



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

ON THE FOLLOWING MEASURE:

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

BEFORE THE:

HOUSE COMMITTEE ON FINANCE

DATE: Tuesday, March 2, 2021

TIME: 1:00 p.m.

LOCATION: State Capitol, Room 308, Via Videoconference

TESTIFIER(S): Clare E. Connors, Attorney General, or
Richard W. Stacey or Delanie Prescott-Tate,
Deputy Attorneys General

Chair Luke and Members of the Committee:

The Department of the Attorney General (Department) strongly opposes the bill because it 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. Even if cuts are made to the Tobacco Enforcement Special Fund in “lesser” amounts such as one or two hundred thousand dollars, this could still jeopardize as much as \$20,000,000 in MSA payments annually within the next few years. The short term benefit of diverting these funds to assist the current fiscal crisis would be disproportionate to the potential loss of millions in MSA payments going forward. We offer the following comments.

The bill would repeal the Tobacco Enforcement Special Fund, section 28-15, Hawaii Revised Statutes (HRS), and remove all funding currently used by the Tobacco Enforcement Unit of the Department to diligently engage in tobacco enforcement as required by the MSA. The bill also amends section 245-26, HRS, by striking subsection (a)(2), which provides tobacco tax stamp money to the Department for tobacco enforcement; deletes section 245-41(c), HRS, which allows fines resulting from Department investigations to go to the Department or to be shared with other enforcement entities; and repeals the Tobacco Settlement Special Fund, section

328L-2, HRS, and the Tobacco Prevention and Control Trust Fund, section 328L-5, HRS. Any unencumbered balances remaining in these three funds as of July 1, 2021, would lapse to the state general fund. Further, the bill would remove funds appropriated from the tobacco settlement moneys (section 328L-2, HRS) to fund the emergency and budget reserve fund.

The Tobacco Enforcement Special Fund was created in 2001 via section 28-15, HRS, after Hawaii became a signatory to the MSA. Section 28-15 specifies that the moneys in the fund are to be used “for administering, operating, monitoring, and ensuring compliance with and enforcement” of the MSA, as well as chapter 675, HRS (the Tobacco Liability Act), chapter 486P, HRS (Tobacco Products Reporting), chapter 245 (Cigarette Tax and Tobacco Tax Law), and other statutes or programs relating to the enumerated chapters. The Department’s Tobacco Enforcement Unit, created shortly after the MSA was signed, is a team of investigators, attorneys, and staff funded by the Tobacco Enforcement Special Fund and tasked with enforcement of the MSA and Hawaii laws related to the MSA as set forth in section 28-15(b), HRS. In Fiscal Year 2019-2020, the Tobacco Enforcement Unit conducted 1,501 compliance inspections statewide, in addition to conducting criminal tobacco investigations involving contraband seized at the Honolulu International Airport as a result of cooperative efforts between the Department, the United States Customs and Border Protection, and the U.S. Postal Service. Since April 1, 2001, the Tobacco Enforcement Unit has prosecuted 139 tobacco cases, resulting in criminal fines of \$197,600.

Potential Separation of Powers Violation

Eliminating the Tobacco Enforcement Special Fund, as well as the provisions that enable funding for the Department’s Tobacco Enforcement Unit, and transferring the cigarette tax stamp regulatory fee for general purposes may be deemed a violation of the separation of powers doctrine pursuant to Hawaii Insurers Council v. Lingle, 120 Hawai’i 51, 201 P.3d 564 (2008). The court in Hawaii Insurers Council deemed unlawful the legislative transformation of “legitimate regulatory fees into general tax revenue” when the special fund, which was comprised of fees, was moved into the general fund. Id. at 72, 201 P.3d at 585. The court distinguished a regulatory fee from

a tax by emphasizing “the revenue’s ultimate use, asking whether . . . [the fee] provides a general benefit to the public, of a sort often financed by a general tax, or whether it provides more narrow benefits to regulated companies or defrays the agency’s costs of regulation.” Id. at 69, 201 P.3d at 582 (citation omitted).

A significant portion of the Tobacco Enforcement Special Fund is funded by the cigarette tax stamp regulatory fee, as provided in section 245-26, HRS. The Tobacco Enforcement Special Fund, in turn, shall be used for administering, operating, monitoring, and ensuring compliance with and enforcement of:

- (1) The Master Settlement Agreement as defined in chapter 675 and any other statutes or programs relating to that agreement;
- (2) Chapter 675;
- (3) Tobacco prevention programs;
- (4) The cigarette tax stamp as defined in chapter 245 and any other statutes or programs relating to that chapter;
- (5) Chapter 245;
- (6) Chapter 486P and any other statutes or programs relating to that chapter; and
- (7) Any other requirement deemed necessary to carry out the purposes of the fund.

