knight Wilson, Author In Hawaii

ⁱ Centers for Disease Control and Prevention (CDC). Health Effects of Cigarette Smoking. Updated April 28, 2020. https://www.cdc.gov/tobacco/data_statistics/fact_sheets/health_effects/effects_cig_smoking/

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The Honorable Senator Donna Mercado Kim, Chair
The Honorable Senator Michelle N. Kidani, Vice Chair
Members of the Senate Committee on Higher Education

Re: Strong Opposition of HB 1296 HD1: RELATING TO STATE FUNDS

Hrg: Tuesday, March 23, 2021 at 3:15pm at Capitol Room 229

Position: Strong Opposition

Good morning Chairs, Vice Chairs, and joint committee members. My name is Madeline Bush from Hilo, 96720. Thank you so much for the opportunity to submit testimony in STRONG OPPOSITION to HB1296HD1. I urge for the preservation of the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund.

I volunteer with the American Cancer Society Cancer Action Network and I am in my last semester of my bachelor's program at University of Hawaii at Hilo School of Nursing.

Vaping is an extremely prevalent issue that our country and the world have been facing for over a decade. E-cigarettes were originally created for the purpose of helping people who smoked tobacco cigarettes quit and reduce their exposure to tobacco. However, the companies that created these e-cigarette devices knew if they helped people quit, they would also begin losing money. Their strategy consisted of promoting a form of smoking that was "healthy", little did people know the contents within these products had equally if not more nicotine than regular cigarettes. In order to protect the teenagers and young adults within our community regulations and bans on these products absolutely need to be put into action. The companies that sell these products have no interest in what their products are doing to the bodies of their customers.

Fully funding evidence-based tobacco prevention and cessation programs, along with regular and significant tobacco tax increases and comprehensive smoke-free laws can reduce tobacco use. While Hawaii is facing unprecedented public health challenges, it is critical that programs to prevent kids from starting to use tobacco and help adults quit are preserved.

I understand that the state is trying to find money to fund the state budget. Please consider the impact and cost it would be defunding tobacco prevention and control programs on the future of Hawaii.

Mahalo for the opportunity to submit testimony. I deeply care about the health of Hawaii people and I urge you to hold this bill.



**American
Heart
Association.**

American Heart Association testimony in OPPOSITION to HB 1296, “Relating to State Funds”

Chairman of the Board

Glen Kaneshige

President

Michael Lui, MD

Board Members

Rick Bruno, MD, FACEP

Jackie De Luz

Brandt Farias

Jason Fujita

Mimi Harris

Zia Khan, MD

Brandon Kurisu

Arnold Martines

Michael Rembis, FACHE

Andrew S. Rosen

Timothy Slottow

Jennifer Walker

Hawaii has made great strides in reducing tobacco use, but despite these advances, tobacco use remains the leading cause of preventable death in our state and challenges to tobacco control still exist. Hawaii’s current adult smoking prevalence (13%) remains higher than the national Healthy People 2030 target of 5%. Moreover, our low smoking rates (relative to other states) can conceal the fact that smoking continues to disproportionately affect populations and community groups by race and ethnicity, income and education, mental health and substance abuse, and lesbian, gay, bisexual, and transgender (LGBT) orientation.

Tobacco use is a leading cause of preventable disease and death and a major risk factor in the development of cardiovascular diseases and stroke, Hawaii’s leading causes of death and major disability. Of the approximately 480,000 Americans who die from smoking each year, 35% of those deaths are from cardiovascular disease.

In Hawaii alone, 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. Smoking-related losses in productivity total \$387.3 million per year.

The tobacco industry spends an estimated \$26.1 million each year marketing its products in Hawaii. Yet, Hawaii is allocating just \$7.9 million in state funds to tobacco prevention this year, 58% of the Centers for Disease Control and Prevention’s recommended annual investment target for tobacco control in the state.

The AHA strongly believes that allocating funds from the state’s settlement agreement with the tobacco industry to community tobacco prevention, education and cessation programs through the Tobacco Prevention and Control Special Fund is not only pono, but helps to increase the desired impact of those settlement dollars by further reducing the use of tobacco products by our youth and the state’s most health vulnerable populations.

The State Tobacco Prevention and Control Special Fund is different from other special funds in that it is a legacy fund. As part of its settlement with the Big Tobacco companies for lying to Hawaii’s people about the health risks of using its products and to recover part of the damages for deaths and health maladies caused by years of that deceit the state gave up its right to pursue future damages from the industry. To balance that, the State allocated a portion of its settlement dollars to establish the Tobacco Prevention and Control Trust Fund to reduce the future burden of those healthcare costs by establish and fund community tobacco prevention and control programs, and a State Tobacco Quitline to support tobacco users attempting to quit their addictions.

The Hawaii Department of Health reports that over the last decade,

Serving Hawaii since 1948

Our Mission:

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

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

State Tobacco Settlement Fund investments in cumulative tobacco control efforts resulted in approximately \$1 billion in healthcare cost savings to the state. Tobacco prevention and control programs have a strong return on investment - for every \$1 spent on tobacco prevention, Hawaii saves \$6.64 in direct healthcare costs.

It is important now as ever to continue that funding considering the record increase in use of electronic smoking devices by Hawaii's youth. According to recent Department of Health data, over half of Hawaii's youths have tried e-cigarettes, and over 30 percent are now regular users. Those levels mirror youth cigarette use at its peak in Hawaii. This is concerning because e-cigarettes not only often contain nicotine and serve as a gateway to traditional cigarette use, but nicotine can harm the developing adolescent brain. Nicotine addiction that occurs with e-cigarette use may lead to transition to use of combustible tobacco products. Addiction itself, whether to nicotine or other drugs, can drive undesirable behaviors. And using e-cigarettes increases your odds of having a stroke, heart attack and coronary heart disease. Hawaii must continue to work to ensure that future generations avoid the pitfalls of tobacco use, including this latest threat by electronic smoking devices, and the healthcare issues and costs associated with it.

Even if the legislature is committed to funding Hawaii tobacco prevention, control and cessation programs at the current rate of investment, it would cost the state more to do so through the general fund. Monies invested in the Tobacco Prevention and Control Special Fund are invested by the Hawaii Community Foundation which grows the state's investment, something that can't be done through the general fund.

And grants made from the Tobacco Prevention and Control Special Fund can be stretched to longer lengths than would be allowed under the legislature's two-year budget cycle. Those longer-term grants allow for programs to establish sustained quality efforts and attract better employees paid through the grant because of the guarantee of having more than two-years of employment.

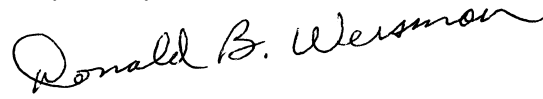
Finally, even if the legislature makes a commitment to replace the Tobacco Prevention and Control Special Fund dollars through use of the general fund, it would result in a disruption of services to the community. Grantees would need to wait for the legislature and governor to release the funds, and further delays would result from the state's procurement process which often takes at least a year to release funds.

I conclude by stressing that the American Heart Association's advocacy for the appropriate use of Tobacco Settlement revenue is not based on its desire to have access to those funds. The AHA by policy does not accept state or local government funding. However, the AHA does see itself as an important watchdog for public health, and for ensuring that our state government fulfills its State Constitutional role (Article IX, Section 1) in protecting and promoting the public health.

We urge legislators to not dismantle the State's Tobacco Prevention and Control Special Fund, and to ensure continued funding for community efforts to reduce the

toll of tobacco on our state's residents. The Tobacco Prevention and Control Special Fund is a legacy fund established to compensate for the hundreds of thousands of deaths and disabilities caused by the tobacco industry's deceit of Hawaii residents. Please don't make your legacy one that will be remembered for ending years of successful tobacco-control efforts in Hawaii.

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



COMMITTEE ON HEALTH
Senator Jarrett Keohokalole, Chair
Senator Rosalyn H. Baker, Vice Chair

COMMITTEE ON HIGHER EDUCATION
Senator Donna Mercado Kim, Chair
Senator Michelle N. Kidani, Vice Chair

Tuesday, March 23, 2021 3:15 PM

Testimony in Strong Opposition to House Bill 1296, House Draft 1 Relating to State Funds

The American Lung Association is the leading organization working to save lives by improving lung health and preventing lung disease, through research, education, and advocacy. The work of the American Lung Association in Hawaii and across the nation is focused on four strategic imperatives: to defeat lung cancer; to improve the air we breathe; to reduce the burden of lung disease on individuals and their families; and to eliminate tobacco use and tobacco-related diseases.

The American Lung Association in Hawaii is in strong opposition of this legislation, which repeals the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund for the following reasons:

1. **Tobacco use remains the leading cause of preventable death and disease in Hawaii.** It has now been established that over 1400 people still die each year from tobacco-related diseases in Hawaii alone. Over 12% of adults are tobacco users¹, while over 30% of youth are regular e-cigarette users². Lung cancer is the number one cancer killer in Hawaii, especially for Native Hawaiian populations.³
2. **Spending funds on tobacco control works.** Increases in state per capita tobacco control program expenditures have been independently associated with declines in prevalence of tobacco use⁴. For years, Hawaii has been one of the states with the lowest levels for cigarette use for adults and youth, correlating with the levels of spending per capita on tobacco control.
3. **We are still not spending adequate levels on tobacco control in Hawaii.** While we know that per capita tobacco control program expenditures work to reduce tobacco use, Hawaii still only spends 66% of the recommended Centers for Disease Control and Prevention recommended levels.⁵ Our investment in tobacco control should be increasing, not decreasing, to ensure the safety of tens of thousands of our resident's lives each year.

¹ Centers for Disease Control and Prevention (CDC). Behavioral Risk Factor Surveillance System Survey Data. Atlanta, Georgia: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, 2019.

² Centers for Disease Control and Prevention (CDC). Youth Risk Behavioral Surveillance System. Atlanta, Georgia: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, 2019.

³ American Lung Association (2020, November). State of Lung Cancer - Hawaii.

⁴ Farrelly, M. C., Pechacek, T. F., Thomas, K. Y., & Nelson, D. (2008). The impact of tobacco control programs on adult smoking. *American journal of public health, 98*(2), 304–309. <https://doi.org/10.2105/AJPH.2006.106377>

⁵ American Lung Association (2021, January). State of Tobacco Control - Hawaii.

4. **Tobacco companies continue to target our youth.** The tobacco industry spends over \$26 million in targeting our youth with new tobacco products, including electronic smoking devices.⁶ By removing the tobacco control infrastructure that the state has built, we will be removing the line of defense that protects Hawaii's youth from the onslaught of the big tobacco industry through aggressive marketing and new products aimed at youth.

5. **Tobacco control saves, not drains, public dollars.** The estimated annual healthcare costs caused by tobacco use is over half a billion dollars when Medicaid costs are factored in.⁶ The expenditures by the tobacco enforcement special fund, the Hawaii tobacco settlement special fund, and the Hawaii tobacco prevention and control reduce these costs by helping people quit tobacco, preventing youth have illegal access to tobacco products, and creating health communication programs to deter the use of tobacco. A repeal of these funds will most likely result in an increase of tobacco use, costing the state millions more in healthcare costs.

The American Lung Association in Hawaii urges legislators to continue to support and advocate for policies to protect our local populations from tobacco. We strongly oppose House Bill 1296, House Draft 1 and we urge all lawmakers to not support the repeal of these incredibly important public health funds.



Pedro Haro
Executive Director
American Lung Association in Hawaii
pedro.haro@lung.org

⁶ Campaign for Tobacco-Free Kids (accessed February 16, 2021). The Toll of Tobacco in Hawaii.
<https://www.tobaccofreekids.org/problem/toll-us/hawaii>



BAY CLINIC, INC.
NETWORK OF FAMILY HEALTH CENTERS

To: Senator Jarret Keohokalole, Chair
Senator Rosalyn H. Baker, Vice Chair
Senate Committee on Health

Senator Donna Mercado Kim, Chair
Senator Michelle N. Kidani, Vice Chair
Senate Committee on Higher Education

RE: Strong Opposition to HB 1296, HD1, Relating to State Funds

Hrg: March 23, 2021 at 3:15 PM via Videoconference

Bay Clinic, Inc. is in **strong opposition to HB 1296, HD1**, which repeals the Hawaii Tobacco Prevention and Control Trust Fund.

Tobacco use is an **ADDICTION**. Quitting the use of tobacco is unequivocally one of the most difficult things most smokers have to face at some point in their lives. Unfortunately, by the time most are faced with the need to relinquish their relationship with tobacco, the consequences of long term tobacco use have already reared its head in the form of debilitating diseases such as cancer, asthma, stroke, and heart attack.

A great deal of our program's focus is with the low income population in our communities on Hawaii Island. The funds our tobacco program receives from the HCF provide us the opportunities to assist these individuals who otherwise would not have the financial means to obtain the help they need to stop smoking.

During my time as a Tobacco Treatment Specialist, I have witnessed pregnant mothers, many elderly residents struck with debilitating respiratory diseases such as asthma, bronchitis and COPD, financially struggling young couples, as well individuals recovering from a heart attack or stroke, struggling to overcome the powerful addiction of nicotine.

With these funds, we are able to offer individual or group classes which present them with the most current educational information regarding tobacco cessation.

As we have been taught in our training as tobacco specialists, the damage that is being done by tobacco is preventable. If we can get in front of this destroyer of life and provide as much education and assistance in the process, then the outcome can and will be to help our communities achieve a healthier quality of life.

Tobacco prevention and cessation programs are important to reduce the burden of tobacco in our state. Thank you for the opportunity to provide testimony in opposition to HB 1296, HD1.

Mahalo,

Judith Beaver, TTS



March 21, 2021

To: Chair Donna Mercado Kim
Vice Chair Michelle Kidani
Senate Committee on Education

Chair Karrett Keohokalole
Vice Chair Rosalyn Baker
Senate Committee on Health

RE: **STRONG OPPOSITION to HB1296 HD1**

Thank you for this opportunity to testify in **STRONG OPPOSITION** to **HB1296 HD1**. Blue Zones Project was brought to Hawai'i by HMSA to help increase overall well-being of our communities and to make Hawai'i a healthier, happier place to live, work, and play. To accomplish that goal, we work to lower rates of obesity, tobacco use, and chronic disease.

HB1296 HD1 would repeal the the Tobacco Prevention and Control Trust Fund, which jeopardizes decades of progress in tobacco prevention and control efforts at a time it is needed the most; multiple studies show heightend negative health outcomes from the COVID-19 virus with active, and/or a history of tobacco use. Smokers were 1.4 times more likely to have severe symptoms of COVID-19 and 2.4 times more likely to be admitted to an ICU, requiring mechanical ventilation, or to die compared to non-smokers.^{1,2}

The Tobacco Prevention and Control Trust Fund supports essential community-based tobacco cessation programs for adults with mental health and/or substance abuse challenges, those from the LGBTQIA+ communities, and individuals of low socio-economic status. These individuals are also often struggling with other social determinants of health, including unemployment, poor access to healthy food and healthcare services, houselessness, and limited social support networks. These individuals reside in your disticts and are important stakeholders with needs that we cannot ignore. Many of these smoking prevention and cessation programs operate in disadvantaged and rural communities, where smoking disproportionately affects community members.

In addition, we're seeing troubling statistics around electronic smoking device (ESD) use by youth; from 2017-2019, ESD use more than doubled among high school students and tripled among middle school students.³ Locally, 27% of middle school students and 42% of public high school

¹ Sanchez-Ramirez D.C., Mackey D. Underlying respiratory diseases, specifically COPD, and smoking are associated with severe COVID-19 outcomes: a systematic review and meta-analysis. *Respiratory Medicine*. 2020;171

² Emami A., Javanmardi F., Pirbonyeh N., Akbari A. Prevalence of underlying diseases in hospitalized patients with COVID-19: a systematic review and meta-analysis. *Archives of Academic Emergency Medicine* 2020;8:e35.

³ Wang, T. W., et al. (2019). Tobacco Product Use and Associated Factors Among Middle and High School Students. Centers for Disease Control and Prevention. *Surveillance Summaries*, 68(12):1-22



students acknowledged trying electronic smoking devices in 2017.⁴ Data from local and national sources, including the Centers for Disease Control and Prevention (CDC), cite numerous safety and public health concerns with its use. According to the CDC, “young people who use e-cigarettes may be more likely to smoke cigarettes in the future.”⁵

For the health and safety of our families, please oppose this bill. Thank you for this opportunity to testify in **strong opposition to HB1296 HD1.**

Sincerely,

Colby Takeda, MPH, MBA
Senior Manager

⁴ 2017 Hawai'i Youth Risk Behavior Survey.

⁵ Dunbar, M. S., Davis, J. P., Rodriguez, A., Tucker, J. S., Seelam, R., & D'Amico, E. J. (2018). Disentangling Within- and Between-Person Effects of Shared Risk Factors on E-cigarette and Cigarette Use Trajectories from Late Adolescence to Young Adulthood. *Nicotine & Tobacco Research*, nty179.



HAWAI'I COMMUNITY FOUNDATION
Amplify the Power of Giving

To: The Honorable Jarrett Keohokalole, Chair
The Honorable Rosalyn H. Baker, Vice-Chair
And Members of the Senate Committee on Health

The Honorable Donna Mercado Kim, Chair
The Honorable Michelle N. Kidani, Vice-Chair
And Members of the Senate Committee on Higher Education

From: Micah Kāne, Chief Executive Officer & President
Hawai'i Community Foundation

Re: Testimony in Opposition of HB1296, HD1 Relating to State Funds

Date: Tuesday, March 23, 2021

Time: 3:15 P.M.

Place: Conference Room 229 & Videoconference

The Hawai'i Community Foundation (HCF) administers the Hawai'i Tobacco Prevention and Control Trust Fund ("Trust Fund") under contract with the Department of Health. The Hawai'i Community Foundation strongly opposes HB 1296, which repeals the statutes that created and funded the Trust Fund and transfers unencumbered balances to the general fund.

The success of the collective efforts to fight tobacco use in Hawai'i via the Trust Fund has saved lives and reduced healthcare costs over the last 20 years. The current structure allocates a portion of the Tobacco Settlement Special Fund (no State taxpayer dollars) to the Trust Fund ("Annual Allocation") administered by the Hawai'i Community Foundation ("HCF"). HCF invests Trust Fund dollars to generate more revenue to support this work and manages grants and contracts to reduce tobacco use. This structure is the more efficient and cost-effective means of achieving this success. The Department of Health ("DOH"), because of statutory constraints and limited staffing, would not be able to implement programs at the same magnitude and timeliness that HCF is able to achieve.

Creation of the Trust Fund. The Hawai'i Community Foundation ("HCF") administers the Tobacco Prevention and Control Trust Fund ("Trust Fund") under a contract with the Department of Health, pursuant to HRS 328L-5. In 2000, the Department of Health, with concurrence of the Governor's Office, procured a contract with HCF to administer the Trust Fund. HCF has administered the Trust Fund since then under successive contracts. The current contract term ends on June 30, 2024.

- Trust Fund assets must be used exclusively for tobacco prevention and control, HRS 328L-5(c).
- The Trust Fund receives no tobacco tax revenue or Hawai'i taxpayer dollars.
- The Trust Fund only receives funding from the Tobacco Settlement Special Fund ("Special Fund", see HRS 325L-2). The Special Fund receives annual payments to the State of Hawai'i from the Master Settlement Agreement ("MSA") resolving class action litigation by 46 states against the tobacco industry.

- The Legislature allocates the Special Fund to a variety of recipients (“Annual Allocation”). The current allocation provides 12.5% to the Trust Fund (HRS 328L-2). In 2020, 12.5% resulted in \$4.76 million to the Trust Fund.

Investment of the Trust Fund. Based on investment guidelines set by HRS 328L-5(f) and the DOH contract, HCF management sets investment policy and contracts with an independent investment monitor to oversee the investment performance of the Trust Fund. The balance of the Trust Fund has ranged from \$43-\$59 million since 2004, with an annual average of \$49 million. The management of the fund has allowed the principal to be maintained, while providing additional dollars to the community programs. For example, over \$2 million was used from Trust Fund earnings for the 2020 programs. Currently, there is approximately \$41 million unencumbered in the Trust Fund.

- Net Trust Fund assets a/o 12/31/2020: \$59.92 million*
Existing encumbrances: \$18.64 million**
Unencumbered: \$41.28 million
(* Includes \$55.5 million in the Trust Fund investment accounts.)
(** Includes 2021 approved program budget and existing multi-year contract and grant commitments through the end of the current HCF contract with DOH on 6/30/24.)

Use of the Trust Fund. The Trust Fund investment earnings are used to supplement the Annual Allocation in order to create the set of programs that have successfully reduced tobacco use in Hawai‘i and have saved millions in healthcare costs for our community.

- Investment earnings increase the amounts available to support tobacco prevention and control programs. For example:

12.5% allocation from Special Fund received in 2020:	\$4.76 million
CY2020 Trust Fund program budget:	<u>\$6.93 million</u>
Difference covered by Trust Fund investment earnings:	\$2.17 million

The Trust Fund investments amplify the MSA dollars to provide more services in Hawai‘i while preserving principal, creating the long-term, stable source of funding for tobacco prevention and control that was intended by the Legislature in creating the Trust Fund.

Trust Fund Programs. The long-term stability of the Trust Fund corpus and the ability to use the Trust Fund for its intended purpose of impacting public health through reduced tobacco use has been the linchpin to the success the programs have achieved for our residents over the past 20 years. This stability and effectiveness are necessary for our community’s continued success going forward. HCF administers a variety of tobacco prevention and control programs through the Trust Fund, following CDC best practices:

- Community Grants to local non-profits:
 - Cessation grants to help people quit smoking and vaping.
 - 16 grantees statewide on all major islands, including 9 on the Neighbor Islands.
 - Focus on populations with the highest tobacco consumption rates: low socio-economic status, Native Hawaiians, LGBTQ, mental health/substance abuse disorders.
 - Prevention grants to teach middle and high school youth about the dangers of vaping and encourage them not to start.
 - 13 grantees statewide on all major islands, including 7 on the Neighbor Islands

- Grantees required to use evidence-based curriculum from Stanford University
 - HCF provides training and technical assistance to all grantees.
- Vendor contracts:
 - Hawai'i Tobacco Quitline
 - Provides statewide cessation services to adults and youth via telephone, text, and website.
 - Health Communications
 - Promotes the Quitline and encourages tobacco users to quit
 - Youth vaping prevention and education campaign
 - Public education and advocacy
 - Supports the statewide Coalition for a Tobacco-Free Hawai'i
 - Youth Council involves youth on all islands with tobacco education and civic engagement opportunities
 - 808NoVape website
 - Evaluation
 - Independent evaluation of Trust Fund programs
- Grant and contract selection process: HCF selects grantees and contract vendors using a competitive process:
 - Requests for Proposals (RFPs) and Requests for Information (RFIs) are written based on current research on tobacco use and CDC best practices, then reviewed and approved by DOH staff,
 - RFPs and RFIs are published to Hawai'i non-profits, trade association websites, email listservs, and on HCF's website,
 - Applications are reviewed by HCF staff using standardized scoring sheets and rubrics based on published criteria. For major grants and contracts, HCF convenes external advisory committees consisting of DOH staff and other subject matter experts to review proposals and make recommendations.
 - Final selection recommendations are subject to an internal staff peer review process and HCF executive team review, including board approval for major grants and contracts.

Results. Over the past 20 years, the Trust Fund has helped to reduce tobacco consumption in Hawai'i, decreasing death and disease caused by tobacco and reducing healthcare costs.

- Since 2009, the HTQL and Cessation Community Grants Programs have enrolled at least **54,000** tobacco users in Hawai'i.
- Since 2009, the estimated number of tobacco users in Hawai'i who successfully quit after receiving Trust Fund-supported services is **13,628**
- In FY20 **96%** of the tobacco users served by the Community Grants Program and **87%** of HTQL enrollees were from populations with higher rates of tobacco use who often face barriers to accessing cessation services (low socio-economic status, Native Hawaiians, LGBTQ, mental health/substance abuse disorders).
- In FY20, the HTQL and Cessation Community Grants programs combined served:
 - 2,679 tobacco users with low socioeconomic status
 - 1,748 tobacco users with a mental health or substance use disorder
 - 1,210 Native Hawaiian tobacco users
 - 374 LGBTQ+ tobacco users
 - 94 pregnant tobacco users

- In FY20, 96% of Cessation Grant Program participants would recommend the program to a friend. The same was true for 87% of HTQL participants.
- These results have contributed to Hawai'i being a national leader in tobacco prevention and control, including:
 - 137,000 adult cigarette smokers in 2019 (12.3% rate), compared to 214,500 adult smokers in 2000 (19.7% rate).¹
 - 2019 youth cigarette smoking rate of 5.3% compared to 29.2% in 1997.
 - Tobacco control efforts have realized savings of over \$1 billion in healthcare costs.²

Reporting and Accountability. Pursuant to the contract between DOH and HCF, HCF has final decision-making authority over all Trust Fund activities. There are several layers of oversight and accountability to assure effective use of Trust Fund dollars. This includes an objective RFP process, ongoing reviews of services provided to address tobacco use in Hawai'i, and the hiring of independent evaluators to assess Trust Fund programs. With HCF's experience and work in providing grants to hundreds of organizations, HCF has the expertise and staffing to manage and provide oversight over the grantees and vendors implementing the Trust Fund programs. HCF regularly reports Trust Fund results to DOH in accordance with the HCF-DOH contract.

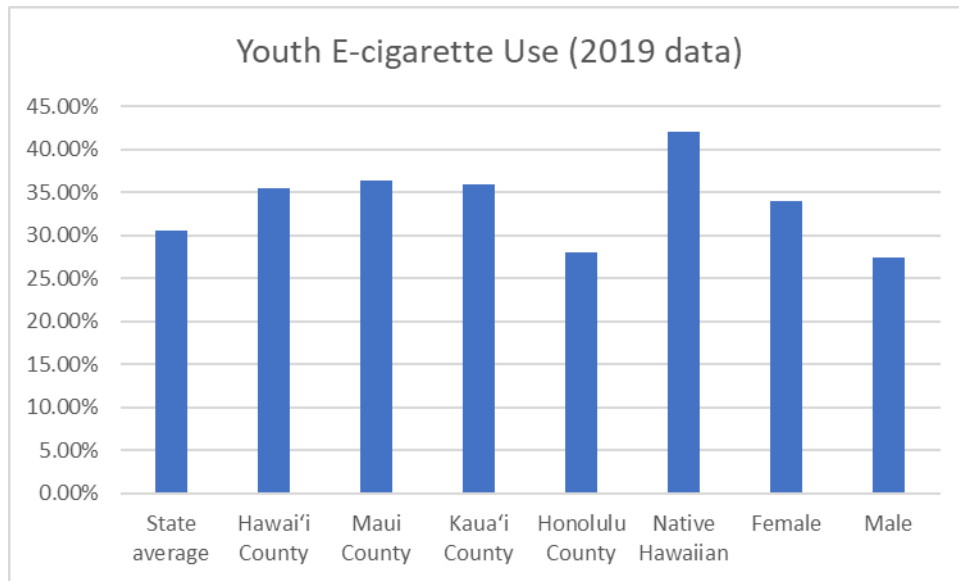
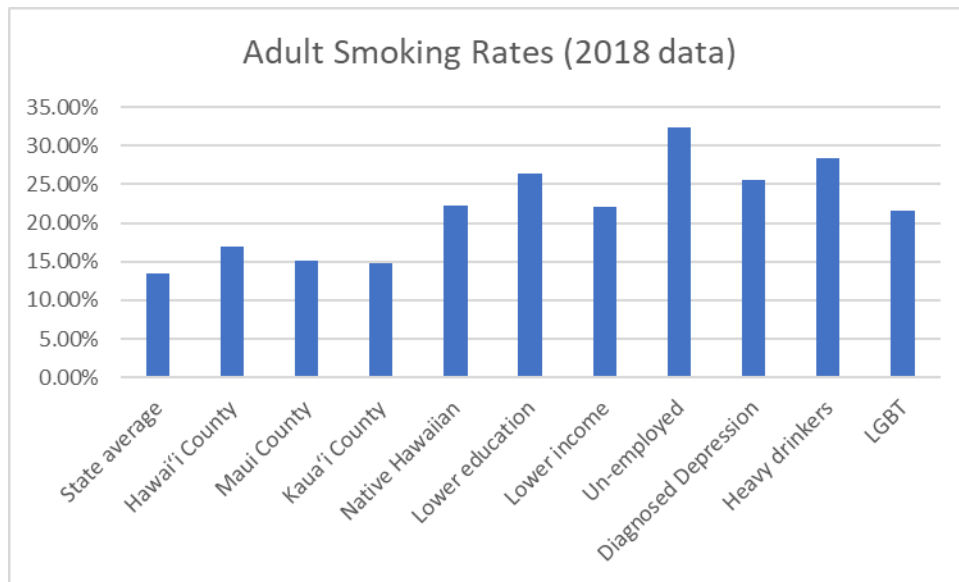
- Evaluation reports are regularly provided to DOH at least annually.
- Quarterly Trust Fund investment reports are provided to DOH.
- DOH reviews and approves the annual Trust Fund program budget.
- DOH reviews and approves RFPs and strategic changes in contract and grant programs

In 2000, the Legislature created the Tobacco Prevention and Control Advisory Board in HRS 328L-6 ("Advisory Board"). Two Advisory Board positions are nominated by the President of the Senate and the Speaker of the House and are appointed by the Governor, while other positions are appointed by the Department of Health. Advisory Board meetings are open to the public under State Sunshine Laws. HCF provides reports on Trust Fund activities and annual budgets at the Advisory Board meetings. The Advisory Board recommends strategic direction of the Trust Fund and reviews the annual Trust Fund program budget.

Ongoing Need to Serve Most Vulnerable Populations. Dismantling the Trust Fund would end the work that is not finished. Continued efforts are vital to our community health - to prevent youth from becoming addicted to nicotine, and to help youth, pregnant women, and adults to quit. Native Hawaiians, Filipino, and Pacific Islanders have been disproportionately impacted by COVID-19 infections, hospitalizations, death, and life disruptions during the pandemic – and these are key communities the Trust Fund serves. See tables below illustrating the higher smoking and e-cigarette rates among the counties and selected populations.

¹ National median: 16.0% in 2019. Source: Centers for Disease Control and Prevention (<https://www.cdc.gov/>), Behavior Risk Factor Surveillance System, Prevalence Data and Analysis Tools, BRFSS Prevalence & Trends Data.

² Hawai'i State Department of Health, "Hawai'i Tobacco Landscape", <https://health.hawaii.gov/tobacco/files/2018/03/tobaccopolicy.pdf>



Collaborative efforts between DOH, HCF, and community organizations have kept to an aggressive timeline to launch the comprehensive youth prevention education program to address the vaping epidemic, and strengthening the Hawaii Tobacco Quitline services to meet the needs of addicted keiki. The work is not yet done.

HB-1296-HD-1

Submitted on: 3/22/2021 9:06:58 AM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Tom Matsuda	Testifying for Hawai'i Community Foundation	Oppose	No

Comments:

I will be testifying together with Micah Kane for the Hawaii Community Foundation based on written testimony he has submitted.



Hawaii COPD Coalition
700 Richards St., Suite 2410
Honolulu, HI 96813
Valerie@hawaiicopd.org
(808)699-9839

March 21, 2021

Honorable Chairs Senator Keohokalole and Senator Kim,
Honorable Vice-Chairs Senators Baker and Kidani
Members of the Health and Higher Education Committees

RE: **Strong Opposition to HB1296, HD1, Relating to State Funds**

Dear Senators Keohokalole, Kim, Baker and Kidani and members of the Health and Higher Education Committees,

This measure is extremely critical to the health of the people of our state, especially our keiki. **Please vote in favor of in opposition to HB1296, HD1, Relating to Special Funds** which will repeal the tobacco prevention and control trust fund.

I am Executive Director of the Hawaii COPD Coalition and serve over 45,000 Hawaii adults diagnosed with COPD in Hawaii (with an estimated equal number still undiagnosed). Chronic Obstructive Pulmonary Disease or COPD is an umbrella of diseases which include emphysema, chronic bronchitis and chronic asthma. Since 2007, I have worked in Hawaii, nationally and internationally with countless people who have had their lungs and lives horribly affected by tobacco and nicotine. Many of these people have become disabled and unable to perform jobs and hobbies they enjoyed, spending a lot more time and resources with healthcare providers than they or any of us would like.

The Trust Fund's exclusive purpose is to reduce cigarette smoking and tobacco use among youth and adults through education, prevention, and helping people quit smoking and tobacco. This includes the statewide Hawai'i Tobacco Quitline, which provides free and confidential counseling and support services to help become tobacco free. It also includes prevention work across the state on the dangers of tobacco, including e-cigarettes and electronic smoking devices. Also included is community cessation services on all islands except Ni'i'hau to help smokers quit.

The Hawaii COPD Coalition collaborated with Longs Drugs and was a grantee of this trust fund for 2007-2012. Through the grant funding, we were able to conduct free lung testing (spirometry) to help let people in the community throughout the state know how well or poorly their lungs were working and offered help for all people interested in quitting tobacco. Some years we were able to test over 1200 people across the state and no charge to the participants. We presented information about our program at several national conferences, including the American College of Chest Physicians and American Thoracic Society. Through these efforts, our organization was able to greatly increase awareness of Chronic Obstructive Pulmonary Disease (COPD) and other health problems connected with tobacco use.

There is still work to be done: Hawai'i is in the midst of a youth vaping epidemic, with **one in three high school students and one in five middle school students report "current use" of e-cigarettes**. Tobacco prevention and control funding has proven its worth to the state and is NOT the place to cut, as it is critical to saving lives and reducing healthcare costs.

The legislators are doubtless aware that COVID-19 is a very infectious disease that primarily attacks the lungs. A Stanford study showed that teens and young adults had a **five to seven times** greater chance of being diagnosed with COVID-19 than those who did not use e-cigarettes! [Vaping linked to COVID-19 risk in teens and young adults | News Center | Stanford Medicine https://med.stanford.edu/new/all-new/2020/08/vaping-linked-to-vocid-19-risk-in-teens-and-young-adults.html](https://med.stanford.edu/new/all-new/2020/08/vaping-linked-to-vocid-19-risk-in-teens-and-young-adults.html).

This Tobacco Prevention and Control Trust Fund was wisely designed to serve our state forever, to protect its people from tobacco and all its harms. The Hawaii Community Foundation has done an excellent job working with the Tobacco Trust Fund Advisory Committee in helping set up the grant proposal process, review competitive grants, award grants, check on their progress and evaluate the grants. The Hawaii Community Foundation also invests the funds so that funds grown can also be used for grants. The Department of Health is NOT designed to do these many functions and CANNOT invest funds.

The work of helping to reduce the many burdens tobacco imposes on our community continues and so must the Tobacco Prevention and Control Trust Fund. **Please vote to oppose HB1296, HD1.**

Very truly yours,

Valerie Chang

Valerie Chang
Executive Director

TESTIMONY IN OPPOSITION TO HB 1296

TO: Chair Keohokalole, Vice-Chair Baker, & Health Committee Members
Chair Kim, Vice-Chair Kidani, & Higher Education Committee Members

FROM: Nikos Leverenz, Grants, Development & Policy Manager

DATE: March 23, 2021 (3:15 PM)

Hawai'i Health & Harm Reduction Center (HHRC) **opposes** HB 1296, which repeals the Hawai'i Tobacco Prevention and Control Trust Fund. HHRC's mission is to reduce harm, promote health, create wellness, and fight stigma in Hawai'i and the Pacific. We work with many individuals who are impacted by poverty, housing instability, and other social determinants of health.

We understand that funding will be potentially available in the future, but it is critical that Hawai'i maintain its commitment to reducing the use of smoked tobacco among adults, youth, and underserved populations. The trust fund mechanism helps to ensure that ongoing prevention, education, and cessation services are broadly available to the people of our state.

[Hawai'i Community Foundation's \(HCF\) management of the trust fund over two-plus decades has produced some of the best outcomes in the nation in reduced smoking rates for adults and youth.](#) While smoking still results in 1,200 deaths each year with \$336 million in related health care costs, ***our state has the third lowest smoking rate in the nation.***

HHRC provides continual smoking cessation services through an HCF grant that are tailored to engage Oahu's sexual and gender minorities, including the transgender, gay, and lesbian communities. Our program, known as "Hawai'i's Last Drag," uses a harm reduction approach to assist persons who want to quit smoking but need assistance with access to nicotine replacement supplies and one-on-one coaching to set out an individualized quit plan. According to the federal Centers for Disease Control and Prevention, [tobacco smoking prevalence rates are significantly higher for LGB adults](#) (20.5%) than for heterosexual adults (15.3%). A 2018 study by the Hawai'i State Department of Health found that [transgender youth smoke cigarettes at six times the rate of cisgender youth](#) (36% to 6%). Members of these communities still face a great deal of social and structural stigma and are often best reached and served by peers. HHRC's transgender services program, Kua'ana Project, is led and staffed by transwomen who offer smoking cessation services to their clients and participants.

Thank you for the opportunity to testify on this measure.



HIPHI Board

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*Misty Pacheco, DrPH
University of Hawai'i at Hilo,
Department of Kinesiology and
Exercise Sciences*

*Garret Sugai
Kaiser Permanente*

Date: March 22, 2021

To: Senator Jarret Keohokalole, Chair
Senator Rosalyn H. Baker, Vice Chair
Members of the Senate Committee on Health

Senator Donna Mercado Kim, Chair
Senator Michelle N. Kidani, Vice Chair
Members of the Senate Committee on Higher Education

Re: Strong Opposition to HB 1296, HD1, Relating to State Funds

Hrg: March 23, 2021 at 3:15 PM via Videoconference

The Coalition for a Tobacco-Free Hawai'i (Coalition), a program of the Hawai'i Public Health Institute¹ offers testimony in **strong opposition to HB 1296, HD1**, which would repeal the Hawai'i Tobacco Prevention and Control Trust Fund (Trust Fund) and transfer the balances to the general fund. The bill also allocates \$5.7M to the Department of Health (DOH) for tobacco prevention and control for FY2021-22 and FY2022-23.

The Coalition works to reduce tobacco use through education, policy and advocacy. Our program consists of over 100 member organizations and 4,000 advocates that work to create a healthy Hawai'i through comprehensive tobacco prevention and control efforts.

While the Coalition recognizes the serious budget deficits the state is facing as a result of the COVID-19 pandemic and appreciates the appropriation to DOH, the long-term costs and harms of repealing the Trust Fund and the services it provides will greatly outweigh any short-term benefits. Dedicated, consistent funding is critical to developing robust tobacco prevention and education efforts, as it allows for program continuity and long-term planning. In addition, there would likely be a gap in services without any time to plan for the transfer of existing programming from a private entity to the state, Hawai'i would likely see a 12-24 month gap in any services for our residents.

Tobacco prevention and control programs save lives and money.

Tobacco use remains the leading preventable cause of death in our state and in the country. 1,400 people die from tobacco use or exposure in

Hawai'i each yearⁱⁱ. Tobacco use causes \$170 billion in health care costs in the US each yearⁱⁱⁱ, including \$526 million in the state of Hawai'i^{iv}.

A 2018 report by the Hawai'i State Department of Health calculated that tobacco prevention and control policies, programs, and quit services have contributed to saving the state over \$1 billion in healthcare costs over the last twenty years^v. They also found that tobacco prevention and control had a strong return on investment: for every \$1.00 spent on tobacco prevention and control, Hawai'i saved about \$6.64 in direct healthcare costs. These savings were largely achieved through significant reductions in smoking rates among youth, adults, and pregnant women. Between 2009 and 2018, cessation providers funded through the Trust Fund have helped approximately 12,000 people quit using tobacco products^{vi}. Beyond the healthcare costs savings, these numbers represent thousands of lives and years of life saved.

The need for tobacco prevention and quit services continues as the industry finds new, innovative ways to hook our keiki onto nicotine.

The rise of e-cigarettes among youth has undone decades of progress and has highlighted the ongoing need for tobacco prevention and control programs. In 2019, 1 in 3 (30.6%) public high school students and more than 1 in 6 (18%) public middle school students in Hawai'i reported that they currently use e-cigarettes^{vii}. Adding to the concern is the growing link between tobacco use and COVID-19. In May 2020, Stanford University published a landmark study that found teens and young adults that use e-cigarettes had a five to seven times greater chance of being diagnosed with COVID-19 than those that did not use e-cigarettes^{viii}. Even without the global pandemic, youth e-cigarette use is a public health concern. E-cigarettes often contain nicotine, which is addictive and harmful particularly to adolescents, whose brains are still developing. And Hawaii's teens are addicted – the percentage of frequent and daily high school users has doubled from 2017 to 2019^{ix}. Knowing how difficult it is to quit nicotine, cessation services tailored to youth are especially important in light of the youth vaping epidemic.