Section 28-15(b), HRS. The moneys from the cigarette tax stamp regulatory fee are used for inspections, investigation, and criminal prosecution of violations of chapter 245, HRS, related to the taxing of cigarettes and other tobacco products, and civil enforcement of chapter 486P, HRS, and chapter 675, HRS.

Accordingly, the cigarette tax stamp regulatory fee is a legitimate fee because it is a permissible exercise of the police power to regulate particular businesses or activities, in this case cigarette and other tobacco product businesses. Id. at 65, 201 P.3d at 578 (citation omitted).

If the Tobacco Enforcement Special Fund and the provisions enabling funding of the Department’s Tobacco Enforcement Unit are eliminated, the monies collected from the cigarette tax stamp regulatory fee will not be used to regulate cigarette/tobacco businesses and therefore may no longer be considered a regulatory fee pursuant to Hawaii Insurers Council. If these “fees” are redirected to the general fund or other funds

that serve general purposes as if they were general tax revenues, this act may be deemed a violation of the separation of powers doctrine.

Potential Loss of Millions in MSA Funds

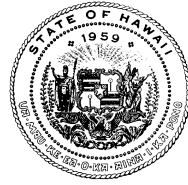
Elimination of the Tobacco Enforcement Special Fund may jeopardize Hawaii's receipt of MSA funds because without funds, the State will not be able to diligently enforce the Tobacco Liability Act (chapter 675, HRS) and, consequently, to comply with the terms of the MSA. Persistent, diligent enforcement of the MSA is essential to the State's continued receipt of MSA moneys. Failure to do so may result in Hawaii losing a significant portion of its annual MSA payment. The tobacco industry has rigorously challenged the states' diligent enforcement of the MSA as evidenced by its successful challenge to Pennsylvania's diligent compliance. In 2013, Pennsylvania was one of six states found to be non-diligent in the most recent completed MSA arbitration and lost over \$116 million of its expected annual MSA payment. Hawaii's risk would also be in the millions of dollars if found to be non-diligent – for each year contested.

Current Tobacco Enforcement is Robust

The total revenues received by the State due to aggressive tobacco enforcement in fiscal year 2019-2020 totaled \$ 137,753,683 (\$ 102,444,639 in cigarette tax stamp collections¹ and \$ 35,309,044 in MSA payments). We believe this represents a significant return on the moneys invested in the program. Therefore, the undermining of this robust program via the diversion of funds provided for in this bill detracts from the public benefit gained from successful regulation of cigarette and tobacco businesses, and puts at risk the receipt of Hawaii's share of annual MSA payments in the near future.

We respectfully request that this bill be deferred. Thank you for the opportunity to present this testimony.

¹ We note that collections of cigarette tax stamp moneys are expected to continue to trend downward, which will also result in less funding for the Tobacco Enforcement Special Fund. Cigarette tax revenues as reported by the Department of Taxation dropped by over \$8 million since fiscal year 2017-2018, from \$110,762,991 to \$102,444,639 in fiscal year 2019-2020.



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

REPRESENTATIVE SYLVIA LUKE, CHAIR
HOUSE COMMITTEE ON FINANCE

Hearing Date: 3/2/2021

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 (H.B.) 1296 would dismantle the comprehensive tobacco prevention and quit
5 smoking services for youth and adults during the COVID-19 pandemic by repealing the tobacco
6 enforcement special fund (TESF), tobacco settlement special fund (TSSF) and the tobacco
7 prevention and control fund. The effect of the proposed measure would end the free services
8 through the Hawaii Tobacco Quitline for youth, pregnant women and adults who smoke and
9 vape. This measure would also end the county level cessation and youth prevention services
10 provided through non-profit organizations available without charge on every island. Tobacco
11 use has been linked to diseases in nearly every organ, and nicotine is one of the most addictive
12 substances, and year over year, many keiki and adults in Hawaii are enticed to start and keep
13 using tobacco.

14 The origin of these funds is from the master settlement agreement (MSA) signed in 1998
15 between forty-six states, territories, and four of the largest cigarette manufacturers.¹ Hawaii

¹ 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/](https://www.naag.org/tobacco-and-e-cigarettes/attorney-general-journal/tobacco-master-settlement-agreement-
msa-20-years-later/)

1 passed Act 304 in 1999 that established the TSSF to receive the annual payments resulting from
 2 the class action lawsuit. Act 304 described the public-private partnership that would be funded
 3 to reduce tobacco consumption, control and prevent chronic diseases, promote healthy lifestyles
 4 through better nutrition and improved physical activity, and promote children’s health, and was
 5 codified in [Chapter 328L, Hawaii Revised Statutes](#) (HRS).² The DOH receives and distributes
 6 the TSSF, and the changes in distribution since fiscal year (FY) 2000 are provided in Table 1.
 7 The portions to the DOH for health promotion and Department of Human Services, State
 8 Children’s Health Insurance Program were repealed through Act 118, in 2015.³ The TESF for
 9 the Department of the Attorney General (AG) receives \$350,000 separate from the distribution
 10 amount below.