The Trust Fund provides a dedicated, stable source of funding for CDC-recommended strategies to reduce tobacco use^x.

Hawai'i should be applauded for establishing the Tobacco Prevention and Control Trust Fund with payments from the 1998 Master Settlement Agreement (MSA) with the tobacco industry. The Trust Fund, which is administered by the Hawai'i Community Foundation (HCF), provides important tobacco prevention programs and quit services on the six main islands. In addition to managing the grants and contracts provided through the Trust Fund, HCF also provides financial management and investment oversight of the Trust Fund. This allows HCF to invest the funds which allows it to continue to grow. This has been particularly important as the youth vaping epidemic has placed a growing need for additional prevention programs and cessation services, exceeding to the amount of funding currently going into the Trust Fund (12.5%).

Through the programs and services HCF funds, the Trust Fund prevents a new generation of smokers and helps current smokers quit. The Trust Fund actively works to reduce disparities in tobacco use, prioritizing programs that serve populations most burdened by tobacco, including

Native Hawaiians, people with low socio-economic status, people with behavioral health conditions, LGBT, and pregnant women.

Considering that 90% of smokers start before the age of 18^{xi}, education programs are important to prevent youth from ever trying tobacco products and protect them from a lifetime of addiction. The rise in e-cigarette use among Hawai'i youth demonstrates the continued need for prevention and education programs, even as cigarette use declines.

Because tobacco is highly addictive, cessation services offer critical support, counseling, and free nicotine replacement therapies to help adults and youth successfully quit. These services are provided through community organizations and federally qualified health centers, as well as the Hawai'i Tobacco Quitline.

Funding for tobacco prevention and cessation services pales in comparison to tobacco industry spending.

The CDC recommends that Hawai'i spend \$13.7 million each year to fund an effective, comprehensive tobacco prevention and control program, however, Hawai'i currently funds at 58% of the recommended amount^{xii}. In comparison, the tobacco industry spends \$26.1 million on marketing in Hawai'i - triple the amount Hawai'i spends on prevention^{xiii}.

The only source of funding for the Trust Fund is Master Settlement Agreement (MSA) annual payments.

No revenue from the cigarette tax or other tobacco product tax is allocated to the Trust Fund. The 1998 MSA was a result of 46 states suing the four largest tobacco companies in the United States to recover billions of dollars in costs associated with treating smoking-related illness. The settlement resulted in annual payments, in perpetuity, to the states that could be used to cover current and future costs of tobacco-related illnesses.

The Trust Fund was created in 2001 to reduce cigarette smoking and tobacco use among youth and adults through education, prevention, and cessation, and currently receives 12.5% of Hawaii's annual MSA payments^{xiv}. The MSA payments and interest/dividends earned from investing the Trust Fund are its only sources of funding. Under the current structure, the Trust Fund is self-sustaining and does not receive any taxpayer dollars. In contrast, the cost of tobacco is borne by the entire community. Tobacco companies make billions of dollars while states are stuck with the bill to treat people with smoking-related diseases - essentially subsidizing their profits. The intent of the MSA was to help states cover the high price tag of treating people with smoking-related diseases.

Dedicated funding is critical to continue prevention and cessation services, reduce tobacco use, and reduce healthcare costs. General funds would require an appropriation process every two years and will not provide reliable and consistent funding needed for continuity of programming.

Public supports MSA payments going towards tobacco prevention & cessation programs.

In a poll^{xv} conducted by Ward Research Inc. for the Coalition in October 2020, **97%** of registered Hawai'i voters were in support of having a portion of the MSA payments dedicated to preventing kids from smoking and using e-cigarettes and helping adults to quit smoking.

Tobacco prevention and cessation has already saved the state over \$1 billion in healthcare costs, in addition to the priceless lives and life years saved, and is meant to continue the work in perpetuity. The tobacco industry does not stop, and despite the progress Hawai'i has made, there is still much work to do. Losing the Trust Fund and the programs it supports would increase the burden of tobacco in our communities and be a victory for the tobacco industry. For these reasons, **the Coalition strongly opposes HB 1296, HD1 and respectfully asks the committee to preserve the Hawai'i Tobacco Prevention and Control Fund.** We appreciate the opportunity to provide testimony on this importation issue.

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 Campaign for Tobacco-Free Kids, *The Toll of Tobacco in Hawaii*. http://www.tobaccofreekids.org/facts_issues/toll_us/hawaii

ⁱⁱⁱ Campaign for Tobacco-Free Kids, *Toll of Tobacco in the USA*
<http://www.tobaccofreekids.org/research/factsheets/pdf/0072.pdf>

^{iv} Campaign for Tobacco-Free Kids, *The Toll of Tobacco in Hawaii*. http://www.tobaccofreekids.org/facts_issues/toll_us/hawaii

^v Holmes JR, Ching LK, Cheng D, Johnson L, Yap L, Starr RR and Irvin L. 2018. Tobacco Landscape. Honolulu: Hawai'i State Department of Health, Chronic Disease Prevention and Health Promotion Division.

^{vi} Professional Data Analysts. Hawai'i Cessation Grants Program, Total number served: 2009 cohort 2016 cohort to date. 2018.

^{vii} 2019 Youth Risk Behavior Surveillance System (YRBSS). Available at: www.cdc.gov/yrbs. Accessed on 02/03/2021.

^{viii} Gaiha SM, Cheng J, Halpern-Felsher B. Association Between Youth Smoking, Electronic Cigarette Use, and COVID-19. *Journal of Adolescent Health*. 2020;67(4):519-23.

^{ix} Youth Risk Behavior Surveillance System (YRBSS), 2017-2019. Available at: www.cdc.gov/yrbs. Accessed on 02/07/2021.

^x Centers for Disease Control and Prevention. *Best Practices for Comprehensive Tobacco Control Programs—2014*. 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, 2014.

^{xi} U.S. Department of Health and Human Services. The Health Consequences of Smoking - 50 Years of Progress. A Report of the Surgeon General. Atlanta, GA: 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; 2014

^{xii} Broken Promises to Our Children” report, Campaign for Tobacco Free Kids, <https://www.tobaccofreekids.org/what-we-do/us/statereport>

^{xiii} Campaign for Tobacco-Free Kids, *The Toll of Tobacco in Hawaii*. http://www.tobaccofreekids.org/facts_issues/toll_us/hawaii

^{xiv} Hawaii Revised Statute §328L-2

^{xv} This study by Ward Research, Inc. summarizes findings from a phone survey among n=800 Hawaii registered voters (maximum sampling error +/-3.3%), conducted between September 21 – October 16, 2020.

HB-1296-HD-1

Submitted on: 3/21/2021 6:01:16 PM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Zehner	Testifying for Hawaii Smokers Alliance	Support	No

Comments:

We strongly support HB1296.

The current use of tobacco settlement funds is a "black hole" with little visibility or accountability. Making the money part of the general fund will help both the public and lawmakers know how the money is spent and will give the flexibility that is needed.

Also stopping the waste and money hoarding going on in the fund will benefit the public at large from teachers to struggling families harmed by covid19.

Bravo for HB1296.

<http://hawaiismokersalliance.net/>

LATE

HB-1296-HD-1

Submitted on: 3/20/2021 10:16:05 AM
Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Bryan Mih	Testifying for Kapiolani Smokefree Families	Oppose	No

Comments:

Dear Representatives,

As a pediatrician and medical director of the Kapi’olani Smokefree Families Program, I strongly oppose this bill. This is a shortsighted bill that risks the health of our keiki and their families.

The Kapi’olani Smokefree Families Program is funded through the Tobacco Prevention & Control Trust Fund via the Hawaii Community Foundation. The funds we receive are put to very good use and to the benefit newborns, children, adolescents, and their families by combatting the many health problems caused by nicotine and tobacco products.

We are the only pediatric hospital-based cessation program in the state. One of the most likely times for parents or family members to consider quitting nicotine or tobacco is when people find out about a pregnancy, at the birth of a newborn, or when a child in the hospital. I’ve spoken with parents who really want to quit smoking or vaping because they want a better future for their newborn baby, but struggle because these products are so addictive.

Eliminating nicotine and tobacco from their homes helps drastically improves the health of these keiki and reduces the chances of them becoming nicotine or tobacco users later in life. By being readily available in the hospital, the Kapi’olani Smokefree Families Program provides important support and intervention at crucial and impactful times.

Our program is just one of many important organizations that help combat the significant health problems caused by tobacco and nicotine. For decades, tobacco corporations knowingly and intentionally lied about the health risks of their products. The Tobacco Master Settlement was established to address the deaths and illness caused by tobacco. Since 2000, Hawai’i has saved over \$1 billion dollars in healthcare costs through significant reductions in smoking among youth, adults, and pregnant women. For every \$1 spent on tobacco prevention, Hawai’i saves \$6.64 in direct healthcare costs. As a reminder, these funds originate from the tobacco companies, not the taxpayers. Also, the tobacco and nicotine corporations annually

spend 3 times as much just on marketing in Hawaii. Raiding these funds now will harm the health of many, especially our keiki, for many years into the future.

Mahalo for your consideration and for opposing this bill.

Sincerely,

Bryan Mih, MD, MPH, FAAP

Pediatrician

Medical Director, Kapi'olani Smokefree Families Program



To: Senator Jarret Keohokalole, Chair
Senator Rosalyn H. Baker, Vice Chair
Senate Committee on Health

Senator Donna Mercado Kim, Chair
Senator Michelle N. Kidani, Vice Chair
Senate Committee on Higher Education

RE: Strong Opposition to HB 1296, HD1, Relating to State Funds

Hrg: March 23, 2021 at 3:15 PM via Videoconference

The Campaign for Tobacco-Free Kids is in **strong opposition to HB 1296**, which repeals the Hawaii Tobacco Prevention and Control Trust Fund and transfers the balances to the general fund.

The Campaign for Tobacco-Free Kids' goal is to protect children and save lives from the number one cause of preventable death: tobacco use. We envision a future free of death and disease caused by tobacco and support policies that will help us achieve those goals. Key to achieving that goal is a strong and robust tobacco prevention and education program like the one funded by the tobacco trust fund.

Hawaii should be applauded for establishing the Tobacco Prevention and Control Trust Fund for payments from the 1998 Master Settlement Agreement with the tobacco industry. This trust fund structure is critically important to protecting the funds and ensuring that they are used as intended and dedicated to tobacco prevention.

Many states that did not establish a trust fund have seen their MSA payments squandered. Many states have failed to use their settlement funds for tobacco prevention and cessation programs. Some states decided to securitize their payments – meaning they sold future payments for a much smaller lump-sum payment sooner. States that did this often lost out on receiving millions of dollars because they only received cents on the dollar.

But Hawaii chose not to securitize and by establishing a trust fund, which generates interest and earnings, the state has been able to preserve and grow the fund. This was smart, strategic thinking. In fact, Hawaii was a leader in establishing the trust fund and dedicating money to tobacco prevention and prevention programs.

Studies have clearly shown that funding these programs is a critical component in fighting tobacco related disease and mitigating the costs associated with it. Smoking costs that state's Medicaid program \$141.7 million and leads to a loss of \$387.3 million in lost productivity and wages.¹ Funding programs that focus on tobacco prevention and education are proven to lower smoking rates, and mitigate the financial impact smoking has on a state.

Tobacco control programs play a crucial role in the prevention of many chronic conditions such as cancer, heart disease, and respiratory illness. Comprehensive tobacco prevention and cessation programs prevent kids from starting to smoke, help adult smokers quit, educate the public, the media and policymakers about policies that reduce tobacco use, address disparities, and serve as a counter to the ever-present tobacco industry.

The empirical evidence regarding the effectiveness of comprehensive tobacco prevention and cessation programs is vast and growing. There is more evidence than ever before that tobacco prevention and cessation programs work to reduce smoking, save lives and save money. The 2014 Surgeon General Report, *The Health Consequences of Smoking – 50 Years of Progress*, calls for a number of specific actions, including: “Fully funding comprehensive statewide tobacco control programs at CDC recommended levels.”² The report also notes that, “States that have made larger investments in comprehensive tobacco control programs have seen larger declines in cigarettes sales than the nation as a whole, and the prevalence of smoking among adults and youth has declined faster, as spending for tobacco control programs has increased.” Importantly, the Report finds that long term investment is critical. It states, “Experience also shows that the longer the states invest in comprehensive tobacco control programs, the greater and faster the impact.”

In addition, the Community Preventive Services Task Force, an independent expert advisory committee created by CDC, found “strong evidence” that comprehensive tobacco control programs reduce the prevalence of tobacco use among adults and young people, reduce tobacco product consumption, increase quitting, and contribute to reductions in tobacco-related diseases and deaths. The evidence also indicates that comprehensive tobacco control programs are cost-effective, and savings from averted healthcare costs exceed intervention costs.³

In 2007, the Institute of Medicine and the President's Cancer Panel issued landmark reports that concluded there is overwhelming evidence that comprehensive state tobacco control programs substantially reduce tobacco use and recommended that every state fund such programs at CDC recommended levels.⁴ In addition, the 2012 annual report to the nation on cancer found that death rates from lung cancer have dropped among women and attributed this decline to “strong, long-running, comprehensive tobacco control programs.”⁵

Data from numerous states that have implemented programs consistent with CDC guidelines show significant reductions in youth and adult smoking. The most powerful evidence, however, comes from national studies that look across states and control for as many of the relevant confounding factors as possible. These rigorous studies consistently show effects of tobacco prevention and cessation programs.

At the time of the settlement, Senator Daniel Akaka said “I can’t think of any more appropriate topic of concern at every level of government than the reduction of smoking in this society. This process of suing the tobacco companies, this process that led to the settlements, is not about getting some money for new highways or new types of programs at the State level. It started with the realization that smoking is the most dangerous public health problem in this country and we have to take concerted steps to do that. The suits resulted in a settlement, financially, but it won’t result in the effective eradication, elimination, or reduction of smoking unless we apply those proceeds to smoking cessation programs and other public health initiatives that are critical to the health and welfare of this country.”

And Hawaii’s program has had enormous success – it has reduced both adult and youth smoking significantly. Over the past 20 years, smoking among high school students in Hawaii declined by over 80 percent. Smoking among adults has decline by 26% since 2011. This is a program that works, so there is no need to tinker with it or dismantle how it gets funded.

If Hawaii wants to continue to be effective in reducing tobacco use and the devastating toll it takes on the health and lives of Hawaiians, eliminating the trust fund is not the answer. Relying on the general fund and the appropriations process year in and year out is not the way to provide reliable and consistent funding that allows for continuity of programming and strong staff leadership – elements we know are critical for success. It is also not the way to keep out the influence of the powerful tobacco industry, which is always looking to protect its bottom line.

We understand the unprecedented deficit in the current Hawaii state budget and the need to make cuts across the board, but cutting the trust fund will exacerbate future budget problems. Tobacco prevention and cessation programs are important to reduce the burden of tobacco in our state and the costs associated with it. Thank you for the opportunity to provide testimony in opposition to HB 1296.

Mahalo,

A handwritten signature in black ink that reads "Lindsey Freitas". The signature is written in a cursive, flowing style.

Lindsey Freitas, MPA,
Advocacy Director
Campaign for Tobacco-Free Kids
lfreitas@tobaccofreekids.org

¹ CDC, *Best Practices for Comprehensive Tobacco Control Programs*, 2014.

² HHS, *The Health Consequences of Smoking: 50 Years of Progress. A Report of the Surgeon General*, Atlanta, GA: 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, 2014. <http://www.surgeongeneral.gov/library/reports/50-years-of-progress/index.html>

³ The Guide to Community-Preventive Services, "Reducing tobacco use and secondhand smoke exposure: comprehensive tobacco control programs," <http://www.thecommunityguide.org/tobacco/comprehensive.html>.

⁴ Institute of Medicine, *Ending the Tobacco Problem: A Blueprint for the Nation*, National Academy of Sciences, 2007; President's Cancer Panel, *Promoting Healthy Lifestyles: Policy, Program and Personal Recommendations for Reducing Cancer Risk*, 2006-2007 Annual Report; See also, Institute of Medicine, *State Programs Can Reduce Tobacco Use*, National Academy of Sciences, 2000; HHS, *Reducing Tobacco Use: A Report of the Surgeon General*, 2000.

⁵ Ehemann, C., et. al., "Annual Report to the Nation on the Status of Cancer, 1975-2008, Featuring Cancers Associated with Excess Weight and Lack of Sufficient Physical Activity," *Cancer*, March, 2012.

HB-1296-HD-1

Submitted on: 3/20/2021 5:43:51 PM

Testimony for HTH on 3/23/2021 3:15:00 PM

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

Comments:

In Strong Support. Special funds promote corruption and foster waste. They also lack accountability.

HB-1296-HD-1

Submitted on: 3/20/2021 4:26:02 PM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Dr. Robert Weiner	Individual	Oppose	No

Comments:

We are writing to express our strong opposition to HB 1296. The Tobacco Prevention and Control Trust Fund was established for the purpose of preventing youth from starting to use cigarettes, and help those who were already smoking to quit, using the Tobacco Settlement monies. This fund has used the money for education and tobacco quit lines, among other services. The result has been a dramatic decline in adult and youth smoking rates and significant health care savings. Unfortunately, tobacco is still a leading cause of preventable morbidity and mortality. In addition, there has been an explosion in the use of e-cigarette products over the last decade, especially amongst our youth, resulting in one of the highest rates of vaping in the country. Our state spends only 5.2% of its tobacco revenue on tobacco prevention programs. This is significantly lower than the CDC recommends. Eliminating the Tobacco Prevention and Control Fund will result in even less being spent on tobacco cessation efforts, causing our state to regress to the bad old days of tobacco-related disease, and also exposing our youth to the risks of e-cigarettes with no tools to educate them. We have spent considerable time and effort over the past 40 years on tobacco cessation among youth and adults in the practice of pediatrics (Linda) and as an American Cancer Society volunteer and president of the Hawaii Pacific Division (Robert). It would be tragic to see all of the sustained and successful efforts of all of us concerned about youth tobacco use and its deadly consequences be reversed by the elimination of the Tobacco Trust Fund.

PLEASE VOTE NO ON HB 1296.

Robert S. Weiner MD

General Surgery and Hospice and Palliative Medicine

Linda Weiner, MD

Pediatrician, Kauai

My name is Helen Barrow and I am testifying today as an individual citizen in strong opposition to HB1296 that would repeal the Hawaii State Tobacco Prevention and Control Trust Fund. For over 10 years. I have served as a certified tobacco treatment specialist and now as a LCSW at Malama I Ke Ola Health Center on Maui. Malama I Ke Ola has had a tobacco treatment program in place since 2002. Since 2012, we have provided over 1,172 intensive nicotine dependence interventions to our members. In addition this year we presented vaping prevention programs to over 120 Maui youth. The funding for these programs is paid into the Master Settlement Agreement (MSA) by tobacco companies and was designed to be held in perpetuity.

To take away the tobacco prevention and control trust fund would be a big step backwards for Hawaii and that is why I oppose HB1296. Since the 2000s, Hawaii has saved over 1 billion dollars in health care costs by implementing tobacco prevention and cessation. Looking at the big picture, money and most of all many lives have been saved. Right now we have a health crisis on our hands with 1 in 3 high school students and 1 in 5 middle school students reporting that they are currently vaping.

Across the islands, seeds are planted through these tobacco prevention and cessation programs. It takes time to quit tobacco and vaping typically up to 7-10 times. People have come up to me after they have been in programs funded by the MSA to say they are still quit tobacco and to express gratitude for our program that provides free nicotine replacement therapy. If these programs don't exist decisions for better health will not be able to sprout and grow.

So I want to ask you how many lives have you saved today helping kids say no to tobacco and helping people quit tobacco and vaping? Please consider opposing this bill to continue to save lives each and every day. Thanks for this opportunity to provide testimony.

CLIFFORD CHANG, MPH

RESIDENCE

4924 Wa'a Street
Honolulu, HI 96821-1446
Telephone: (808) 373-3654

BUSINESS

Principal
Clifford Chang Consulting
4924 Wa'a Street
Honolulu, HI 96821-1446
Cell phone: (808) 347-8035
Email: <cliffordchangconsulting@yahoo.com>

Date: March 22, 2021
To: Senator Jarrett Keohokalole, Chair
Senator Rosalyn H. Baker, Vice Chair
Members of the Committee on Health

Senator Donna Mercado Kim, Chair
Senator Michelle N. Kidani, Vice Chair
Members of the Committee on Higher Education

Re: Strong Opposition to HB 1296, HD1 Relating to State Funds
Hrg: Tuesday, March 23, 2021; 3:15 pm; Conference Room 229 and Videoconference

My name is Clifford Chang, testifying today both as the principal in my public health consulting firm, Clifford Chang Consulting, and as a private individual with over 40 years of public health experience. I have been professionally involved in tobacco prevention and control for almost ten years and have continued my direct involvement on a voluntary basis for over fifteen years.