11 Table 1. Tobacco Settlement Special Fund Distribution Portions, FY2000 through FY2020,
 12 [Sec. 328L-2\(b\), HRS](#)

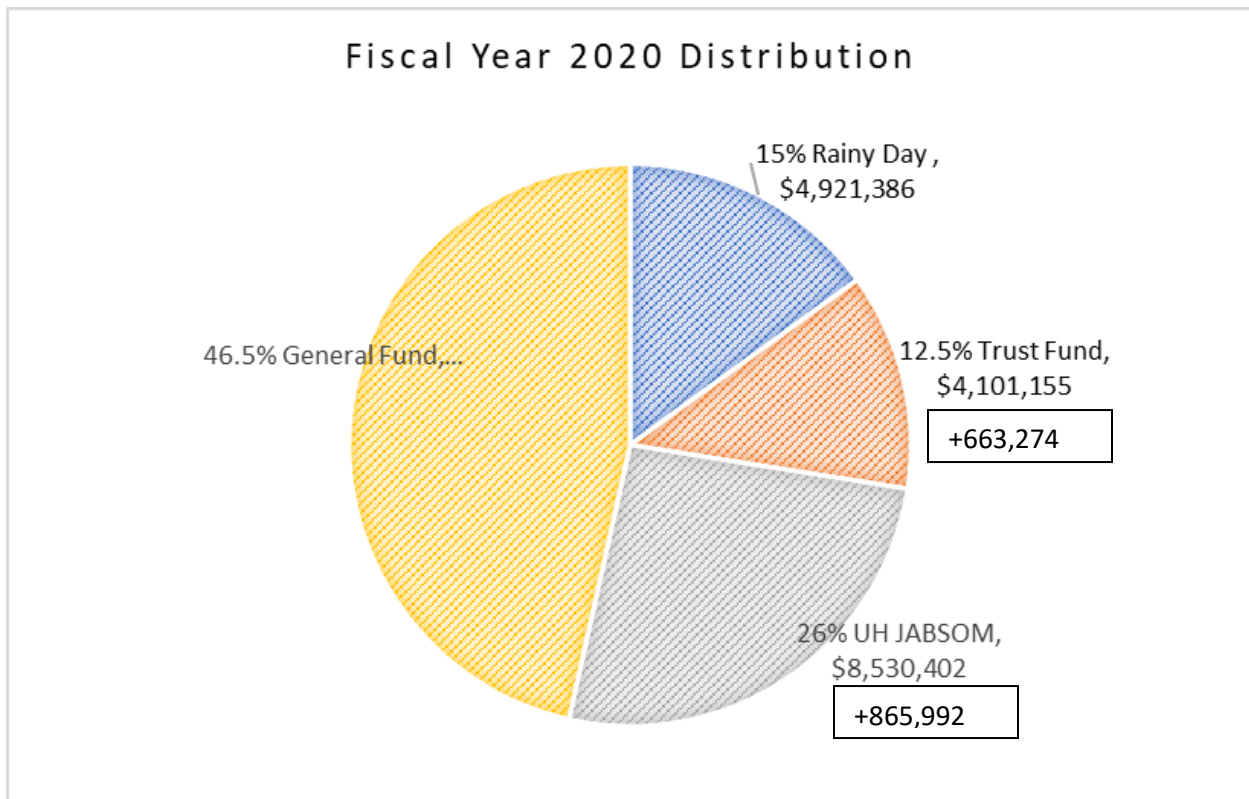
Fiscal Years	Rainy Day	DOH	DHS SCHIP	Trust Fund	UH JABSOM	General Fund
FY2000-FY2002	40.0%	25.0%	10.0%	25.0%	0.0%	0.0%
FY2003-FY2009	24.5%	25.0%	10.0%	12.5%	28.0%	0.0%
FY2010-FY2011	15.0%	15.0%	10.0%	6.5%	28.0%	25.5%
FY2012	0.0%	15.0%	10.0%	0.0%	28.0%	47.0%
FY2013	0.0%	15.0%	10.0%	0.0%	28.0%	47.0%
FY2014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

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

² Act 304, SB1034, SD1, HD2, CD1, Hawaii Session Laws (HSL) 1999. Retrieved 2-28-2021:
https://www.capitol.hawaii.gov/session1999/acts/Act304_sb1034.htm

³ Act 118, SB101, SD1, HD1, CD1, HSL 2015. Retrieved 2-28-2021:
https://www.capitol.hawaii.gov/session2015/bills/SB101_CD1_PDF

1 In FY2020, the total MSA payment received into the TSSF was \$35,309,044, and \$350,000 was
2 first distributed to the AG for the TESH. The 5% central service and 1.21% administrative
3 assessments were applied and \$2,149,806 went to the general fund. Table 2 illustrates the
4 distribution of the net amounts. Through Act 12, SLH 2018, unencumbered cash in the DOH are
5 used to supplant any losses to the UH JABSOM and trust fund portions (\$865,992 and \$663,274
6 respectively) that resulted from the 2018 MSA arbitrated settlement that reduced the annual
7 payments to Hawaii till calendar year 2022. About \$4 million remains in the DOH TSSF S-335
8 account.



10 The tobacco prevention and control trust fund is established as a separate fund in the
11 Hawaii Community Foundation (HCF), a non-profit entity with a board of governors, as
12 described in [Sec. 328L-5, HRS](#). The DOH has a contract with the HCF to invest and manage the
13 trust fund, which can only be expended for tobacco prevention and control efforts. The
14 administration of the trust fund is advised by the tobacco prevention and control advisory board

1 as described in [Sec. 328L-6, HRS](#). The advisory board is required by law to have a state
2 strategic plan for tobacco prevention, and has publicly held meetings to review the progress of
3 the strategic areas of work and the annual budget.

4 When Hawaii settled the lawsuit against tobacco companies with other states and
5 territories, one important reason was to achieve for their citizens, “. . . significant funding for the
6 advancement of public health.”⁴ The MSA included provisions to protect youth from
7 combustible cigarettes, and many states including Hawaii began funding tobacco prevention
8 programs. Unlike many states, Hawaii policy makers since 2000 have maintained the public
9 health objective to use the MSA portion for the tobacco prevention and control trust fund portion
10 to help residents quit smoking and to prevent youth from starting. These programs and the
11 individuals dedicated to protecting youth and help people quit smoking are saving lives,
12 improving health outcomes, and have saved the state \$1 billion dollars in total health care costs.⁵

13 Despite the declines in the use of combustible cigarette use, each year 1,400 adults in
14 Hawaii will die prematurely, and 1,000 keiki will lose at least one parent from smoking-caused
15 death.^{6,7} Hawaii annually spends \$526 million in direct annual health care expenditures and
16 experiences \$387.3 million in worker productivity lost due to smoking.⁸ Meanwhile the tobacco
17 industry continues to spend billions of dollars in advertising, \$9.06 billion in 2018 alone, and our
18 keiki continue to be enticed and become addicted.⁹ Where the traditional advertising of
19 combustible cigarettes was visible to parents, the keiki now receive advertising directly for

⁴ 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>

⁵ 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.

⁶ 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

⁷ 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.

⁸ Campaign for Tobacco-Free Kids, “The Toll of Tobacco in Hawaii.” January 19, 2021.

⁹ 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

1 e-cigarettes and vaping devices through their smart phones from online youth social influencers
2 and social and digital media platforms.¹⁰ From 2015 to 2019, youth e-cigarette use in Hawaii
3 increased from 25.1% to 30.6%. High school students who use e-cigarette frequently increased
4 from 3.6% in 2015 to 10.4% in 2019, and these figures corroborate the escalating concerns heard
5 by the DOH from pediatricians and community organizations requesting help for youth who are
6 heavily addicted to nicotine.¹¹

7 The program of work funded through the trust fund is based on public health data,
8 national standards and guidelines, with particular focus on communities that are
9 disproportionately impacted by tobacco marketing and use. Tobacco use rates vary by county;
10 while the overall state adult smoking rate in 2018 was 14.4%, Hawaii County was 18.8%, Kauai
11 16.7%, Maui 16.4%, and Oahu 13.2%. Adult smoking disproportionately affect people across
12 race/ethnicity, income, mental health and substance use, and sexual orientation, for example in
13 2018, Native Hawaiian adult smoking rate was 22.3%, Pacific Islander 17.9%, unemployed
14 32.3%, diagnosed depression 25.5%, and lesbian, gay, bisexual and transgender 21.6%.¹² The
15 2019 state youth e-cigarette use rate across counties was: Maui 36.4%, Kauai 35.9%, Hawaii
16 County 35.4%, and Oahu 28.0%. In 2019, 42% of Native Hawaiian youth reported vaping.¹³
17 The program of work also considers the geography and challenges and opportunities between
18 rural and urban communities, and training and networking is provided to share expertise and
19 resources. Since 2009, the community-based cessation programs and the Hawaii Tobacco
20 Quitline enrolled over 54,000 tobacco users.

21 The repeal of Chapter 328L-2, and -5, HRS would break the nexus between the annual
22 MSA payments and the people of Hawaii, whose health continue to be impacted by tobacco.

¹⁰ 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.

¹¹ Hawaii State Department of Health and Education, Hawaii Health Data Warehouse, Youth Risk Behavior Survey, 2015 to 2019. Hawaii-IBIS <http://ibis.hhdw.org/ibisph-view>. Accessed on 2-14-21.

¹² 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.

¹³ Hawaii State Departments of Health and Education, Hawaii Health Data Warehouse, Youth Risk Behavior Survey. '[Chart Title, appropriate years(s)].' Hawaii-IBIS <http://ibis.hhdw.org/ibisph-view>. Accessed on 2-23-2021.