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I am testifying in **strong opposition to HB 1296 HD1**, which repeals several special funds, including the Tobacco Prevention and Control Trust Fund (Trust Fund), and transfer the balances to the general fund.

As the Hawai'i State Legislature knows, in November 1998 the Hawai'i Attorney General, together with 45 other State Attorneys General, reached an accord with four of the largest tobacco companies in America in which they admitted to lying about the health risks of their products, and as a result, the Tobacco Master Settlement was established to recover part of the damages for deaths and illness caused by tobacco. From the Master Settlement Agreement (MSA), the Hawai'i State Legislature allocated a portion payments to establish the Hawai'i Tobacco Prevention and Control Trust Fund (HTPCTF).

Unfortunately, of the MSA total funding provided to the states since 1998, less than 3% of the MSA and taxes collected on tobacco sales has been spent on what these funds are for—to prevent children and young people from using tobacco products and helping tobacco users quit. In Hawai'i, **only 5.2%** of these tobacco revenues is spent on tobacco prevention and cessation, which is just over half (58%) of the Centers for Disease Control and Prevention (CDC) recommendation for Hawai'i. Hawai'i is currently spending \$7.9 million a year, which may sound like a lot, but in comparison, the tobacco industry spends \$26.1 million on marketing in Hawai'i - triple the amount Hawai'i spends on prevention and cessation.

Despite this less than ideal level of funding, for over 20 years the Hawai'i Tobacco Prevention and Control Trust Fund (HTPCTF) has supported the reduction of the burden of tobacco in our state, saving both lives and healthcare costs. Since its inception, the state has achieved significant declines in smoking rates for both adults and youth smoking rates.

A 2018 report by the Hawai'i State Department of Health determined that tobacco prevention and control policies and programs have saved the state over \$1 billion in healthcare costs over the last twenty years. This report also found that tobacco prevention and control had a strong return on investment: for every \$1.00 spent on tobacco

prevention, Hawai'i saved about \$6.64 in direct healthcare costs. These savings were largely achieved through significant reductions in smoking rates among youth, adults, and pregnant women. Between 2009 and 2018, cessation providers funded through the Trust fund have helped approximately 12,000 people quit using tobacco products. But most importantly, while the healthcare costs savings is tremendous, these prevention and cessation programs and activities supported by the HTPCTF have saved thousands of lives and years of life saved.

Even with this progress, the toll of tobacco continues to be substantial, with much work still to be done. Tobacco use is still the leading cause of preventable death and disease, claiming 1,400 lives each year and creating \$526 million in annual healthcare costs in Hawai'i. E-cigarette use among youth has reached epidemic levels and erased decades of progress. Continued investment in tobacco prevention and control is needed to reverse this alarming trend and protect public health.

Clearly the state is facing serious budget deficits as a result of the COVID-19 pandemic, but the long term costs and harms of repealing the Trust Fund and the services it provides will greatly outweigh any short term benefits. And while this bill does appropriate \$5,700,000 to the Department of Health (DOH) for tobacco prevention and control purposes, this in no way is an adequate substitute or action for the repeal of the HPCTF. The HPCTF is set up to provide funding on an ongoing long term basis necessary to address the ongoing nature of tobacco use addiction—with tobacco use continuing to be heavily promoted and marketed by the tobacco companies in new and different forms, e.g. e-cigarettes and other vaping products. The current appropriation is only for two years, and realistically it will take the Hawai'i State DOH at least one year to be able to ramp up to be able to administer what is currently being managed effectively and capably by the Hawai'i Community Foundation (HCF). There is simply no good reason to replace a well-working tobacco prevention and cessation support and community funding program administered by the HCF with funding to the DOH with the inherent constraints and limitations as part of the state bureaucracy.

In summary:

- The Hawai'i Tobacco Prevention and Control Trust Fund's (HTPCTF) purpose is to reduce cigarette smoking and tobacco use among youth and adults through education, prevention, and helping people quit smoking and tobacco. This includes:
 - Prevention work across the state on the dangers of tobacco, including e-cigarettes;
 - Community cessation services on all islands except Ni'ihau to help smokers quit; and
 - Hawai'i Tobacco Quitline, which provides free and confidential counseling and support services to help people become tobacco-free.
- The tobacco industry spends \$26.1 million in marketing in Hawai'i annually, but the state spends only \$7.9 million on tobacco prevention and control, 58% of the total CDC recommended amount.
- Youth cigarette smoking rates have decreased dramatically since the inception of the trust fund: In 1999, 27.9% of Hawai'i high schoolers smoked cigarettes, compared to 5.3% in 2019.
- Since 2000, Hawai'i has saved over \$1 billion dollars in healthcare costs through significant reductions in smoking among youth, adults, and pregnant women. For every \$1 spent on tobacco prevention, Hawai'i saves \$6.64 in direct healthcare costs.
- There is still work to be done: Hawai'i is in the midst of a youth vaping epidemic, with one in three high school students and one in five middle school students report "current use" of e-cigarettes.
- The HTPCTF works extremely well and as intended as a stable and perpetual fund source as it is currently set up through the HCF. It is simply not an adequate or effective substitute or replacement to appropriate \$5.7 million to the DOH a year for two years.
- COVID-19 is an infectious disease that primarily attacks the lungs, making tobacco use especially concerning. Teens and young adults that use e-cigarettes had a five to seven times greater chance of being diagnosed with COVID-19 than those that did not use e-cigarettes.

I respectfully request that you **do not pass HB1296HD1** that will dismantle all the hard work done over the past 20 years and that has, and continues to, effectively address the continued massive problem and negative health costs

and results, including death, caused by tobacco use. Please do not let your legacy be that the 2021 Hawaii State Legislature dismantled the **HTPCTF that provides a dedicated, stable source of funding for Hawai'i's programs and strategies that reduce tobacco use**. I ask that the Committee on Health and the Committee on Higher Education preserve the Hawai'i Tobacco Prevention and Control Fund and the State commitment to effective tobacco prevention and control.

Thank you very much.

Aloha,

A handwritten signature in black ink, appearing to read 'Clifford Chang', with a stylized flourish at the end.

Clifford Chang

HB 1296, HD 1

Committees on Health and Higher Education

Chairs Keohokalole, Kim, Vice Chairs Baker, Kidani, Members

March 23, 2021

Good afternoon Chairs, Vice Chairs, Members

I am Julian Lipsher, member of the Coalition For a Tobacco Free Hawaii, testifying as a private citizen.

I am testifying in opposition to HB 1296, HD 1

The passage of this measure would be seen as no small misstep and would result in a series of negative health, economic, legal, and policy consequences and a victory for the tobacco industry.

Smoking and tobacco use remains the single greatest cause of morbidity and mortality in Hawaii and the nation.

In an over four decade career in public health with the Hawaii State Department of Health (DOH), including 20 years leading the DOH Tobacco Program, the establishment of the Hawaii Tobacco Trust fund in 1999 by legislation should be considered as one of the highlights in promoting and protecting the health of Hawaii's people.

The purpose of the Trust Fund remains to reduce tobacco use and to change the public norms around smoking. Under a contract with the Department of Health, the fund, administered by the Hawaii Community Foundation (HCF), provides support to grantees across the state for initiatives in prevention and smoking cessation. The Fund also is responsible to invest the portion of the dollars it receives from the Tobacco Settlement to sustain these essential components supporting an effective state tobacco prevention and control program. This has been a collaborative effort among government, business, voluntary and community partners.

Viewed from a public health lens, the success of this sustained effort over the past 20 years can be seen from the significant reduction in the smoking rates among both adults and youth. These rates represent some of the lowest in the nation and highlight Hawaii's success in reducing smoking and tobacco use.

The achievement of these reductions have prevented youth from becoming long term smokers, assisted adults addicted to nicotine to quit and saved countless lives along with hundreds of millions of dollars in healthcare cost coupled with the emotional cost of treating nicotine addiction.

Let's not forget that the tobacco industry remains ever present. They have not gone away. 'Big Tobacco' has found new ways to introduce novel delivery systems for

nicotine. We see this today in the epidemic of vaping among our youth, potentially the next generation of addicted smokers.

Dissolving the Trust Fund and taking the money could send Hawaii back to where we were two decades ago fighting against the multi-billion dollar tobacco industry. Providing an appropriation to the DOH for tobacco control would not come close to matching the highly effective and successful infrastructure that HCF now provides. The DOH does not have the staff necessary or the ability to match the quality of services to seamlessly pick up where HCF would leave off to carry on levels of grant making, evaluation and most certainly investment that the Foundation now provides. Community grant making, programming and services statewide would be both reduced and curtailed for likely over a year and we should expect rates of smoking, vaping and tobacco use, particularly among disparate populations, to rise.

I urge you to consider the good that the Trust Fund has accomplished for public health and for the people of Hawaii... and to oppose HB 1296, HD 1

Thank you for the opportunity to testify.

**TESTIMONY OF BOB TOYOFUKU IN OPPOSITION TO H.B. NO. 1296, HD 1,
RELATING TO STATE FUNDS**

DATE: March 23, 2021

To: Chairman Jarrett Keohokalole and Chairperson Donna Mercado Kim and Members of the Senate Committee on Health and Members on the Senate Committee on Higher Education:

My name is Bob Toyofuku and I am presenting this testimony as an individual in opposition to HB 1296, HD 1, Relating to State Funds.

Although I am the government affairs consultant for the Coalition for a Tobacco Free Hawaii (CTFH) and for the Campaign for Tobacco Free Kids (CTFK), I am testifying personally to focus on the issues and problems with repealing the Tobacco Trust Fund. I have then included some background on how the fund came into existence in 1999. I think it is important for the committee members to be alerted to the basic issues that the repeal will create.

1. The bill moves the responsibility to administer and manage the tobacco prevention and cessation programs to the Department of Health (DOH) by repealing the Trust Fund and appropriating funding to the DOH. I feel that the DOH cannot be as effective as the system provided by the Trust Fund law. First, DOH will not be receiving any lump sum funding to rely upon to enter into multi-year contracts. Also, in my opinion, it will need to probably increase staff to manage the programs which will take resources and time. Please note that this is not a criticism of the DOH staff but rather my understanding of the current structure to internally manage such a program. Some of the other specific reasons for my opinion are stated below.

2. There are about 33 grantees and vendors that currently provide the services such as cessation, education and a successful Quitline program under the management of the Hawaii Community Foundation (HCF) which is the entity chosen by the DOH and the Governor in accordance with the current law. My opinion is that the DOH will be seriously internally challenged and may not even be able to manage the competitive bid system through a Request for Proposal (RFP) system, review all of the applicants and timely contract for programs on a multi-year basis.

3. The current Trust Fund law and the system allows an entity to invest funds that are not being used for programs annually thus providing needed funds for future programs. Because the principal and/or investment earnings of the Trust Fund must be drawn from each year to supplement the annual budget, without the earnings from investments the source of funding would eventually be depleted. The repeal of the Trust Fund will reduce the ability to have effective programs in the future without these earnings from investments.

4. Regarding accountability, HCF issues reports to the DOH each year on the objective RFP process, the review of services, the evaluation reports by independent evaluators, and the investment reports. I believe that the DOH also reviews the annual budget and reviews and approves the RFPs. This provide the oversight by a state department over the Trust Fund activities and use of the monies.

5. Because the source of the funds come from the tobacco industry to the state through the Master Settlement Agreement (MSA) and into the Tobacco Settlement Special Fund, the Legislature has the authority and oversight of how the funds are to be

allocated. Also, the funds that are allocated to the Trust Fund must be used for tobacco prevention and control purposes in accordance with the law.

6. The result of 20 years of Trust Fund programs under the current system that has been created has yielded very positive results and I feel that these results should be examined closely by the legislature before the Trust Fund is repealed by this bill.

I feel that the background and history of the effort to create the Trust Fund to address the health problems that smoking and tobacco use has caused over the years would be helpful and the following is a brief summary.

After the Master Settlement Agreement (MSA) was completed in November 1998, Hawaii was to receive payments annually. In 1999 the Hawaii Legislature passed SB 1034 CD 1 which created the Tobacco Settlement Special Fund (“Settlement Special Fund”) and a separate Tobacco Prevention and Control Trust Fund (“Trust Fund”). Also the Tobacco Prevention and Control Advisory Board was established. Further, in 2003, the legislature passed a law which allocated \$350,000 to the office of the Attorney General, in order to enforce the provisions of the MSA to insure that our State would receive the tobacco settlement funds as long as possible.

Initially, the Trust Fund received 25% from the Settlement Special Fund but this was reduced to 12.5% in 2001 and further reduced to 6.5% in 2009. In 2011 the legislature diverted this allocation to the general fund and for 2012 and 2013 the Trust Fund received no allocation (zero revenue). It then resumed at 6.5% in 2014 and eventually to the current 12.5% in 2015.

As mentioned before, Trust Fund assets must be used exclusively for tobacco prevention and control, HRS 328L-5(c). The current allocation from the Settlement Special Fund as of 2015 is 12.5% and in 2020 this came to \$4.76 million.

I want to emphasize that only a portion of the Settlement Special Fund is deposited into the Trust Fund, and these funds are only used for tobacco related purposes such as cessation, education and other related projects. The funds that are deposited into the Settlement Special Fund is allocated to the various recipients and can technically be used for non-tobacco related purposes such as the money allocated to the Rainy Day fund.

The Hawaii Community Foundation (“HCF”) has been the entity from the inception of the law as the entity which oversees the trust fund and also invests the funds received. As mentioned earlier, it also issues Requests for Proposals to award grants to those who apply for these funds for tobacco prevention, cessation and other tobacco related projects. The awards, including the amounts, are approved by the HCF after consultation with DOH.

In conclusion, I want to emphasize these facts:

- (1) The Tobacco Settlement Special Fund is the basic fund that receives the annual payments from the tobacco companies and is not from tax revenue.
- (2) These Settlement Special Funds are distributed to four different recipients including 12.5% of the funds to the Tobacco Prevention and Control Trust Fund.
- (3) The monies deposited into the Trust Fund is used exclusively for tobacco prevention, cessation and tobacco control related projects

Thank you for the opportunity to testify in an attempt to illustrate the issues and problems that will be the result of a repeal of the Trust Fund and to clarify what happens to the tobacco industry payments that are made to the state each year and who has oversight and manages the Trust Fund. I will be happy to answer any questions that you may have.



To: Sen. Jarrett Keohokalole, Chair HTH
Sen. Donna Mercado Kim, Chair HRE
Committee on HTH/HRE

RE: Strong Opposition to HB 1296, Relating to State Funds

Hrg: March 23, 2021 at 3:15 PM via Videoconference

Hamakua-Kohala Health is in **strong opposition to HB 1296**, which repeals the Hawaii Tobacco Prevention and Control Trust Fund and transfers the balances to the general fund.

I am a Registered Respiratory Therapist and Tobacco Treatment Specialist employed by Hamakua-Kohala Health. About 45 years ago, I helped my Father, a Family Practice Physician, provide Tobacco Cessation for the first time. I have continued to provide Tobacco Cessation Services as a volunteer throughout the next 40 years. Then in 2013, Hawaii Community Foundation was able to provide Hamakua Health Center a grant to provide Tobacco Cessation Services to North Hawaii and the Hamakua Coast of the Big Island. I was asked to join the clinic as a paid Tobacco Treatment Specialist. With the help of the Hawaii Department of Health, Coalition for a Tobacco Free Hawaii, and Hawaii Community Foundation, we were able to develop our present day Tobacco Cessation Program.

To date, since the beginning of our program, **we have enrolled almost 500 North Hawaii and Hamakua Coast residents into our program**. Of the near 500 residents that have enrolled, **92%** are from 5 priority populations that the Tobacco Grant targets. These 5 are: Low Socio Economic background, Native Hawaiian, Substance Abuse and Behavioral Health, LGBTQ, and pregnant mothers. Many of the enrollees fall in more than one priority group. These diverse populations have the strongest addiction and highest rates of Nicotine abuse.

I want to point out that Nicotine as a drug of abuse, is the hardest addiction to overcome. Almost all of our Substance Abuse patients at our clinics have been able to quit heroin, crack cocaine, alcohol, and meth Amphetamine, before they can quit Nicotine. Most of our patients need between 10-18 attempts to quit Nicotine (according to which study you look at). Only 1% of people who attempt to quit smoking via "cold turkey" – without medications or counseling - are able to quit on any given try. Nicotine changes the brain by developing nicotine receptor sites that never completely disappear even after years of quitting smoking. And starting smoking isn't necessarily a person's choice. Many of our patients have been addicted in the womb by smoking moms and second hand smoke from family members who smoke in the home.

The grant requires that the employees for the Cessation Grant become Tobacco Treatment Specialists. My first certification was from Mayo clinic. With this training I am given the skills to counsel and medically treat patients. (All medications given to patients are

physician approved.) Remember that only 1% can quit without medication or counseling. The best results happen with 4 or more counseling sessions and with nicotine replacement medications to stop smoking

The grant has allowed us to provide nicotine replacement therapy (NRT), e.g. nicotine patches, nicotine gum, nicotine lozenge, and Chantix, without cost to our patients. Most insurance only provides 2-4 weeks of NRTs to a smoker. The highest dose of nicotine patch that they provide is 21 mgs, or the equivalent of 1 pack of cigarettes. It is not unusual for our patients to smoke 2 to 3 packs of cigarettes per day. They need from 42 to 63 mgs a day of replacement nicotine. Using the step down method, it usually takes 2-3 months of therapy to quit. Through the grant, we are able to provide for FREE these NRTs to our patients

As a TTS, I service all tobacco users, not just cigarette smokers. That means with the rise of vaping, we are servicing more youth than ever before. Almost all e-juice has nicotine as an ingredient whether it is listed or not. With vaping it is always a guessing game of how much NRT these patients will need to quit.

I had a college student who wanted to quit vaping. My best estimation of the amount of nicotine she was addicted to was 1 patch of the 21 mg dose. I then sent her home with some 7 gm and 14 mg patches in case we needed to increase or decrease her dose. Several days after she began using the 21 mg patch she called to say it wasn't working. I increased her dose to a 21 mg patch plus a 14 mg patch. Three or four more days past and she called again to state that this was not working. I then had her use 2 of the 21 mg patches. A week later, she called to say that this dose of nicotine replacement (42 mgs/day) was working. With the step down method of reducing the dose, she was able to quit vaping in about 2 months. She still does not vape. How would she know how many patches she needed without our program? She would never have used enough and would still be vaping.

If the Hawaii Tobacco and Prevention Control trust fund is given over to the legislator, there is no guarantee that the Tobacco Cessation programs or even Quitline will be in existence for future tobacco users to access for help to quit their tobacco use. Current lawmakers may promise to fund these programs, but that promise is good only for as long as that lawmaker is in office. Successors to the present lawmakers are not bound by those promises. Which will lead us to revert back to the pre- Master Tobacco Settlement when there was little to no hope for Tobacco users to kick their nicotine addiction because the current programs will have disappeared.

For these reasons, Hamakua-Kohala Health and I strongly oppose HB1296.

Mahalo,

Kathyrn Akioka RRT, TTS

Hamakua Health Center
45-549 Plumeria St.
Honoka'a, HI 96727
808.775.7204

Kohala Health Center
53-3925 Akoni Pule Highway
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March 15, 2021

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Outpatient Treatment

297 Waiānuenuē Avenue

Hilo, Hawaii 96720

P. (808) 935-4927

F. (808) 969-7570

To: Senator Jarret Keohokalole, Chair
Senator Rosalyn H. Baker, Vice Chair
Senate Committee on Health

Senator Donna Mercado Kim, Chair
Senator Michelle N. Kidani, Vice Chair
Senate Committee on Higher Education

Kona

Outpatient Treatment

74-5555 Kaiwi Street, F4

Kailua-Kona, HI 96740

P. (808) 322-3100

F. (808) 333-0548

RE: Strong Opposition to HB 1296, HD1, Relating to State Funds

Dr. Hannah Preston-Pita

Chief Executive Officer

The Big Island Substance Abuse Council (BISAC) is in **strong opposition to HB 1296, HD1**, which repeals the Hawaii Tobacco Prevention and Control Trust Fund.