1 The action to transfer the tobacco prevention and control trust fund to the general funds would
2 end the work not finished, to prevent youth from becoming addicted to nicotine, and to help
3 youth, pregnant women, and adults to quit. Native Hawaiians, Filipino, and Pacific Islanders
4 have been disproportionately impacted by COVID-19 infections, hospitalizations, death, and life
5 disruptions during the pandemic – and these are also the communities the trust fund serves.
6 During the pandemic, the Department has continued its work with the HCF, and community
7 organizations. Together we have kept to an aggressive timeline to launch the comprehensive
8 youth prevention education program and strengthening the Hawaii Tobacco Quitline services to
9 meet the needs of addicted keiki. The work is not yet done.

10 The Department strongly recommends fidelity to original intent of Act 304 in 1999 that
11 established the TSSFs, TSEFs to enforce the MSA, and the tobacco prevention and control trust
12 fund for the comprehensive tobacco prevention and control program in Hawaii.

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

14 **Offered Amendments:** None

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

ROBERT YU
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

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ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

**TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
HOUSE BILL NO. 1296**

**March 2, 2021
1:00 p.m.
Via Videoconference**

RELATING TO STATE FUNDS

The Department of Budget and Finance (B&F) opposes House Bill (H.B.) No. 1296.

H.B. No. 1296 proposes to:

- Change the distribution of the tobacco stamp fee by diverting the entire fee to the Department of Taxation's Cigarette Tax Stamp Administrative Special Fund and eliminating distribution to the Department of the Attorney General's (AG) Tobacco Enforcement Special Fund (TESF).
- Abolish the Hawai'i Tobacco Settlement Special Fund and eliminate the current process of distributing moneys received from the tobacco settlement moneys, including funds that are currently deposited into the Emergency and Budget Reserve Fund (EBRF).
- Abolish and eliminate fines, fees, and moneys currently deposited into the TESF and lapse any unencumbered balances to the credit of the general fund.

- Abolish and eliminate fines, fees, and other moneys currently deposited into the Hawai'i Tobacco Settlement Special Fund and lapse any unencumbered balances to the credit of the general fund.
- Abolish the Hawai'i Tobacco Prevention and Control Trust Fund and lapse any unencumbered balances to the credit of the general fund.
- Make an undetermined general fund appropriation to the University Revenue-Undertakings Fund.

As the department responsible for administering the State's official reserve fund, B&F strongly opposes the elimination of the deposit of moneys received from the tobacco settlement moneys to the EBRF. The tobacco settlement moneys represent the largest regular source of revenues currently being deposited into the EBRF. For FY 20, the State received a total of \$35.3 million in the tobacco settlement moneys, of which \$4.9 million was deposited into the EBRF. It is also noted that due to the ongoing economic impact of the COVID-19 pandemic, the Legislature transferred much of the balance of the EBRF to the general fund at the end of FY 20. As of June 30, 2020, the ending balance for the EBRF was \$58,880,670, which is down from the previous fiscal year's ending balance of \$378,237,160 on June 30, 2019. In light of last fiscal year's depletion of the EBRF, it does not appear fiscally prudent to eliminate one of its largest revenue sources.

It is B&F's understanding that the Department of Health (DOH) and AG also stand in opposition of H.B. No. 1296. DOH opposes as they currently manage the distribution of the tobacco settlement moneys and manage the Tobacco Prevention and Control Trust Fund, which is used to pay for tobacco cessation services and youth vaping prevention campaigns. Their efforts help save on healthcare costs by promoting cessation and averting initiation.

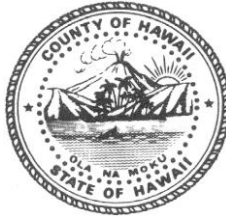
The AG currently administers the Tobacco Enforcement Unit (TEU), which is funded by the TESH. It is B&F's understanding that elimination of the TESH would eliminate the operations of TEU and consequently, Hawai'i would fall out of compliance as a participating state in the Tobacco Master Settlement Agreement. As a result, it is estimated that Hawai'i could lose a substantial portion of about \$30 million plus in the tobacco settlement moneys that the State has been receiving each year.

B&F defers to DOH, the AG, or other agencies regarding specific impacts H.B. No. 1296 would have on their operations.

Thank you for your consideration of our comments.

KELDEN B.A. WALTJEN
PROSECUTING ATTORNEY

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FIRST DEPUTY
PROSECUTING ATTORNEY



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OFFICE OF THE PROSECUTING ATTORNEY

TESTIMONY IN OPPOSITION OF HOUSE BILL 1296

A BILL RELATING TO STATE FUNDS

COMMITTEE ON FINANCE

Representative Sylvia Luke, Chair

Representative Ty Cullen, Vice Chair

Tuesday, March 2, 2021 at 1:00 p.m.

State Capitol, Via Videoconference & Conference Room 306

Honorable Chair Luke, Vice-Chair Cullen and Members of the Committee on Finance. The Office of the Prosecuting Attorney, County of Hawai'i submits the following testimony in opposition of House Bill No. 1296.

The State of Hawai'i is a perfect example of how prevention works. Since 2000, the state of Hawai'i has achieved significant declines in smoking rates (combustible cigarettes) for both adults and youth. The 2016 Hawai'i School Health Survey reports a significant decline of tobacco use in high school students, 27% in 2000 compared to 11% in 2015. Currently, Hawai'i has one of the lowest smoking rates (of combustible cigarettes) in the nation, and has been commended nationally for our success in creating laws and policies around limiting tobacco use. In 2015 Hawai'i became the first state to pass legislation raising the minimum sales age for tobacco products to 21.

Reallocation of this funding would result in the ending of programs such as prevention education, community cessation services, the tobacco quit line and tobacco enforcement from the Department of the Attorney General. Repealing the trust fund will have a severe impact on our community and healthcare cost.

The Office of the Prosecuting Attorney, County of Hawai'i oppose the passage of House Bill No. 1296 Thank you for the opportunity to testify on this matter.



**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

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.

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 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 Hawaii Department of Health reports that over the last decade,

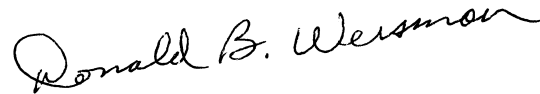
State Tobacco Settlement Fund investments in cumulative tobacco control efforts resulted in approximately \$1 billion in healthcare cost savings to the state. Tobacco prevention and control programs have a strong return on investment - for every \$1 spent on tobacco prevention, Hawaii saves \$6.64 in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

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 curtail Tobacco Settlement revenue to 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.

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

HB-1296

Submitted on: 2/27/2021 10:23:06 AM

Testimony for FIN on 3/2/2021 1:00:00 PM

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

Comments:

Strongly **OPPOSE HB 1296**

People before Profit!!!

www.WeAreOne.cc

Date: February 27, 2021

To: The Honorable Sylvia Luke, Chair
The Honorable Ty J.K. Cullen, Vice Chair
Members of the Committee on Finance

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

Re: Strong Opposition for HB1296, Relating to State Funds

Hearing: Tuesday, March 2, 2021, at 1:00 pm at Captiol Room 308

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



February 27, 2021

To: Chair Luke
Vice Chair Cullen
House Committee on Finance

RE: **STRONG OPPOSITION to HB1296**

Thank you for this opportunity to testify in **STRONG OPPOSITION to HB1296**. 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 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}

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 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 It is also well known that these smoking programs are critical in disadvantaged and rural communities, where smoking disproportionately affects families. For the health and safety of our families, please oppose this bill.

Thank you for this opportunity to testify in **strong opposition to HB1296**.

Sincerely,

Colby Takeda, MPH, MBA
Senior Manager

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

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.





HB1296 Tobacco Special Fund

COMMITTEE ON FINANCE:

- Rep Sylvia Luke, Chair; Rep. Ty Cullen, Vice Chair
- Tuesday, Mar. 2 2021: 1:00: Videoconference

HSAC Opposes HB1296:

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.

HB-1296

Submitted on: 2/27/2021 7:49:54 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Ching, MD, MPH	American Academy of Pediatrics, Hawaii Chapter	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 enforcement special fund, the tobacco settlement special fund, and 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 would presumably 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. Please feel free to contact us if you should have any questions.

HB-1296

Submitted on: 2/28/2021 5:49:29 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Louis Erteschik	Hawaii Disability Rights Center	Oppose	No

Comments:

The Hawaii Disability Rights Center wishes to express its utmost gratitude for the legislature’s history of support for the Indigent Legal Assistance Fund, and we want to express our opposition to and grave concern over any attempt to either abolish the fund or remove any sums of money from it.

The Hawaii Disability Rights Center is the state designated protection and advocacy system, having been designated by prior Governors in several Executive Orders to provide advocacy services to individuals with disabilities, in accordance with various federal laws. Hawaii law expressly recognizes the obligation of the state to provide advocacy services to individuals with developmental disabilities and mental illness in order to receive federal funds. The federal statutes require, as a condition of funding services provided by a number of state agencies, that a protection and advocacy agency be established by the State. In requesting federal funding for various state projects, every Governor has provided assurances to the federal government that federal funds distributed to HDRC do not supplant funds that are available from state and local sources.

The distribution that we receive from the Indigent Legal Assistance Fund represents almost all the state monies that we receive. As I am sure you can appreciate, federal funding has plateaued over the past several years, while expenses have continued to increase. Fundraising opportunities for a legal services corporation like ours are very limited, and they would force us to compete with other legal services providers for the same donors. For that reason the monies we have received from the Indigent Legal Assistance Fund have truly been a blessing.