BISAC has received Hawaii Tobacco Prevention Funds for over 5 years. This has allowed us to provide the needed services to our clients who are dealing with poly-substance use disorders which include the use of Tobacco. The funding cuts beginning July 1st will significantly impact an already strained behavioral health system, especially for our rural underserved areas. I am requesting for your support at this time to oppose HB 1296, HD1. Tobacco prevention and cessation programs are important to reduce the burden of tobacco in our State. I hope that you can support our request at this time.

Board Members

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Jane Webb

Mahalo,

Hannah Preston-Pita Psy, D, Ed, D, CSAC, NCTTP
Chief Executive Officer





**Testimony to the Senate Joint Committee on Health and Higher Education
Tuesday, March 23, 2021; 3:15 p.m.
Via Videoconference**

RE: HOUSE BILL NO. 1296, HOUSE DRAFT 1, RELATING TO STATE FUNDS.

Chair Keohokalole, Chair Kim, 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 respectfully **OPPOSES** House Bill No. 1296, House Draft 1, RELATING TO STATE FUNDS.

As received by your Committee, House Bill No. 1296, would:

- (1) Repeal the Hawaii Tobacco Prevention and Control Trust Fund (Trust Fund);
- (2) Specify that any unencumbered balances remaining in the Trust Fund be transferred to the general fund on July 1, 2021; and
- (3) Appropriate \$5,700,000, in general funds for fiscal year 2021-2022, and the same amount for fiscal year 2022-2023, for tobacco prevention and control purposes;

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.

The Trust Fund provides critically important resources for a vast array of public health programs, including tobacco cessation and youth vaping prevention programs. Many of our FQHCs provide these kinds of programs through the support of the Trust Fund. Elimination of these dedicated funds will seriously undermine the sustainability of these programs.

For this reason, we respectfully ask that this measure be filed.

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.

HB-1296-HD-1

Submitted on: 3/21/2021 1:31:56 PM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
amy agbayani	Testifying for Hawaii Friends of Civil Rights	Oppose	No

Comments:

I oppose this measure. A dedicated tobacco prevention and control funding is critical to saving lives and healthcare costs.

Amy Agbayani



HB1296 HD1 Tobacco Special Fund

COMMITTEE ON HEALTH:

- Sen. Jarrett Keohokalole, Chair; Sen. Rosalyn Baker, Vice Chair

COMMITTEE ON HIGHER EDUCATION

- Sen. Donna Mercado Kim, Chair; Sen. Michelle Kidani, Vice Chair

Tuesday, Mar. 23 2021: 3:15: Videoconference

HSAC Opposes HB1296 HD1:

ALOHA 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 substance use disorder and co-occurring mental health disorder treatment and prevention agencies.

It will be hurtful to remove funding for Tobacco Cessation.

1. Will unravel enforcement and compliance elements required by the Tobacco Master Settlement Agreement (MSA) and in turn jeopardize the millions of dollars received by the State pursuant to the MSA.
2. Would end the free services through the Hawaii 8 Tobacco Quitline for youth, pregnant women and adults who smoke and vape.
3. Would end the county level cessation and youth prevention services provided through non-profit organizations available without charge on every island.
4. Eliminate the provision which provides for appropriation of 26% of tobacco settlement revenues to the university revenue undertakings fund. The tobacco settlement revenues are specifically appropriated to the purpose of paying debt service on bonds issued for construction of the John A. Burns School of Medicine (JABSOM) facility in Kaka'ako.

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



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Testimony Presented Before the
Senate Committee on Health
and the
Senate Committee on Higher Education
March 23, 2021 at 3:15 p.m., Via Video Conference
by

Jerris Hedges, MD, Dean
Lee Buenconsejo-Lum, MD, FAAFP
Associate Dean for Academic Affairs & DIO, UH JABSOM
John A. Burns School of Medicine
University of Hawai'i at Mānoa

HB 1296, HD1 – RELATING TO STATE FUNDS

Chairs Keohokalole and Kim, Vice Chairs Baker and Kidani, and members of the Committees:

Thank you for the opportunity to provide comments on HB 1296, HD1, relating to State Funds which repeals the Hawai'i tobacco prevention and control special fund and transfers the unencumbered balance to the general fund. We appreciate the amendment to the measure that permits tobacco settlement special fund moneys to be applied to the debt service on the bonds issued to finance the construction of the medical school.

The state has long recognized the importance of JABSOM contributing to the health and well-being of the people of Hawai'i in regards to the health consequences of tobacco use. Consequently, the legislature directed a percentage of the Tobacco Settlement Special Fund to be applied to finance the cost of construction of a university health and wellness center, including a new medical school facility. For this reason, 26% of the Hawai'i Tobacco Settlement Special Fund was appropriated into the Revenue-Undertakings Fund for the sole purpose of paying debt service for JABSOM's facility in Kaka'ako. The elimination of that source of funding could lead to UH defaulting on the bonds that financed the construction of the JABSOM Kaka'ako campus.

In order to avoid a default on the bonds issued to construct the JABSOM facility, UH and JABSOM would have to consider diverting funds from other programs, threatening the viability of those programs. Both UH and JABSOM already face a reduction in state revenue. While we are taking steps to minimize the impact such a reduction would have on our programs, loss of the revenue from the tobacco settlement fund would have devastating implications. Loss of the Tobacco Settlement Funds would cost JABSOM

and the University \$10 million annually, a cost that neither JABSOM nor the University can absorb.

As the only medical school in Hawai'i, JABSOM plays a pivotal role in educating and training future physicians for the state, particularly primary care physicians. The lack of funding from the Tobacco Settlement Funds would lead to cutting back on training opportunities meant to encourage more local medical students to practice in the areas of greatest need, such as the Neighbor Islands and in primary care. Over the years, JABSOM has proven that medical students who receive their medical education and complete their residency programs in Hawai'i largely remain in Hawai'i to practice. Faced with a physician shortage of over 1000 physicians in the State when compared to other Mainland jurisdictions, enabling JABSOM to continue to grow local doctors for Hawai'i is crucial to the health and wellbeing of our communities.

Physicians are at the forefront of the battle against smoking as they advise their patients to stop smoking and other tobacco use regularly. The investment that the State makes in the medical school helps not only deliver the tobacco cessation message and thus potentially prevent new chronic diseases made worse by tobacco use, but also helps provide the physicians who directly care for those injured by tobacco use.

Patients are more than 30% more likely to take the tobacco cessation advice of their physicians than other advocates.

The payback to the State for its investment is in helping to ensure there are practitioners in Hawai'i who can care for tobacco-related disease and deliver/reinforce tobacco cessation messages that last for the lifetime of each student's professional career, and touch the lives of tens of thousands of Hawai'i's citizens each year.

Citizens of Hawai'i will suffer the consequences of tobacco use for years after quitting, and no amount of prevention messaging will substitute for the care that our physicians will provide to those with tobacco-related illness.

The investment of the Tobacco Settlement Funds in the medical school is one of the best health bargains the State has today. JABSOM is training more students than ever before. We expanded our class size to help meet the worsening doctor shortage---and the tobacco moneys allowed us to do that. Our third-year medical students now have the option of doing part of their training in Hilo, West Hawai'i and North Hawai'i, Maui and Kaua'i. First-year and fourth-year medical students have the opportunity for elective rotations on the islands of Hawai'i, Maui, Kaua'i and Moloka'i. This year 59% of the MD 2021 class will begin their post medical school residency training in primary care specialties. Two thirds of the class will remain in Hawai'i or will be close to home on the West Coast. These are bold steps taken to realize the dream of former Governor Burns to allow Hawai'i's children to become some of Hawai'i's most valuable citizens, i.e., those who commit their lives to improve the health of others.

Without the Tobacco Settlement Fund, general funds must be applied annually to pay the debt service on the bonds used to finance construction of the medical school, adding to the State's fiscal burden. That would necessarily result in loss of neighborhood training opportunities, reduction in library resources, and loss of faculty positions – at a time when we are severely constrained in replacing those physicians who have retired or left the State.

Thank you for the opportunity to provide comments on HB 1296, HD1.



Tuesday, March 23, 2021 3:15 pm
Via Video Conference

Senate Committee on Health

To: Senator Jarrett Keohokalole, Chair
Senator Rosalyn Baker, Vice Chair

To: Senator Donna Mercado Kim, Chair
Senator Michelle Kidani, Vice Chair

From: Laura Bonilla, RN
Executive Director – Pediatric and Women’s Services

Re: **Testimony in Opposition to HB 1296, HD1
Relating to State Funds**

My name is Laura Bonilla, and I serve as the Executive Director of Pediatric and Women’s Services at Kapi’olani Medical Center for Women and Children (Kapi’olani). Kapi’olani is an affiliate of Hawaii Pacific Health. Kapi’olani Medical Center is the state’s only maternity, newborn and pediatric specialty hospital. It is also a tertiary care, medical teaching and research facility. Specialty services for patients throughout Hawaii’i and the Pacific Region include intensive care for infants and children, 24-hour emergency pediatric care, air transport, maternal-fetal medicine and high-risk perinatal care.

Kapi’olani writes in **opposition** to HB 1296, HD1 which repeals the tobacco prevention and control trust fund, and transfers the unencumbered balances to the general fund.

As the only pediatric hospital in the state, we are concerned that eliminating the Hawaii’i tobacco prevention and control trust fund (Trust Fund) may lead to a reduction in quality health care and services provided to this vulnerable population of mothers, infants and children. We are committed to reducing the burden of smoking in the communities we serve, including pregnant mothers, infants and children we provide services to. We have seen the effect smoking and even secondhand smoke have on expectant mothers and their children. Smoking is the number one preventable cause of death. Quitting tobacco is one of the best things a patient can do to improve their health and decrease their risk of hospital readmissions.

The money we receive from the Trust Fund is used to provide cessation services to Hawai'i Pacific Health patients or any interested community members who want to quit using tobacco. The evidence-based services provided by Certified Tobacco Treatment Specialists include cessation counseling and nicotine replacement therapies (nicotine patches, gum, and/or lozenges) provided at no cost to the program participants. This funding also allows for easy access to cessation services by removing financial barriers that might otherwise keep tobacco users from seeking treatment, such as the cost of nicotine replacement therapies or copays for counseling. More than 80% of program participants come from a group that suffers disproportionately from tobacco, such as those that are low-income, homeless, uninsured, or have mental health or substance use issues. These populations also tend to be more heavily addicted and require intensive tobacco treatment. The impact of COVID19 made children and families more vulnerable to tobacco product use and has created more exposure to secondhand smoke from people being confined indoors.

In addition to providing intensive intervention, Tobacco Treatment Specialists funded by the Trust Fund are able to dedicate time to providing outreach and education to increase the number of patients and community members that make a quit attempt. We focus on reaching out to the parents and caretakers of pediatric patients which is important in the prevention of secondhand or thirdhand smoke exposure. If funding ceases, we will lose the opportunity to engage patients during critical times in their health care, such as during hospital admissions where they may be highly motivated to make a change to quit using tobacco. While tobacco use may be addressed by members of the health care team, many tobacco users require intensive ongoing treatment through the counseling provided by tobacco treatment specialists.

While we are sensitive to the challenging budget circumstances the State is confronting, we are compelled to write in opposition to HB 1296, HD1 which would adversely impact the programs supported by the Trust Fund and effectively diminish the success achieved in reducing the burden of smoking. Tobacco prevention and control funding is critical to saving lives and healthcare costs in the state.

Thank you for the opportunity to testify.



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To: Senator Jarret Keohokalole, Chair
Senator Rosalyn H. Baker, Vice Chair
Senate Committee on Health

Senator Donna Mercado Kim, Chair
Senator Michelle N. Kidani, Vice Chair
Senate Committee on Higher Education

Re: Strong Opposition to HB 1296, HD1, Relating to State Funds
Hrg: March 23rd, 2021

Kokua Kalihi Valley Comprehensive Family Services is in strong opposition to HB 1296, which repeals the Hawaii Tobacco Prevention and Control Trust Fund.

The Hawaii Tobacco Prevention and Control Trust Fund has helped Kalihi by creating access to critical services that prevent nicotine dependence and help residents quit tobacco. Our Kalihi residents are culturally diverse, and are an essential part of our state's identity and workforce.

Smoking is the leading cause of preventable death. Tobacco use in the form of cigarette smoking disproportionately affects the health of those living near or below the poverty line, those with less educational attainment, and those that are unemployed. Amidst this pandemic, we continue to fight against an industry whose product which is addictive, destructive, very well-funded, and strategically marketed towards communities such as ours. The fight is far from over considering the proportion of youth in our state that have become exposed to tobacco products or nicotine dependent through electronic nicotine device use.

KKV's cessation program provides language supported one-on-one counseling with access to medications to cease nicotine dependence and ease withdrawal. KKV provides education to the adults and youth of the community in a spectrum of spaces and contexts to "meet them where they are at". We leverage our organizational resources to address stressors that may contribute to the individual's smoking behaviors. The Trust Fund and current organizational structure has built a strong network of grantees that are committed across the State to create the healthiest Hawaii possible. It is progressive and successful through work that continuously analyzes strengths and barriers to capacity and patient care, and facilitates open exchanges to improve efficacy and efficiency of tobacco cessation services in our islands.

KKV firmly opposes HB1296.

Respectfully,

Philip Racsa

Charles Philip Racsa,
Program Coordinator
KKV Tobacco Prevention and Cessation Program
pracsa@kkv.net

LĀNA`I COMMUNITY HEALTH CENTER

P. O. Box 630142
Lāna`i City, HI 96763-0142



Phone: 808-565-6919
Fax: 808-565-9111
dshaw@lanaicommunityhealthcenter.org

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Testimony to the Senate Joint Committee on Health and Higher Education

Tuesday, March 23, 2021; 3:15 p.m.
Via Videoconference

RE: HOUSE BILL NO. 1296, HOUSE DRAFT 1, RELATING TO STATE FUNDS.

Chair Keohokalole, Chair Kim, and Members of the Joint Committee:

Lāna`i Community Health Center (LCHC) is a 501(c)(3) organization established to advocate to provide health services to the un- and underinsured, and underserved on the island of Lāna`i. LCHC respectfully **OPPOSES** House Bill No. 1296, House Draft 1, RELATING TO STATE FUNDS.

As received by your Committee, House Bill No. 1296, would:

1. Repeal the Hawaii Tobacco Prevention and Control Trust Fund (Trust Fund);
2. Specify that any unencumbered balances remaining in the Trust Fund be transferred to the general fund on July 1, 2021; and
3. Appropriate \$5,700,000, in general funds for fiscal year 2021-2022, and the same amount for fiscal year 2022-2023, for tobacco prevention and control purposes.

By way of background, the LCHC is a Federally-Qualified Health Centers (FQHCs). We provide desperately needed medical services at the frontlines on the rural and underserved island of Lāna`i.

The Trust Fund provides critically important resources for a vast array of public health programs, including tobacco cessation and youth vaping prevention programs. LCHC, like most other FQHCs, provide these badly needed programs through the support of the Trust Fund. Elimination of these dedicated funds will seriously undermine the sustainability of these programs.

For this reason, we respectfully ask that this measure be filed.

E Ola nō Lāna`i

LIFE, HEALTH, and WELL-BEING FOR LĀNA`I

Thank you for the opportunity to testify. Should you have any questions, please do not hesitate to contact me at dshaw@lanaihealth.org, or 808-565-6919.

Mahalo, Salamat,

A handwritten signature in dark ink, appearing to read 'D. M. V. Shaw', with a long, sweeping horizontal stroke extending to the right.

D. M. V. Shaw, PhD, MPH, MBA, FACMPE
Executive Director

Date: March 21, 2021

To: The Honorable Jarrett Keohokalole, Chair
The Honorable Rosalyn H. Baker, Vice Chair
Members of the Committee on Health

The Honorable Donna Mercado Kim, Chair
The Honorable Michelle N. Kidani, Vice Chair
Members of the Committee on Higher Education

From: Members of the University of Hawai'i Student Health Advisory Council

Re: Strong Opposition for HB1296, Relating to State Funds

Hearing: Tuesday, March 23, 2021, at 3:15 pm at Conference Room 229

Thank you for the opportunity to submit testimony in OPPOSITION of HB1296, which repeals the Hawai'i Tobacco Prevention and Control Trust Fund. For over twenty years, Hawai'i's Tobacco Prevention and Control Trust Fund has reduced tobacco use rates in our state, which has saved both lives and extensive health care costs. Since its inception, Hawai'i has achieved significant declines in smoking rates amongst youth and young adults as a result of this trust fund.

Over the years, the Student Health Advisory Council has aligned themselves with the mission of the Trust Fund and 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.

We, therefore, urge you to oppose this measure. For the sake of our general public health, Hawai'i should not jeopardize decades of progress in tobacco prevention and control efforts at a time when our youth need this education and support the most.

Mahalo,

Student Health Advisory Council



**WAIANAЕ COAST
COMPREHENSIVE
HEALTH CENTER**
www.wcchc.com

Testimony to the Senate Committees on Health and Higher Education in
OPPOSITION of HB 1296: Relating to State Funds

Senator Jarrett Keohokalole, Chair; Senator Rosalyn H. Baker, Vice Chair – Committee on Health
Senator Donna Mercado Kim, Chair; Senator Michelle N. Kidani, Vice Chair – Committee on Higher
Education

Hearing date: March 23, 2021; Conference room 229

My name is Vija Sehgal MD, MPH, PhD, Chief Quality Officer and Director of Pediatric Services for Waianae Coast Comprehensive Health Center. I write in **STRONG OPPOSITION of HB 1296** which will repeal Hawaii's Tobacco Prevention and Control Trust Fund and transfer all balances to the General Fund. Over the past 20 years, Hawaii's Tobacco Prevention and Control Trust Fund has been instrumental in **reducing the burden of tobacco in our state, saving both lives and healthcare costs.**

Waianae Coast Comprehensive Health Center's Tobacco Cessation and Prevention Program has been funded through the Tobacco Prevention & Control Trust Fund via the Hawaii Community Foundation. Serving a predominantly Native Hawaiian population, the program has been fully integrated into our Primary Care and Behavioral Health departments and has demonstrated success in helping smokers create and reach their tobacco cessation goals.

Tobacco use is the leading cause of preventable death and disease, claiming 1,400 lives each year and costing the State \$526 million annually. E-cigarette use among youth has reached epidemic levels and erased decades of progress. The COVID-19 pandemic has been devastating to the health of many in Hawaii. Smokers and e-cigarette users are five times more likely to be diagnosed with COVID-19 and suffer adverse consequences of the infection than non-users. Continued investment in tobacco prevention is crucial in addressing this alarming trend and in improving the health of our community.

Mahalo for the opportunity to testify and for your consideration in opposing HB 1296.



To: Senator Jarret Keohokalole, Chair
Senator Rosalyn H. Baker, Vice Chair
Senate Committee on Health

Senator Donna Mercado Kim, Chair
Senator Michelle N. Kidani, Vice Chair
Senate Committee on Higher Education

RE: Strong Opposition to HB 1296, HD1, Relating to State Funds

Hrg: March 23, 2021 at 3:15 PM via Videoconference

Waimānalo Health Center is in **strong opposition to HB 1296, HD1** which repeals the Hawaii Tobacco Prevention and Control Trust Fund and transfers the balances to the general fund.

I am a Licensed Psychologist and Director of Behavioral Health employed by Waimānalo Health Center. Since 2019, WHC has received funding from the Hawaii Tobacco Prevention and Control Trust Fund to help support tobacco cessation and prevention efforts for our patients and community. To date, since the beginning of our program, **we have enrolled 126 participants into our program.** Of the those participants, 97% are from five priority populations that the tobacco grant targets. These priority populations include: Low Socio Economic background, Native Hawaiian, Substance Abuse and Behavioral Health conditions, LGBTQ, and pregnant mothers. Research indicates that that these priority populations are disproportionately affected by tobacco use and its negative health, social, and economic consequences.

Tobacco use in Hawai'i continues to be a serious public health problem, where roughly 1,400 deaths each year are attributable to smoking. Estimates of annual smoking-caused monetary costs in Hawai'i include \$526 million in health care costs, \$387 million in lost productivity costs, and account for \$141 million of all Medicaid expenditures. For pregnant mothers, tobacco use has long-term consequences for the next generation. Smoking during pregnancy causes significantly higher rates of premature birth, low birth weight, sudden infant death syndrome (SIDS), and attention deficit hyperactivity disorder (ADHD).