The Hawaii Disability Rights Center is a small, efficient agency that serves thousands of individuals each year with legal issues surrounding their various disabilities. It is estimated that approximately fifteen percent of the individuals within the state may have a disability. Most of those individuals are also among the poorest in our state. We effectively utilize our resources and keep our administrative costs to a minimum. Thus, without the additional funds we received from ILAF, we would have been forced to substantially reduce our activities, cut staffing, and provide fewer services to the most needy, vulnerable population in our state at a time when their needs are increasing.

We are grateful to the Judiciary and the Hawaii Justice Foundation for their leadership and exemplary efforts to ensure the smooth, efficient functioning of this program. We have worked closely with them on its implementation and we hope that the legislature will continue to fund the ILAF program in the upcoming budget and in the years ahead. Your continued support will enable us to address the needs of the population we serve. Your assistance will be so much appreciated by our clientele.



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John A. Burns School of Medicine
Office of the Dean

Testimony Presented Before the
House Committee on Finance
March 2, 2021 at 1:00 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 – RELATING TO STATE FUNDS

Chair Luke, Vice Chair Cullen, and members of the Committee:

Thank you for the opportunity to present testimony today. The John A. Burns school of medicine (JABSOM) **opposes** House Bill 1296, relating to State Funds which repeals the tobacco settlement special fund and transfers the unencumbered balance to the general fund. JABSOM's testimony relates to the transfer of the tobacco settlement funds that are allocated to JABSOM.

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. HB 1296 would eliminate that source of funding and UH would default on the bonds that financed the construction of the JABSOM Kaka'ako campus.

In order to avoid defaulting on the bonds, UH and JABSOM would have to divert 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 monies 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. 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. This would necessarily result in loss of neighbor island training opportunities, reduction in library resources, and loss of faculty positions – at a time when we are severely constrained in replacing those who have retired or left

– which would mean a likely reduction in class size. These threats would have negative accreditation consequences. Allowing the Tobacco Settlement Fund to remain intact provides the State with a steady stream of income as it has since 2001.

While we are sensitive to the fiscal needs facing the state, for the above reasons, we respectfully oppose HB 1296.

Thank you for this opportunity to testify.



FRIENDS OF THE MEDICAL SCHOOL

A Non-Profit Organization Serving the John A. Burns School of Medicine • University of Hawai'i at Manoa
Federal Tax ID – 99-0169930

February 28, 2021

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Friends of the Medical School
651 Ilalo Street
Office of the Dean, MEB
Honolulu, Hawaii 96813-5534
E-mail:
friends4jabsom@gmail.com

HB1296 – RELATING TO STATE FUNDS

Chair Luke, Vice Chair Cullen and members of the committee:

The Friends of the Medical School (FOMS) is a nonprofit organization created to enhance the physician in training experiences, engage their families and contribute to efforts to increase the opportunities for John A. Burns School of Medicine (JABSOM) graduates to practice in Hawaii.

As President of the FOMS, the Friends of the Medical School thank you for this opportunity to testify in **OPPOSITION** of HB 1296 relating to State Funds. Local medical practitioners caring for Hawaii's people is a basic necessity to ensure the medical health of Hawaii. The national physician shortage is well documented and unfortunately does not exclude Hawaii. To help fill this need the legislature would be making a wise investment to ensure medical care for our state is more available in the future.

JABSOM produces quality physicians with a large percentage choosing primary care to practice locally. To ensure JABSOM continues to be able to provide training to our future physicians, it is imperative that the bonds used to build the school continue to be funded. The tobacco settlement funds has been used annually since 2001 to accomplish this which is in alignment to the original purpose of these funds. Physicians are needed to continue advising the community to stop tobacco use, which has been shown to be 30% more effective than other advocates. With e cigarettes and vaping on the rise, it is not the time to decrease funding for these preventive measures. Unfortunately, physicians are also needed to care for the long-term complication of tobacco use.

In order to allow JABSOM to continue training the future physicians of Hawaii the Friends of the Medical School **OPPOSE** HB 1296. Please continue the annual funding to JABSOM from the Tobacco Settlement Fund to ensure Hawaii's people will have physician to care for them in the future.

Thank you for allowing the FOMS to testify,

Lucy Wong MD
President Friends of the Medical School
JABSOM Graduate 1984

HB-1296

Submitted on: 2/28/2021 8:15:02 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Bryan Mih	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. By being readily available in the hospital, the Kapi'olani Smokefree Families Program provides important support and intervention at crucial and impactful times.

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.

Mahalo for your consideration and for opposing this bill.