The grant has allowed us to increase staffing to improve access and availability for tobacco treatment services. Now, when a patient comes in for medical or other health services and is identified as a smoker, WHC is able to provide same-day access to tobacco treatment. This allows patients to receive convenient and accessible care, leading to more patients getting the help that they need. WHC is also able to provide nicotine replacement therapy (NRT), e.g. nicotine patches, nicotine gum, nicotine lozenge, and Chantix, without cost to our patients.

Some insurances only provides 2-4 weeks of NRTs to a smoker. These medications play an important role in helping people quit, as it can double or triple the chances of becoming smoke-free.

As a tobacco treatment provider, I have been a witness to the life-changing stories of people quitting tobacco through the support of the Hawaii Tobacco Prevention and Control Trust Fund. From the pregnant young mother who quit to increase the chance of having a healthy baby, to the Native Hawaiian grandmother who quit to live longer for her grandkids and the cancer survivor who quit to do what he could to make sure that the cancer remains in remission. These funds change lives for the better, which will impact future generations.

That is why it is so important that we continue to keep the settlement money in a dedicated trust fund and not require community programs to come back each legislative cycle to ask for funding.

To be clear, the money in the Tobacco Prevention and Control Trust Fund comes from tobacco companies, not tax payers.

The Tobacco Prevention and Control Trust Fund is a legacy established more than 20 years ago that continues to fulfill its purpose. And, left in place will continue to do so well into the future at no cost to taxpayers.

Please vote NO on HB 1296, HD1 and protect the Tobacco Trust Fund, our keiki and the health of our community now and for future generations.

Thank you for the opportunity to provide testimony in opposition to HB 1296, HD1.

Mahalo,

Sid Hermosura, PsyD
Director of Behavioral Health
Waimānalo Health Center

HB-1296-HD-1

Submitted on: 3/22/2021 11:20:15 AM

Testimony for HTH on 3/23/2021 3:15:00 PM

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

Comments:

Strongly OPPOSE HB 1296, which jeopardizes decades of progress in tobacco prevention and control efforts at a time when it is most needed.

www.WeAreOne.cc

To: Senator Jarret Keohokalole, Chair
Senator Rosalyn H. Baker, Vice Chair
Senate Committee on Health

Senator Donna Mercado Kim, Chair
Senator Michelle N. Kidani, Vice Chair
Senate Committee on Higher Education

RE: Strong Opposition to HB 1296, HD1, Relating to State Funds

Hrg: March 23, 2021 at 3:15 PM via Videoconference

As a Tobacco Treatment Specialist at Lanai Community Health Center, I am submitting testimony in STRONG OPPOSITION to HB 1296.

I know our state is facing difficult financial decisions but taking the money from the tobacco prevention program out of a dedicated fund is a poor and short-sighted idea.

Hawaii has worked successfully to prevent our keiki from smoking cigarettes. But, new products like e-cigarettes are constantly being introduced requiring community health organizations to continue fighting both existing and new challenges.

In the 1990s, when the tobacco companies settled with the states and admitted to lying about the health risks of their products, the Tobacco Master Settlement was established to recover part of the damages for deaths and illness caused by tobacco.

While the companies agreed to pay this money, it hasn't stopped them from continuing to market their addictive, deadly products. Last year alone the tobacco industry spent \$26 million marketing their products in Hawaii.

To balance tobacco advertising, the Hawaii legislature allocated a portion of the state's settlement dollars to establish the Tobacco Prevention and Control Trust Fund. The Fund establishes and funds community tobacco prevention and control programs, and a State Tobacco Quitline to support tobacco users attempting to quit their nicotine addiction, all to protect the health of our community and reduce future healthcare costs.

If we are going to stand a chance at countering the tobacco companies' efforts to hook new generations on nicotine we need a strong prevention program. That is why I believe it is so important that we continue to keep the settlement money in a dedicated trust fund and not require community programs to come back each legislative cycle to ask for funding.

To be clear, the money in the Tobacco Prevention and Control Trust Fund comes from tobacco companies, not tax payers.

The Tobacco Prevention and Control Trust Fund is a legacy established more than 20 years ago that continues to fulfill its purpose, And, left in place will continue to do so well into the future at no cost to taxpayers.

Please vote NO on HB 1296 and protect the Tobacco Trust Fund, our keiki and the health of our community now and for future generations.

Mahalo,

A handwritten signature in black ink, appearing to read 'Cori Takesue', written in a cursive style.

Cori Takesue, Psy.D., CTTS
Director of Behavioral Health, Licensed Psychologist
Lanai Community Health Center

HB-1296-HD-1

Submitted on: 3/20/2021 5:01:15 PM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Ching, MD, MPH	Individual	Oppose	No

Comments:

The American Academy of Pediatrics, Hawaii Chapter respectfully submits its strong opposition to this bill. We oppose the abolition of the tobacco prevention and control trust fund because of adverse effects on children. Redesignation of tobacco control funds as unrestricted general funds to make up for budget gaps will lead to decreases in funding for tobacco control efforts at precisely the time when tobacco and nicotine addiction in young children is surging. Exposure to secondhand smoke is associated with health and behavioral issues in children such as more frequent and severe asthma attacks, respiratory infections, ear infections, and sudden infant death syndrome. Tobacco funds should be kept separate from the general fund to ensure that these funds may fully help the health of our population. Please feel free to contact us if you should have any questions.

HB-1296-HD-1

Submitted on: 3/21/2021 9:59:17 AM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Cory Chun	Individual	Oppose	No

Comments:

Aloha Senate Committees on Health and Higher Education,

I would like to express my opposition to HB 1296, HD1. As an advocate for public health I find this measure counter to saving lives and protecting health. These funds prioritize certain public health initiatives that are needed more than ever as public health should be a top priority for the state. Please consider my opposition HB 1296 and the unintended consequences that may follow.

Mahalo,

Cory Chun

HB-1296-HD-1

Submitted on: 3/21/2021 10:08:07 AM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jenny Chan	Individual	Support	No

Comments:

I support HB1296.

HB-1296-HD-1

Submitted on: 3/21/2021 11:52:34 AM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
mary santa maria	Individual	Oppose	No

Comments:

Dear Senators,

I oppose this bill. With all due respect, I understand that the Senators are trying to find funds for the State at this point. BUT, the Tobacco Settlement Fund is not Tax payer money, rather it is a Settlement money that comes from the Tobacco Industry. It's purpose is to provide sustainable funds for prevention of the use, and cessation of use of tobacco products. The present funding structure secures this sustainability. Putting the TSF into the general fund will NOT provide sustainability. Rather it will require that the DOH ask for funds every two years. This will NOT provide the funds needed to consistently and sustainably provide prevention and cessation programs as they are now. I also want to point out that since 1999, these funds have provided thousands of people in Hawaii the educational programs that help them quit the use of tobacco products through the tobacco Quit line. Youth have benefited from prevention programs in the schools as well as in community. All of this effort will go away if DOH has to directly provide these programs. DOH, even with the budget allocations in this bill, will not have the staffing or ability to immediately replicate what is now provided to the Hawaii public.

Hawaii has a stellar history of creating policies, and programs that are national models for prevention and cessation of the use of all tobacco products. These programs and policies save the State, as well as individuals and all tax payers, thousands of dollars that would otherwise go for cancer treatment and other health problems that are caused directly or indirectly by the use of tobacco products. This will negatively be affected by this bill.

I understand that the intent of the bill is to provide the State of Hawaii with additional funds, but this is not the way to do it. Please do not put the Tobacco Settlement Funds into the general fund. You are risking the health of your citizens if you do.

Mahalo for your time

Sincerely

Mary Santa Maria

Retired Public Health Educator

Maui

HB-1296-HD-1

Submitted on: 3/21/2021 2:28:53 PM

Testimony for HTH on 3/23/2021 3:15:00 PM

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

Comments:

This is an all out robbery of funds that are already gaving too much put into the general fund! This money is extremely important for the use if combating tobacco addiction!

shame on the sponsors of this bill! Your names will be hammered into the public's awareness!

HB-1296-HD-1

Submitted on: 3/21/2021 4:19:11 PM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Dyson Chee	Individual	Oppose	No

Comments:

Thank you for the opportunity to testify in opposition to HB1296.

HB-1296-HD-1

Submitted on: 3/21/2021 5:58:09 PM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Christine Russo	Individual	Oppose	No

Comments:

Aloha Chair Keohokalole, Chair Mercado Kim, and members of the committee,

I **strongly oppose** HB 1296 and urge you to vote no on this measure.

Over the past 20 years, Hawai'i has saved over \$1 billion dollars in healthcare costs through significant reductions in smoking among youth, adults, and pregnant women. Smoking among high school students has declined by over 80 percent and smoking among adults has declined by 26% since 2011. **For every \$1 spent on tobacco prevention, Hawai'i saves \$6.64 in direct healthcare costs.**

Taking away these vital tobacco prevention programs and quit services in the middle of an ever-growing youth vaping epidemic will leave a huge gap in services and will sabotage complementary efforts to reduce youth vaping through flavor bans, tax parity with traditional tobacco, and the regulation of online sales.

The Department of Health doesn't have the resources to replicate the infrastructure already established by the Hawai'i Community Foundation in managing 26 community organizations. The implication of this bill will be a disruption and reduction in services; the long-term effects will worsen the youth vaping epidemic and will make it that much harder for any community member addicted to nicotine to find the support needed to quit.

Mahalo for the opportunity to testify.

Christine Russo

HB-1296-HD-1

Submitted on: 3/21/2021 6:39:55 PM

Testimony for HTH on 3/23/2021 3:15:00 PM

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

Comments:

Thank You for HB1296. Please return this money to the people.

HB-1296-HD-1

Submitted on: 3/21/2021 6:58:07 PM

Testimony for HTH on 3/23/2021 3:15:00 PM

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

Comments:

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HB-1296-HD-1

Submitted on: 3/21/2021 7:10:33 PM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Melissa Yamaguchi	Individual	Oppose	No

Comments:

As a parent of a middle school aged child tobacco usage and tobacco promotion is a concern to me. The % of the middle school population has gone up drastically for youth and tobacco use. I respectfully oppose this bill as it aims to reduce funding for anti tobacco youth education and other anti-tobacco programs. My concern is our keikis health and the health of the community.

HB-1296-HD-1

Submitted on: 3/21/2021 7:26:59 PM

Testimony for HTH on 3/23/2021 3:15:00 PM

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

Comments:

Strongly Support HB1296.

Dear Chair Keohokaloe, Chair Kim, and Committee members,

As someone who has spent my entire public health career working on the prevention and control of noncommunicable diseases I strongly oppose this bill based on the inevitable increase in tobacco-related illness and death that would result if it is passed. Previous testimony submitted by the Attorney General's Office and the Department of Budget and Finance have clearly outlined how this bill puts into jeopardy the millions of dollars Hawaii receives through the Master Settlement Agreement, and the Department of Health and its many partners in tobacco control have described both the impact of tobacco use on health in Hawaii, as well as the impact this measure would have in terms of reversing progress the State has made in reducing tobacco use since the establishment of the Tobacco Trust Fund in 2001.

Both the World Health Organization, through the Framework Convention on Tobacco Control, and the U.S. Centers for Disease Prevention and Control recommend that governments establish mechanisms for funding comprehensive tobacco control programs. These recommendations are based on the recognition of the vast sums of money that the Tobacco Industry spends on the development and marketing of its highly addictive and harmful products, with much of that effort aimed at young people and minority populations to ensure future customers to replace those who die prematurely from the use of their deadly products. The Tobacco Industry efforts are constant and relentless, and consequently there is no one-time action or fix for this public health problem, no vaccine, no single piece of legislation that will solve the problem. This is why we need to have broad-based comprehensive tobacco prevention and control that supports both prevention activities as well as support for helping people who want to quit using tobacco.

While it is true that Hawaii has made good progress in reducing tobacco use in the general population, there is no guarantee that this will remain the case, and in fact there are still subgroups that have disproportionately high tobacco use rates. It has already been noted in previous testimony that while the CDC recommends that Hawaii spend \$13.7 million each year to fund comprehensive tobacco prevention and control activities, the State currently is only funding at 58% of this recommended amount. According to previous testimony submitted by the American Cancer Society the amount currently being spent on tobacco control in Hawaii is \$7.9 million. This measure only proposes that "\$5,700,000 or so much thereof as may be necessary for fiscal year 2021-2022 and the same sum or so much thereof as may be necessary for fiscal year 2022-2023 to be for tobacco prevention and control purposes." This is more than \$2 million less than what is currently being spent, and would reduce the total amount spent on tobacco control to 41.6% of the amount recommended by CDC, not to mention the irreparable long-term damage the dismantling of the MSA will have on tobacco control in Hawaii.

The tobacco use problem in Hawaii has not been solved, it has only been held at bay, and eroding the ability of tobacco control partners to do their work will inevitably reverse the progress made to date. While these are indeed unprecedented times that require new solutions, this bill will have a hugely negative and long-term impact on the epidemic of tobacco use that still holds many of Hawaii's citizens in its grip. Once again, the burden will fall most heavily upon minority and low-income populations who are the least empowered to fight back against an industry with seemingly unlimited resources. If this measure is indeed passed into law the biggest winner will be the Tobacco Industry and those who reap personal gain from its huge profits made at the expense of people's health, and the reversal of Hawaii's progress in tobacco control will be a legacy of this State Legislature.

Respectively Submitted by:

James Rarick, Public Health Consultant and member, Board of Directors, Molokai Community Health Center

To: Senator Jarret Keohokalole, Chair
Senator Rosalyn H. Baker, Vice Chair
Senate Committee on Health

Senator Donna Mercado Kim, Chair
Senator Michelle N. Kidani, Vice Chair
Senate Committee on Higher Education

RE: Strong Opposition to HB 1296, HD1, Relating to State Funds

Hrg: March 23, 2021 at 3:15 PM via Videoconference

As a concerned parent and public health researcher, I am submitting testimony in **STRONG OPPOSITION to HB 1296**.

Over the past 20 years, Hawai'i has saved over \$1 billion dollars in healthcare costs through significant reductions in smoking among youth, adults, and pregnant women. Smoking among high school students has declined by over 80 percent and smoking among adults has declined by 26% since 2011. For every \$1 spent on tobacco prevention, Hawai'i saves \$6.64 in direct healthcare costs.

Taking away these vital tobacco prevention programs and quit services in the middle of an ever-growing youth vaping epidemic will leave a huge gap in services and will sabotage complementary efforts to reduce youth vaping through flavor bans, tax parity with traditional tobacco, and the regulation of online sales. These services are especially crucial for our most disparate populations, including Filipinos. Filipinos are the second largest population in Hawai'i and have high rates of diabetes (13%), hypertension (28.7%) and respiratory disease (13% adults, 21% children). In a study that I published on tobacco and electronic smoking device use (ESDs) among Filipinos in Hawai'i, we found that 43% of respondents started using ESDs because of the different flavors, 38% were curious about vaping, and 30% viewed vaping as healthier than cigarettes. Smokers reported that they preferred menthol (67%). The study comprised of adults, including those who were under 21 years old (underage) (Corpuz & Dela Cruz, 2019). There is a cause for concern that Filipino youth vape users become adult vape users who have no knowledge of tobacco cessation programs and have no desire to quit. Tobacco-free lifestyles for Filipinos will reduce their risk of coronary heart disease, lung cancer, and other chronic disease which disproportionately impact Filipinos.

Hawai'i has worked successfully to prevent our keiki from smoking cigarettes. However, more work is needed. For instance, culturally relevant smoking prevention and cessation intervention services are particularly important for Filipinos.

The Tobacco Prevention and Control Trust Fund is a legacy established more than 20 years ago that continues to fulfill its purpose, And, left in place will continue to do so well into the future at no cost to taxpayers.

Please vote NO on HB 1296 and protect the Tobacco Trust Fund, our keiki and the health of our community now and for future generations.

Mahalo for allowing me to submit my testimony.

Aloha,
May Rose Dela Cruz, DrPH

HB-1296-HD-1

Submitted on: 3/22/2021 6:40:33 AM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Elizabeth Winternitz	Individual	Oppose	No

Comments:

I oppose this bill. Its passage would jeopardize decades of progress in tobacco prevention and control efforts at a time when it is most needed.

HB-1296-HD-1

Submitted on: 3/22/2021 8:22:06 AM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Natasha Woodward	Individual	Oppose	No

Comments:

Aloha,

As a counselor in a middle school, I see way too many students using e -cigarettes and damaging their body at an age when they are too young to realize the full consequences. There NEEDS to be programs to fight against the way too powerful tobacco industry and to advocate for our children. Please continue to fund such programs.

Natasha

HB-1296-HD-1

Submitted on: 3/22/2021 8:32:12 AM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kunane Dreier	Individual	Oppose	No

Comments:

Senator Rosalyn H. Baker, Vice Chair

Senate Committee on Health

Senator Donna Mercado Kim, Chair

Senator Michelle N. Kidani, Vice Chair

Senate Committee on Higher Education

RE: Strong Opposition to HB 1296, HD1, Relating to State Funds

Hrg: March 23, 2021 at 3:15 PM via Videoconference



As a concerned community member, I am submitting testimony in **STRONG OPPOSITION** to HB 1296.

I know our state is facing difficult financial decisions but taking the money from the tobacco prevention program out of a dedicated fund is a poor and short-sighted idea.

Hawaii has worked successfully to prevent our keiki from smoking cigarettes. But, new products like e-cigarettes are constantly being introduced requiring community health

organizations to continue fighting both existing and new challenges.

In the 1990s, when the tobacco companies settled with the states and admitted to lying about the health risks of their products, the Tobacco Master Settlement was established to recover part of the damages for deaths and illness caused by tobacco.

While the companies agreed to pay this money, it hasn't stopped them from continuing to market their addictive, deadly products. Last year alone the tobacco industry spent \$26 million marketing their products in Hawaii.

To balance tobacco advertising, the Hawaii legislature allocated a portion of the state's settlement dollars to establish the Tobacco Prevention and Control Trust Fund. The Fund establishes and funds community tobacco prevention and control programs, and a State Tobacco Quitline to support tobacco users attempting to quit their nicotine addiction, all to protect the health of our community and reduce future healthcare costs.

If we are going to stand a chance at countering the tobacco companies' efforts to hook new generations on nicotine we need a strong prevention program. That is why I believe it is so important that we continue to keep the settlement money in a dedicated trust fund and not require community programs to come back each legislative cycle to ask for funding.

To be clear, the money in the Tobacco Prevention and Control Trust Fund comes from tobacco companies, not tax payers.

The Tobacco Prevention and Control Trust Fund is a legacy established more than 20 years ago that continues to fulfill its purpose, And, left in place will continue to do so well into the future at no cost to taxpayers.

Please vote NO on HB 1296 and protect the Tobacco Trust Fund, our keiki and the health of our community now and for future generations.

Mahalo,

Kunane Dreier

HB-1296-HD-1

Submitted on: 3/22/2021 8:39:31 AM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Fern Duvall II	Individual	Oppose	No

Comments:

Honorable Committee Members, Senators:

I wish to firmly oppose this legislation. It will disrupt/end several programs already able to best serve the public now as set up through the Tobacco Settlement Funds going to Hawaii Community Fund. There is already in place at the Hawaii Community Fund all the staff and positions to get this money directly to educational outreach and even for programs that see to enforcement of violators selling tobacco products to our youth. The programs in place under the Hawaii Community Funds oversight would not be able to be replaced with the monies going to the Department of Health - which has no such infrastructure or positions. Please leave the situation as it is currently using Tobacco Settlement Funds, please oppose the monies going to the General Fund or the Department of Health.

HB-1296-HD-1

Submitted on: 3/22/2021 8:46:27 AM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Natalia Werkoff	Individual	Oppose	No

Comments:

Aloha,

I am a Certified Tobacco Treatment Specialist, Licensed Clinical Social Worker, and Certified Substance Abuse Counselor. I am writing in STRONG OPPOSITION to bill 1296. I witness the devastating effects of nicotine and other substance use in the daily work that I do. I am also a former smoker and incredibly grateful for the easy accessibility to smoking cessation programs in the state. There is a strong correlation between long term abstinence of alcohol and drugs when someone stops using nicotine products. Please vote against this bill so that we may continue to support a healthier Hawai'i.

Mahalo,

Natalia Werkoff

HB-1296-HD-1

Submitted on: 3/22/2021 9:05:30 AM

Testimony for HTH on 3/23/2021 3:15:00 PM

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

Comments:

To: Senator Jarret Keohokalole, Chair
Senator Rosalyn H. Baker, Vice Chair
Senate Committee on Health

Senator Donna Mercado Kim, Chair
Senator Michelle N. Kidani, Vice Chair
Senate Committee on Higher Education

RE: Strong Opposition to HB 1296, HD1, Relating to State Funds

Hrg: March 23, 2021 at 3:15 PM via Videoconference



As a concerned community member, I am submitting testimony in **STRONG OPPOSITION** to HB 1296.

I know our state is facing difficult financial decisions but taking the money from the tobacco prevention program out of a dedicated fund is a poor and short-sighted idea.

Hawaii has worked successfully to prevent our keiki from smoking cigarettes. But, new products like e-cigarettes are constantly being introduced requiring community health organizations to continue fighting both existing and new challenges.

In the 1990s, when the tobacco companies settled with the states and admitted to lying about the health risks of their products, the Tobacco Master Settlement was established to recover part of the damages for deaths and illness caused by tobacco.

While the companies agreed to pay this money, it hasn't stopped them from continuing to market their addictive, deadly products. Last year alone the tobacco industry spent \$26 million marketing their products in Hawaii.

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If we are going to stand a chance at countering the tobacco companies' efforts to hook new generations on nicotine we need a strong prevention program. That is why I believe it is so important that we continue to keep the settlement money in a dedicated trust fund and not require community programs to come back each legislative cycle to ask for funding.

To be clear, the money in the Tobacco Prevention and Control Trust Fund comes from tobacco companies, not tax payers.

The Tobacco Prevention and Control Trust Fund is a legacy established more than 20 years ago that continues to fulfill its purpose, And, left in place will continue to do so well into the future at no cost to taxpayers.

Please vote NO on HB 1296 and protect the Tobacco Trust Fund, our keiki and the health of our community now and for future generations.

Mahalo,

Donita Garcia

HB-1296-HD-1

Submitted on: 3/22/2021 9:52:41 AM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Eileen Wagatsuma	Individual	Oppose	No

Comments:

Having a parent who passed away at the young age of 50 who was a smoker made my life growing up more difficult. Realizing that my father missed out on milestones like first grandchild, all the family celebrations, and spending quality time with the family while enjoying his retirement makes me sad because not only did he miss out but the grandchildren missed out learning from him. I am strongly against allowing smoking especially smoking by youth who are so easily swayed by advertisements focused at luring youth to start smoking. I believe that ongoing and strong education will empower the youth to be able to identify the ploy enticing them to start and make healthier choices for themselves. Minimizing the addiction of tobacco could provide them slightly safer passage to adulthood.

HB-1296-HD-1

Submitted on: 3/22/2021 9:58:03 AM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Shelly Ogata	Individual	Oppose	No

Comments:

Senator Jarrett Keohokalole, Chair

Senator Rosalyn Baker, Vice Chair

Senator Donna Mercado Kim, Chair

Senator Michelle Kidani, Vice Chair

and members of the Committees on Health and Higher Education:

HB 1296 will repeal the tobacco prevention and control trust fund. I am in **STRONG OPPOSITION** to this bill, which jeopardizes decades of progress in tobacco prevention and control efforts at a time it is needed the most.

The Trust Fund's purpose is to reduce cigarette smoking and tobacco use among youth and adults through education, prevention, and helping people quit smoking and tobacco. This includes:

- Prevention work across the state on the dangers of tobacco, including e-cigarettes;
- Community cessation services on all islands except Ni'ihau to help smokers quit; and
- Hawai'i Tobacco Quitline, which provides free and confidential counseling and support services to help people become tobacco-free.

Youth cigarette smoking rates have decreased dramatically since the inception of the trust fund: In 1999, 27.9% of Hawai'i high schoolers smoked cigarettes, compared to 5.3% in 2019.

Since 2000, Hawai'i has saved over \$1 billion dollars in healthcare costs through significant reductions in smoking among youth, adults, and pregnant women. For every \$1 spent on tobacco prevention, Hawai'i saves \$6.64 in direct healthcare costs.

Despite these successes, there is still work to be done: Hawai'i is in the midst of a youth vaping epidemic, with one in three high school students and one in five middle school

students reporting “current use” of e-cigarettes. Hearing my niece and her classmates complain about not being able to use bathrooms on campus because there is so much vaping is gut-wrenching and absolutely unacceptable.

I understand the dire fiscal situation the state is in however, tobacco prevention and control funding is critical to saving lives and healthcare costs.

In addition, COVID-19 is an infectious disease that primarily attacks the lungs, making tobacco use especially concerning. Teens and young adults using e-cigarettes have a five to seven times greater chance of being diagnosed with COVID-19 than those that did not use e-cigarettes.

AGAIN, please do not support HB1296. You don't want to “be the one” to leave a legacy of repealing such important public health programs which are the foundation of solid public health policy.

Shelly Ogata, RN, MPH

HB-1296-HD-1

Submitted on: 3/22/2021 10:21:39 AM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kathleen Koga	Individual	Oppose	No

Comments:

As a concerned parent, educator and Hawaii resident, I am in **strong opposition to HB 1296** which repeals the Hawaii Tobacco Prevention and Control Trust Fund. Although the State is facing a tough financial situation, eliminating the Tobacco Prevention and Control Trust Fund will result in negatively impacting the health of our communities.

Since 1999, the Tobacco Trust Fund has funded important tobacco education, prevention and cessation services for communities across our state. The reach of these successful programs is broad and touches all residents regardless of income, insurance status and race.

Through statewide youth tobacco prevention education programs, a significant number of Hawaii students are taught about the harmful effects of smoking and vaping.

Community cessation services and the Hawaii Tobacco Quitline help smokers and vapers to quit and become tobacco-free throughout the islands.

The Tobacco Trust Fund is responsible for funding these important tobacco programs that have helped our state to dramatically decrease adult and youth cigarette smoking rates, prevented a new generation of smokers, saved Hawaii over \$1 billion dollars in healthcare costs and improved the lives of many individuals who successfully quit tobacco products.

HB1296 will dismantle the Tobacco Trust Fund, jeopardize decades of progress in tobacco prevention and control and eliminate vital programs and services established through the Trust Fund at a time when they are most needed. Smoking remains the leading cause of death and disability; and the spotlight is now urgently focused on addressing the youth vaping epidemic. Especially during the CO-VID 19 pandemic, additional services for tobacco users to quit are necessary with many motivated and requesting support to deal with stress and health issues.

Please **oppose HB 1296** to ensure the future health of our communities. The Tobacco Prevention and Control Trust Fund should not be repealed. Please continue this funding to maintain a strong tobacco trust fund that has delivered evidence-based tobacco control programs and services efficiently and effectively for over twenty years. Taking the money out of this dedicated fund would be a costly mistake. Reliance on the

general fund and yearly appropriations cannot provide continuity and consistent funding for tobacco control efforts. I urge committee members to **vote no on HB 1296** in order to preserve the Tobacco Prevention and Control Trust Fund, protect our keiki, save lives and healthcare costs, and to reduce the burden of tobacco in our state.

HB-1296-HD-1

Submitted on: 3/22/2021 10:42:15 AM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Cyrus Howe	Individual	Oppose	No

Comments:

Aloha,

I'm writing in strong opposition to this bill because without these funds, we can pretty much guarantee terrible health outcomes for our youth. I'm in my thirties and grew up with strong anti tobacco programming at the school and mass media levels. Despite relatively low tobacco-use rates among my generation (compared to that of older generations), recent reports indicate deteriorating health among millennials for myriad reasons (financial insecurity, stress, chronic health conditions, etc.) as well as among younger Americans including our youth (Olshansky et al, 2005, <https://www.nejm.org/doi/full/10.1056/NEJMSr043743#t=article>). This is due to a rise in obesity and related health issues like diabetes, stroke, cancer, and heart disease - all of which are exacerbated by tobacco use. The negative side effects of vaporized nicotine products are just coming into view, and aside from their impacts on the lungs and other physiological functions, they are having negative impacts on young people's brains by causing addiction and impaired cognitive function in the absence of nicotine. We need to uphold these funds for these and many other reasons because preventing and mitigating use of these harmful products is only one, yet significant way we can safeguard our next generation's health.

Mahalo,

Cyrus

HB-1296-HD-1

Submitted on: 3/22/2021 10:58:32 AM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jennifer Valera	Individual	Oppose	No

Comments:

Over the past 20 years, Hawai'i has saved over \$1 billion dollars in healthcare costs through significant reductions in smoking among youth, adults, and pregnant women. Smoking among high school students has declined by over 80 percent and smoking among adults has declined by 26% since 2011. **For every \$1 spent on tobacco prevention, Hawai'i saves \$6.64 in direct healthcare costs.**

Taking away these vital tobacco prevention programs and quit services in the middle of an ever-growing youth vaping epidemic will leave a huge gap in services and will sabotage complementary efforts to reduce youth vaping through flavor bans, tax parity with traditional tobacco, and the regulation of online sales.

To: Hawaii State Legislature – Health and Hight Education Committees
Hearing: Date/Time: Wednesday, 03-23-2021 3:15 pm
Place: Hawaii State Capitol, Room 229 and Videoconference
Re: Judith Ann Armstrong is in strongly opposed to HB1296 HD1 Relating to State Funds

Aloha Chairs Jarrett Keohokalole and Donna Mercado, Vice Chairs Rosalyn Baker and Michelle Kidani and Members of these Committees,

I am writing in opposition to HB1296, which seeks repeal the Hawaii Tobacco prevention and control trust fund and transfer the unencumbered balances to the general fund.

For over 20 years, Hawaii's Tobacco Prevention and Control Trust Fund has **reduced the burden of tobacco in our state, saving both lives and healthcare costs.** However, there is still work to be done with the rise in e-cigarette use among youth. Dedicated, consistent funding for tobacco prevention and cessation is needed to reverse this alarming trend and protect public health.

Additionally, this bill would unravel enforcement and compliance elements required by the Tobacco Master Settlement Agreement (MSA) and in turn jeopardize the millions of dollars received by the State pursuant to the MSA.

I strongly urge our legislators to oppose this measure.

Thank you for this opportunity to testify in support of this important measure.

Sincerely,
Judith Ann Armstrong
1717 Ala Wai Blvd
Apt 3006
Honolulu, HI 96815

HB-1296-HD-1

Submitted on: 3/22/2021 11:04:11 AM

Testimony for HTH on 3/23/2021 3:15:00 PM

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

Comments:

Aloha mai kakou, my name is Kai Gacayan and I STRONGLY OPPOSE HB1296. I am a mother of 4 children, my oldest being 13 years old and is highly exposed to children his age who are using tobacco whether is vaping or cigarette use. This bill will not only cause disruption to services being provided to our keiki through education and awareness on the harmful effects of tobacco use but it will also delay services that are being carried through right now for our people of Hawaii who are addicted to nicotine. Our communities and it's people specifically Native Hawaiians, our low social economic population and those who suffer from mental health issues are indeed those who continue to suffer from this addictive substances as the are addicted to nicotine so we must continue to be able to provide tobacco cessation services that are offered through the use of the tobacco settlement funds. PLEASE HEAR OUR VOICES when we say that we STRONGLY OPPOSE HB1296 and MUST MALAMA OUR PEOPLE OF HAWAII by continuing without interruption the tobacco cessation services they need as well as protecting these funds for our generations to come that are currently using e-cigarettes!!! Mahalo for your time, Kai Gacayan (mother and community member)

HB-1296-HD-1

Submitted on: 3/22/2021 11:17:04 AM

Testimony for HTH on 3/23/2021 3:15:00 PM

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

Comments:

To: Senator Jarret Keohokalole, Chair

Senator Rosalyn H. Baker, Vice Chair

Senate Committee on Health

Senator Donna Mercado Kim, Chair

Senator Michelle N. Kidani, Vice Chair

Senate Committee on Higher Education

RE: Strong Opposition to HB 1296, HD1, Relating to State Funds

Hrg: March 23, 2021 at 3:15 PM via Videoconference



Aloha,

My name is Marivelle Martin, and I am submitting testimony in STRONG OPPOSITION to HB 1296, which repeals the Hawaii Tobacco Prevention and Control Trust Fund and transfers the balances to the general fund.

I know our state is facing difficult financial decisions but taking the money from the tobacco prevention program out of a dedicated fund is a poor and short-sighted idea.

I currently work as a Tobacco Treatment Specialist for Bay Clinic, Inc in Hawaii County. There are many people in our community who want and need to quit using tobacco, whether it's cigarettes, vapes/electronic cigarettes, chewing tobacco, snuff, dip, hookah, etc. Many of them try to quit on their own but then relapse and find it even more difficult to quit again. Tobacco prevention and

cessation programs really do help our community to get people to quit and become healthier and also to educate everyone from Keiki to Kupuna.

Many of the people I work with come from all walks of life, but more so from low socioeconomic status and either have no medical insurance or their insurance doesn't cover the Nicotine Replacement Therapy (NRT) such as nicotine patches, gum, or lozenges. These NRT when bought on your own are very costly and deter people from purchasing them to help with their quit journey. With these programs in place, we help and educate our community.

The funds that are received for these programs go into buying NRT, educational material, and incentives, which we in turn provide to our patients/clients along with education, one-to-one and or group counseling, and continuous follow up and support throughout their quit journey.

Taking the funding away to transfer into the general fund would be detrimental to the Tobacco prevention and cessation programs as we would not be able to continue at the capacity it is now at and people would possibly be turned away as there would be less available programs to assist them.

There have been many patients I have worked with that have quit other addictions such as cocaine, alcohol, heroine, etc and have stated that the last thing they were working on quitting was cigarettes and it was the hardest to quit. When asked why, they would say because it was legal, readily available wherever you go, and very addictive! When these patients/clients finally do quit, they say they feel so much stronger, healthier, able to breathe better, and free from the addiction they have been battling to quit.

Hawaii has worked successfully to prevent our keiki from smoking cigarettes. But, new products like e-cigarettes are constantly being introduced requiring community health organizations to continue fighting both existing and new challenges.

Tobacco prevention and cessation programs are important to reduce the burden of tobacco in our state. Thank you for the opportunity to provide testimony in strong opposition to HB 1296.

Please vote NO on HB 1296 and protect the Tobacco Trust Fund, our keiki and the health of our community now and for future generations.

Mahalo,

Marivelle Martin

March 22, 2021

Aloha! My name is Rojelle Bohol and I am writing to oppose HB 1296.

The purpose of the Tobacco Prevention and Control Trust Fund is to reduce cigarette smoking and tobacco use among youths and adults through education, prevention, and helping people quit smoking and tobacco. The fund has played an important role in improving health. Since the establishment of the trust fund, youth cigarette smoking rates have decreased dramatically. In 1999, 27.9% of Hawai'i high schoolers smoked cigarettes, compared to 5.3% in 2019. This is a huge improvement! Many lives have been saved due to the Trust fund. However, more still needs to be done.

The Trust Fund should be kept because it can help tackle the Youth Vaping Epidemic in Hawai'i. Currently, many youths are using electronic cigarettes or vaping products. Youths are targeted by tobacco industry marketing to convince them to use their products. Studies show that one in three high school students report currently using e-cigarettes; one in five among middle school students.

I am concerned about the Youth Vaping Epidemic because I have a younger brother who is currently in high school. I am afraid he will start smoking or begin to use e-cigarettes since many people his age are beginning to or already use them. Also, I do not want keiki in Hawai'i to start using these products because their health will be affected. The Trust Fund can be used to protect youths from smoking and tobacco product use.

Prevention work and services are needed to reduce smoking and tobacco use among youths and adults. If funding is reduced, then rates might go up which will be detrimental to public health and increase healthcare costs. Preventative measures should be considered first, rather than wait for a high number of people to be diagnosed with negative health outcomes related to smoking and tobacco use. Additionally, it is crucial with COVID-19, which primarily attacks the lungs. Research shows that teens and young adults who use e-cigarettes had a five to seven times greater chance of being diagnosed with COVID-19 than those who did not use e-cigarettes. Prevention is crucial to keep people healthier longer and save money in healthcare costs.

I strongly oppose HB 1296 because much more still needs to be done. The Trust Fund has helped reduce cigarette smoking and tobacco use throughout the years. It is still needed to help lower rates, especially among e-cigarette use. Funding is crucial to continue this work and to improve the health of people in Hawai'i. I ask you to please consider opposing HB 1296.

Thank you for your time.

Mahalo,
Rojelle Bohol

Kaimuki, HI

HB-1296-HD-1

Submitted on: 3/22/2021 12:10:17 PM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Katie Folio	Individual	Oppose	No

Comments:

Aloha Honorable Chairs and members of the Senate Committee on Health and Senate Committee on Higher Education.

I am submitting this testimony as a private citizen, former teen smoker, and mother of two young children in STRONG OPPOSITION to HB 1296, which jeopardizes decades of progress in tobacco prevention and control efforts at a time it is needed the most. Lung health has never been more important, and tobacco still kills 480,000 people in the U.S. every year - almost as many lives as we have lost to COVID-19 this past year, but every year.

We can't afford to put tobacco prevention and control funding in jeopardy, no matter how dire our current fiscal situation is, as this funding is critical to saving lives and healthcare costs. Tobacco control and prevention efforts in our state have saved one billion dollars in healthcare associated costs - we can't forget about the long term fiscal and health impacts of prevention work.

Please oppose this bill and protect tobacco prevention and control funding. The tobacco industry has limitless funding to try to hook people, especially young people, to nicotine. The organizations doing good work to fight against nicotine dependency and the tobacco industry do not. The tobacco industry spends \$26.1 million in marketing in Hawai'i annually, but our state spends only \$7.9 million on tobacco prevention and control, 58% of the total CDC recommended amount. We need all we can to remain dedicated to these efforts, for the health of our people and the long term economic impacts of tobacco control efforts in our state.

Mahalo nui loa,

Katie Folio

Kula, Maui, Hawai'i

HB-1296-HD-1

Submitted on: 3/22/2021 2:36:11 PM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Carolyn Eaton	Individual	Oppose	No

Comments:

Aloha, my name is Carolyn Eaton, and I am an Oahu voter. I strongly oppose HB 1296. Tobacco dedicated funds should not and need not be drawn down for other purposes. Smoking and vaping in the State continue to be a scourge, especially among our young people. Regarding flavored tobacco products, including menthol-flavored products, our legislation and our dedicated money must be used to combat their sale and use. The quality of public health in Hawai'i is at stake. Mahalo for considering my views.

Date: March 23, 2021

To: The Honorable Senator Jarrett Keohokalole, Chair
The Honorable Senator Rosalyn Baker, Vice Chair
Members of the Senate Committee on Health

The Honorable Senator Donna Mercado Kim, Chair
The Honorable Senator Michelle N. Kidani, Vice Chair
Members of the Senate Committee on Higher Education

Re: Strong Opposition of HB 1296 HD1: RELATING TO STATE FUNDS

Hrg: Tuesday, March 23, 2021 at 3:15pm at Capitol Room 229

Position: Strong Opposition

Chairs, Vice Chairs, and joint committee members,

My name is Cheryl K. Okuma from Wailuku, Maui, 96793. I thank you for the opportunity to submit testimony in **STRONG OPPOSITION to HB 1296 HD1**. I urge for the preservation of the Hawaii tobacco prevention and control trust fund. Keep money collected from the tobacco company's settlement for its intended purpose and fund tobacco prevention control and cessation programs in Hawaii.

I volunteer with the American Cancer Society Cancer Action Network and I am concerned with the pervasive use of electronic smoking devices in our community, particularly as it has made its way to our youth. Having had friends battle with lung cancer, preserving the trust fund is paramount for programs to prevent, control and stop tobacco use and electronic smoking device use in our community. Cancer strikes not only the individual, but impacts the family and loved ones that surround them.

Hawaii Tobacco Prevention and Control Trust Fund

For over 20 years, Hawaii's Tobacco Prevention and Control Trust Fund has reduced the burden of tobacco in our state, saving both lives and healthcare costs. In 1998, Hawaii and 45 other states sued tobacco companies and won, resulting in the Master Settlement Agreement (MSA). The MSA included payments to the settling states to cover current and future costs of treating tobacco-related illnesses. A portion (12.5%) of the settlement funds are allocated to the Hawaii Tobacco Prevention and Control Trust Fund. The state has achieved significant declines in smoking rates for both adults and youth smoking rates, but with the rise of youth use of electronic smoking devices, there is much work to be done. Keep money collected from the tobacco company's settlement for its intended purpose and fund tobacco prevention control and cessation programs in Hawaii. HB1296 HD1 gives \$5.4 million from the general fund for tobacco prevention but this funding ends after two years. **Do not use taxpayer dollars**

for the problems the tobacco companies have created, tobacco settlement money should go towards tobacco prevention programs in the state.

Health Impact and Costs of Tobacco Use in Hawaii

Smoking harms nearly every organ of the body and the use of tobacco products remains the nation's number one cause of preventable death. Tobacco use is responsible for nearly 1 in 5 deaths nationwide.ⁱ In Hawaii:


- An estimated 1,400 deaths are caused by smoking each year.ⁱⁱ
- Over 24.6 % of cancer deaths in Hawaii are caused by smoking.ⁱⁱⁱ
- 12.30% of adults and 5.3% of high school students smoke cigarettes.^{iv,v}
- 30.6% of high school students currently use e-cigarettes.

Smoking is estimated to cost Hawaii \$526 million in direct health care costs, including \$141 million in Medicaid costs annually.^{vi} While Hawaii is facing unprecedented public health challenges, it is critical that programs to prevent kids from starting to use tobacco and help adults quit are preserved.

Please consider the impact and cost it would be defunding tobacco prevention and control programs on the future of Hawaii.

I urge you to hold this bill.

Mahalo for the opportunity to submit testimony.



Cheryl K. Okuma

ⁱ Centers for Disease Control and Prevention (CDC). Health Effects of Cigarette Smoking. Updated April 28, 2020. https://www.cdc.gov/tobacco/data_statistics/fact_sheets/health_effects/effects_cig_smoking/

ⁱⁱ Campaign for Tobacco-Free Kids (CTFK). The Toll of Tobacco in Hawaii. Updated October 20, 2020. <https://www.tobaccofreekids.org/problem/toll-us/hawaii>

ⁱⁱⁱ American Cancer Society Cancer Action Network. [State-Specific Smoking-Related Cancer Cases and Deaths, 2017](#). December 2020.

^{iv} Campaign for Tobacco-Free Kids (CTFK). The Toll of Tobacco in Hawaii. Updated October 20, 2020. <https://www.tobaccofreekids.org/problem/toll-us/hawaii>

^v Campaign for Tobacco-Free Kids (CTFK). The Toll of Tobacco in Hawaii. Updated October 20, 2020. <https://www.tobaccofreekids.org/problem/toll-us/hawaii>

^{vi} Campaign for Tobacco-Free Kids. The Toll of Tobacco in Hawaii. October 20, 2020. <https://www.tobaccofreekids.org/problem/toll-us/hawaii>

To: Senator Jarret Keohokalole, Chair
Senator Rosalyn H. Baker, Vice Chair
Senate Committee on Health

Senator Donna Mercado Kim, Chair
Senator Michelle N. Kidani, Vice Chair
Senate Committee on Higher Education

RE: Strong Opposition to HB 1296, HD1, Relating to State Funds

Hrg: March 23, 2021 at 3:15 PM via Videoconference

As a concerned resident, immediate past president of the Hawaii Public Health Association, and former chair of Hawaii's Tobacco Prevention and Control Trust Fund Advisory Board, I am submitting testimony in STRONG OPPOSITION to HB 1296.

I appreciate that Hawaii is facing difficult financial decisions due to the COVID-19 pandemic and resulting revenue shortfalls, but taking the money from a dedicated fund is a poor and short-sighted idea.

Thanks to funding from the Tobacco Prevention and Control Trust Fund, Hawaii has worked successfully to prevent our keiki from smoking cigarettes, and is now recognized nationally among the leading states in the field of tobacco prevention and control. While we celebrate our collective progress, new products like e-cigarettes are constantly being introduced, requiring that community health organizations continue to fight both existing and emerging threats to the public's health.

In the 1990s, when the tobacco companies settled with the states and admitted to lying about the health risks of their products, the Tobacco Master Settlement was established to recover part of the damages for deaths and illness caused by tobacco. While the companies agreed to pay the settlement, it hasn't stopped them from continuing to market their addictive, deadly products. Last year alone the tobacco industry spent \$26 million marketing their products in Hawaii.

To balance tobacco advertising, the Hawaii State Legislature allocated a portion of the state's settlement dollars to establish the Tobacco Prevention and Control Trust Fund. The Fund supports numerous community tobacco prevention and control programs statewide, including our State Tobacco Quitline, all to protect the health of our community and reduce future healthcare costs.

If we are going to stand a chance at countering the tobacco companies' efforts to hook new generations on nicotine, we need to maintain a robust prevention program. That is why I believe it is so important that we continue to keep the settlement money in a dedicated trust

fund, with the oversight of an informed advisory body which, together with the State Department of Health, serves to facilitate a coordinated approach to tobacco prevention, education and cessation consistent with the state's Strategic Plan for Tobacco Use Prevention and Control.

The Tobacco Prevention and Control Trust Fund is a legacy established more than 20 years ago that continues to fulfill its purpose, and left in place will continue to do so well into the future at no cost to Hawaii's taxpayers.

Please vote NO on HB 1296 and protect the Tobacco Trust Fund, our keiki and the health of our community now and for future generations.

Mahalo,

Hali Robinett, MPH
concerned Hawaii resident
Hawaii Public Health Association, Immediate Past President
Hawaii Tobacco Prevention and Control Advisory Board, Past Chair



HAWAII MEDICAL ASSOCIATION

1360 S. Beretania Street, Suite 200, Honolulu, Hawaii 96814
Phone (808) 536-7702 Fax (808) 528-2376
www.hawaiimedicalassociation.org

LATE

SENATE COMMITTEE ON HEALTH
Senator Jarrett Keohokalole, Chair
Senator Rosalyn H. Baker, Vice Chair

SENATE COMMITTEE ON HIGHER EDUCATION
Senator Donna Mercado Kim, Chair
Senator Michelle N. Kidani, Vice Chair

Date: March 23, 2021
From: Hawaii Medical Association
Michael Champion MD, President
Christopher Flanders DO, HMA Legislative Liaison
Roger Kimura MD, AMA Representative for HMA
Cynthia Goto MD, HMA Legislative Liaison
Elizabeth Ann Ignacio MD, Chair HMA Legislative Committee
Linda Rosehill, Legislative Affairs

Re: HB 1296 RELATING TO STATE FUNDS
Position: OPPOSE

HB 1296 will repeal the Tobacco Prevention and Control Trust Fund (Trust Fund) which designed and implemented programs that follow the Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Programs.

The Trust Fund helped thousands of tobacco users in Hawaii through its two programs, the Hawaii Tobacco Quitline and the Hawaii Tobacco Cessation Community Grant Program.

Tobacco use is still the leading cause of preventable death and disease, claiming 1,400 lives each year and creating \$526 million in annual healthcare costs in Hawaii.

The Hawaii Medical Association (HMA) strongly supports any and all legislation that helps tobacco cessation efforts.

The HMA was a collaborator with the State of Hawaii that led to the 1998 Master Settlement Agreement that resulted in the payment of over \$246 billion from four major tobacco companies to forty-six states, five territories, and the District of Columbia for tobacco-related health care costs and sweeping restrictions on tobacco-related advertising and marketing.

The HMA is aligned with the American Medical Association (AMA) on these issues. The AMA has robust positions on this subject with sixty-six relevant policies.

The following are selected AMA Policies relevant to the statements above. The complete compendium of AMA Policies related to tobacco can be found at <https://policysearch.ama-assn.org/policyfinder/search/Tobacco/relevant/7/>.

H-495.983. On Tobacco Litigation Settlements. Use Master Settlement Agreement and other tobacco settlement monies for nicotine addiction and tobacco.

H-490.997. On States' Allocation of Settlement Monies. A significant percentage of this money should be used for tobacco efforts. An appointed state level task force should be appointed, as needed to ensure that settlement monies are spent to support CDC guidelines on nicotine addiction and tobacco.

D-490.984. The policy specifically addresses diversion of tobacco monies for state budget crises.

HMA OFFICERS

President – Michael Champion, MD President-Elect – Angela Pratt, MD
Immediate Past President – Jerry Van Meter, MD Treasurer – Elizabeth A. Ignacio, MD
Executive Director – Thomas Kosasa, MD



HAWAII MEDICAL ASSOCIATION

1360 S. Beretania Street, Suite 200, Honolulu, Hawaii 96814

Phone (808) 536-7702 Fax (808) 528-2376

www.hawaiimedicalassociation.org

D-490.976. Supports allocating at least the CDC-recommended minimum amount to support smoking cessation and related healthcare programs.

Thank you for allowing the Hawaii Medical Association to testify on this issue.

HMA OFFICERS

President – Michael Champion, MD President-Elect – Angela Pratt, MD
Immediate Past President – Jerry Van Meter, MD Treasurer – Elizabeth A. Ignacio, MD
Executive Director – Thomas Kosasa, MD



DATE 22 March 2021

To: Senator Jarrett Keohokalole, Chair
Senator Rosalyn H. Baker, Vice Chair
Senate Committee on Health

Senator Mercado Kim, Chair
Senator Michelle N. Kidani, Vice Chair
Senate Committee on Higher Education

Re: Strong Support to OPPOSE HB 1296 RELATING TO STATE FUNDS

Hrg: 23 March 2021, 3:15 PM in conference room 3229 & Videoconference

The Hawai'i Public Health Association (HPHA) is a group of over 400 community members, public health professionals, and organizations statewide dedicated to improving public health. Our mission is to promote public health in Hawai'i through leadership, collaboration, education and advocacy. Issues around social justice and equity in areas that extend beyond the traditional context of health (e.g., education, digital equity, cultural sensitivity), can have profound impacts on health equity and well-being. Therefore, as stewards of public health, HPHA is advocating for equity in all policies.

HPHA strongly opposes HB 1296, which would repeal the Tobacco Prevention and Control Trust Fund. For over 20 years Hawaii's Tobacco Prevention and Control Trust Fund has reduced the burden of tobacco in our state, saving lives and healthcare costs. Despite significant declines in smoking rates for both adults and youth smoking rates, there is still a substantial need to continue support for anti-tobacco efforts in Hawaii. Tobacco use still remains the leading cause of preventable death and disease; responsible for 1,400 deaths annually and costing \$526 million in annual healthcare costs in Hawai'i. Additionally, e-cigarette use is a major public health issue as it has reach epidemic levels among youth.

HB 1296 will eliminate all the progress that has been made and will impede important public health efforts moving forward. Please OPPOSE HB 1296, which will repeat the Tobacco Prevention and Control Trust Fund.

Respectfully submitted,

A handwritten signature in black ink that reads 'J. Leocadia Conlon'.

J. Leocadia Conlon, PhD, MPH, PA-C
Legislative Committee Co-Chair
Hawaii Public Health Association

DATE: Tuesday, March 23, 2021
TIME: 3:15 pm
PLACE: Conference Room 229 & Videoconference

LATE

Dear Representative Ryan Yamane, Representative Adrian Tam, and Members of the Committee:

Save Medicaid Hawaii writes in strong opposition to HB 1296 HD 1, which will repeal the tobacco prevention and control trust fund and jeopardize decades of progress in tobacco prevention and control efforts at a time when it is most needed.

All of the health professionals in our network have seen firsthand the value provided by this continuous funding stream over the past 20+ years. Personally, I worked at 3 community health centers in Wai'anae, Kalihi Kai and Kalihi Valley, and can tell you stories of pregnant women, fathers of young children, and grandparents raising young children who successfully quit smoking or changed habits so they smoked away from the family – all with the help of CHC staff who were trained or hired used tobacco trust fund grants. This in turn reduced the numbers of pre-term births, the incidents of childhood asthma, and some of the chronic heart and lung ailments that shorten the lives of lifelong smokers. The savings to the Medicaid budget and hospital systems has returned that wise investment made 2 decades ago many times over. While tobacco use habits have changed over the decades, the need for tobacco treatment and education programs is as great or greater than ever.

The Tobacco prevention and control trust fund was a far-sighted public health innovation by the state of Hawaii – a very smart way to invest the one shot tobacco settlement funds to states. Please take your cues from our proud history; do not be tempted to become shortsighted, or “penny wise and pound foolish”. Continue the Tobacco Trust Fund and do not pass HB 1296 HD 1.

Thank you for your consideration.

Respectfully,

Doris Segal Matsunaga, MPH
On behalf of *Save Medicaid Hawaii*

LATE

HB-1296-HD-1

Submitted on: 3/22/2021 4:51:25 PM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kimo Cruz	Individual	Support	No

Comments:

Our economy needs the money from the fund.

LATE

HB-1296-HD-1

Submitted on: 3/22/2021 5:21:57 PM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jill Tamashiro	Individual	Oppose	No

Comments:

Dear Senators Keohokalole and Mercado Kim,

Thank you so much for your service to our community during this difficult time. I am writing to respectfully oppose HB1296, HD1 which serves to dismantle or reallocate Tobacco Control and Prevention Trust Fund (TCPTF) monies away from the current public-private partnership and to general funds (i.e. the Department of Health or DOH).

The current mechanism and operation of the TCPTF is a well-functioning, highly effective source of public health prevention that cannot be jeopardized during this already trying time in our community. While the shifting of funds from one agency to another may at first blush seem benign, the success and sustainability of the funds hinges on the good stewardship of the Hawaii Community Foundation (HCF) and their ability to nimbly address community needs and invest the funds for growth and longevity. Whereas the DOH, as in all government agencies, operates in such a manner that ensures public funds are spent in a transparent, fair and very procedural way, non-profits and for-profit entities have special powers to maneuver funds in a way that can be tailored and timely for small community projects. This ability allows HCF to quickly come up with programs that are for and by small communities who are disparately affected by high burdens of tobacco use. This ability is also crucial right now when the vast majority of the general population does not smoke, but the smaller communities (e.g. Native Hawaiian, Low SES, those with behavioral health conditions, or those who identify as LGB or T) still do. Smaller communities have not benefitted from broad, population-based strategies like laws and ordinances. Tailored, community-centered approaches are needed to really make impact for those who wrestle with nicotine addiction and associated health effects. The HCF can and will be able to do this if the TPCTF is preserved.

The current, long-standing and highly successful programs run by the HCF such as the Hawaii Tobacco Quitline (HTQL), the community cessation grantee program, and the newer youth prevention programs are critical to our tobacco control infrastructure and cannot be jeopardized. Public health and tobacco control cannot be turned on and off like a switch. The successes we experience today in overall low tobacco use rates are a result of the investments made years ago and throughout time. If there is a gap in services over the next two years- which is what is anticipated to happen should the funds transfer from the current public-private set up to the general fund/ DOH- then

there will be a delay in executing contracts and reestablishing tobacco control programs of the same caliber. This gap in services can result in communities without access to cessation resources and a lack of youth prevention activities. During a time when our community is already experiencing a high degree of stress and anxiety, and while we are still grappling with a youth vaping epidemic, we cannot afford to have this gap.

Fifty-percent of the Tobacco Settlement Trust fund already goes to the general fund. Please consider preserving the small portion allocated to the TPCTF and the current public-private partnership set up with HCF-- or perhaps consider another alternative than transferring funds to the general fund/ DOH.

Thank you for your time and consideration.

Sincerely,

Jill Tamashiro

LATE

HB-1296-HD-1

Submitted on: 3/22/2021 5:46:40 PM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Monika Lopez	Individual	Support	No

Comments:

This bill will benefit lower income people who are suffering because of COVID19. Please transfer all the money to the general fund to help those who are needy.

LATE

HB-1296-HD-1

Submitted on: 3/22/2021 6:10:13 PM

Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Dallas Nelson	Individual	Support	No

Comments:

Our State budget badly needs the tobacco settlement funds.

Let's do this.

Mahalo.

LATE

HB-1296-HD-1

Submitted on: 3/22/2021 6:52:07 PM

Testimony for HTH on 3/23/2021 3:15:00 PM

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

Comments:

Tap into those hidden funds.

Very Strong Support for HB1296.

Respectfully, Cindy Nettles

from iPhone

LATE

HB-1296-HD-1

Submitted on: 3/22/2021 7:08:19 PM

Testimony for HTH on 3/23/2021 3:15:00 PM

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

Comments:

I support Hb1296.. Get the money from the special interests and not the school teachers. Please support Hb1296.

LATE

HB-1296-HD-1

Submitted on: 3/22/2021 7:11:54 PM

Testimony for HTH on 3/23/2021 3:15:00 PM

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

Comments:

To our representatives,

As a family physician, I strongly oppose HB1296 which would repeal the tobacco prevention and control trust fund. At a time when rates of vaping are skyrocketing amongst our keiki and smoking is a proven risk for poorer COVID-19 infection outcomes, I can't think of why we would cancel a program that has been invaluable to the health of our community through tobacco prevention and cessation. While I am speaking out in opposition as an individual, I have extensive knowledge of the importance tobacco prevention because I serve as a member of the US Preventive Services Task Force which makes our national recommendations on preventive primary care health services including counseling kids to not start and counseling adults to stop smoking. As a family physician at the University of Hawai'i John A. Burns School of Medicine in the Department of Family Medicine and Community Health, I have also seen the suffering and early deaths of our patients from smoking - all of which could have been prevented. We should be increasing our efforts to help preventing smoking/vaping in our youth who are our future, as well as help our family, neighbors, and friends quit. Please do all you can to oppose any proposed legislation which would jeopardize the funding for tobacco prevention and cessation- In 20 years, I do not want to be taking care of increasing numbers of patients with heart attacks, stroke, and lung cancer. Mahalo. Dr. Chien-Wen Tseng

LATE

HB-1296-HD-1

Submitted on: 3/22/2021 11:48:06 PM
Testimony for HTH on 3/23/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
David Kingdon	Individual	Oppose	No

Comments:

Repealing Hawaii's Tobacco Prevention and Control Trust Fund would be short sighted and counter productive for the health and safety of Hawai'i's people.

Thank you for your consideration.

David Kingdon, MPH

LATE

HB-1296-HD-1

Submitted on: 3/23/2021 9:50:02 AM

Testimony for HTH on 3/23/2021 3:15:00 PM

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

Comments:

03-23-21

RE: HB1296HD1

Aloha,

Please know that I am in strong opposition. As a Social Worker and, pastorally as a Priest, I know and understand that:

- Prevention works, with evidence, across the state on the dangers of tobacco, including e-cigarettes;
- Community cessation services on all islands except Ni'ihau greatly help smokers quit; and
- Hawai'i Tobacco Quit Line, which provides free and confidential counseling and support services to help people become tobacco-free, is popularly and effectively in use all over Hawai'i Nei.

Mahalo nui

John A H Tomoso+, MSW

51 Ku'ula St., Kahului, Maui, HI 96732-2906

808-280-1749 , john.a.h.tomoso@gmail.com

cc; CTFH-Maui

Sen. Keith-Agaran

Rep. Woodson

To: Senator Jarret Keohokalole, Chair
Senator Rosalyn H. Baker, Vice Chair
Senate Committee on Health

Senator Donna Mercado Kim, Chair
Senator Michelle N. Kidani, Vice Chair
Senate Committee on Higher Education

RE: Strong Opposition to HB 1296, HD1, Relating to State Funds

Hrg: March 23, 2021 at 3:15 PM via Videoconference

As a health professional and concerned community member, I am submitting testimony in STRONG OPPOSITION to HB 1296.

I know our state is facing difficult financial decisions but taking the money from the tobacco prevention program out of a dedicated fund is a poor and short-sighted idea.

Hawaii has worked successfully to prevent our keiki from smoking cigarettes. But, new products like e-cigarettes are constantly being introduced requiring community health organizations to continue fighting both existing and new challenges.

In the 1990s, when the tobacco companies settled with the states and admitted to lying about the health risks of their products, the Tobacco Master Settlement was established to recover part of the damages for deaths and illness caused by tobacco.

While the companies agreed to pay this money, it hasn't stopped them from continuing to market their addictive, deadly products. Last year alone the tobacco industry spent \$26 million marketing their products in Hawaii.

To balance tobacco advertising, the Hawaii legislature allocated a portion of the state's settlement dollars to establish the Tobacco Prevention and Control Trust Fund. The Fund establishes and funds community tobacco prevention and control programs, and a State Tobacco Quitline to support tobacco users attempting to quit their nicotine addiction, all to protect the health of our community and reduce future healthcare costs.

If we are going to stand a chance at countering the tobacco companies' efforts to hook new generations on nicotine we need a strong prevention program. That is why I believe it is so important that we continue to keep the settlement money in a dedicated trust fund and not require community programs to come back each legislative cycle to ask for funding.

To be clear, the money in the Tobacco Prevention and Control Trust Fund comes from tobacco companies, not tax payers.

The Tobacco Prevention and Control Trust Fund is a legacy established more than 20 years ago that continues to fulfill its purpose, And, left in place will continue to do so well into the future at no cost to taxpayers.

Please vote NO on HB 1296 and protect the Tobacco Trust Fund, our keiki and the health of our community now and for future generations.

Mahalo,

Allison Seales