Sincerely,

Bryan Mih, MD, MPH, FAAP

Pediatrician



Tuesday, March 2, 2021 1:00 pm
Via Video Conference

House Committee on Finance

To: Representative Sylvia Luke, Chair
Representative Ty Cullen, Vice Chair

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

Re: **Testimony in Opposition to HB 1296
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 Hawai’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 which proposes to repeal the tobacco enforcement special fund, the Hawai’i tobacco settlement special fund, and the Hawai’i tobacco prevention and control trust fund and transfer the unencumbered balances to the general fund.

As the only pediatric hospital in the state, we are concerned that eliminating the Hawai’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 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.

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 304

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: MISCELLANEOUS, Repeal Tobacco-Related Special Funds

BILL NUMBER: HB 1296

INTRODUCED BY: LUKE

EXECUTIVE SUMMARY: Repeals the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund and transfers unencumbered balances to the general fund. Appropriates general funds to the university revenue-undertakings fund

SYNOPSIS:

- Repeals the tobacco enforcement special fund (section 28-15, HRS).
- Repeals the Hawaii tobacco settlement special fund (section 328L-2, HRS).
- Repeals the Hawaii tobacco prevention and control trust fund (section 328L-5, HRS).

Appropriates funds to the university revenue-undertakings fund (section 304A-2167.5, HRS).

Makes conforming amendments and lapses unencumbered balances to the general fund.

EFFECTIVE DATE: 7/1/2021.

STAFF COMMENTS: The 1989 Tax Review Commission noted that use of special fund financing is a “departure from Hawaii’s sound fiscal policies and should be avoided.” It also noted that special funds are appropriate where the revenues to the funds maintain some direct connection between a public service and the beneficiary of that service. The Commission found that special funds which merely set aside general funds cannot be justified as such actions restrict budget flexibility, create inefficiencies, and lessen accountability. It recommended that such programs can be given priority under the normal budget process without having to resort to this type of financing.

Digested 2/18/2021



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

February 28, 2021

Honorable Chairs Representative Sylvia Luke
Honorable Vice-Chair Representative Ty J K Cullen
Members of the Finance Committee

RE: **Strong Opposition to HB1296**

Dear Representative Luke, Representativ Cullen, Members of the Finance Committee,

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** 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 or tobacco, including e-cigarettes and electronic smoking devices. Also included is community cessation services on all islands except Ni'ihau 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. 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 work continues and so must the Tobacco Prevention and Control Trust Fund. **Please vote to oppose HB1296.**

Very truly yours,

Valerie Chang

Valerie Chang
Executive Director



**Testimony to the House Committee on Finance
Tuesday, March 2, 2021; 1:00 p.m.
State Capitol, Conference Room 308
Via Videoconference**

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

Chair Luke, Vice Chair Cullen, and Members of the 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, RELATING TO STATE FUNDS.

As received by your Committee, House Bill No. 1296, would repeal the Tobacco Enforcement Special Fund, the Hawaii Tobacco Settlement Special Fund, and the Hawaii Tobacco Prevention and Control Trust Fund (Trust Fund) and transfer all balances to the General Fund on July 1, 2021.

The bill would also appropriate an unspecified amount of General Funds for Fiscal Year 2021-2022, and the same amount for fiscal year 2022-2023, to be deposited into the University Revenue Undertaxing Fund.

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 special funds in this bill provide 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 sustainability of these programs.

We are also especially concerned about the repeal of the Hawaii Tobacco Settlement Special Fund and whether the repeal of this fund will impact the State's ability to receive tobacco settlement funds in the future.

Testimony on House Bill No. 1296
Tuesday, March 2, 2021; 1:00 p.m.
Page 2

For these reasons, 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.



100 KANALOA AVENUE
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- Sandra Larsen
- Terry Watanabe
- Tivoli Faaumu
- Toni Rojas
- Warren Suzuki

Kelly Pearson
Chief Executive Officer

March 1, 2021

Boys & Girls Clubs of Maui

Kelly Maluo-Pearson, CEO

RE: HB1296, Tobacco Enforcement Special Fund; Hawaii Tobacco Settlement Special Fund; Hawaii Tobacco Prevention and Control Trust Fund; Repeal; General Fund; Appropriation (\$)

Introduced: 1/27/2021, LUKE

Position: OPPOSE HB 1296

Aloha,

On behalf of Boys & Girls Clubs of Maui (BGCM), we are opposing the house bill 1296 which repeals the Tobacco Prevention and Control Trust Fund which we are a recipient of.

In Hawaii, the youth vaping epidemic affects high school and middle school students more significantly than any other group. The BGCM program directly reaches this group of youth with prevention and cessation education. When teens make a decision like choosing to vape or not, it is something that will stick with them for a lifetime. Our hope is to help them make the right choice now, to protect and preserve their future choices.

At BGCM, we have first-hand knowledge of the positive prevention work these funds support. During the COVID closures of 2020, our own program continued to reach youth on Maui virtually. We were able to provide cessation education material to over 100 youth program participants. From this, we conclude that over 200 family members were also made aware of the dangers of e-cigarettes.

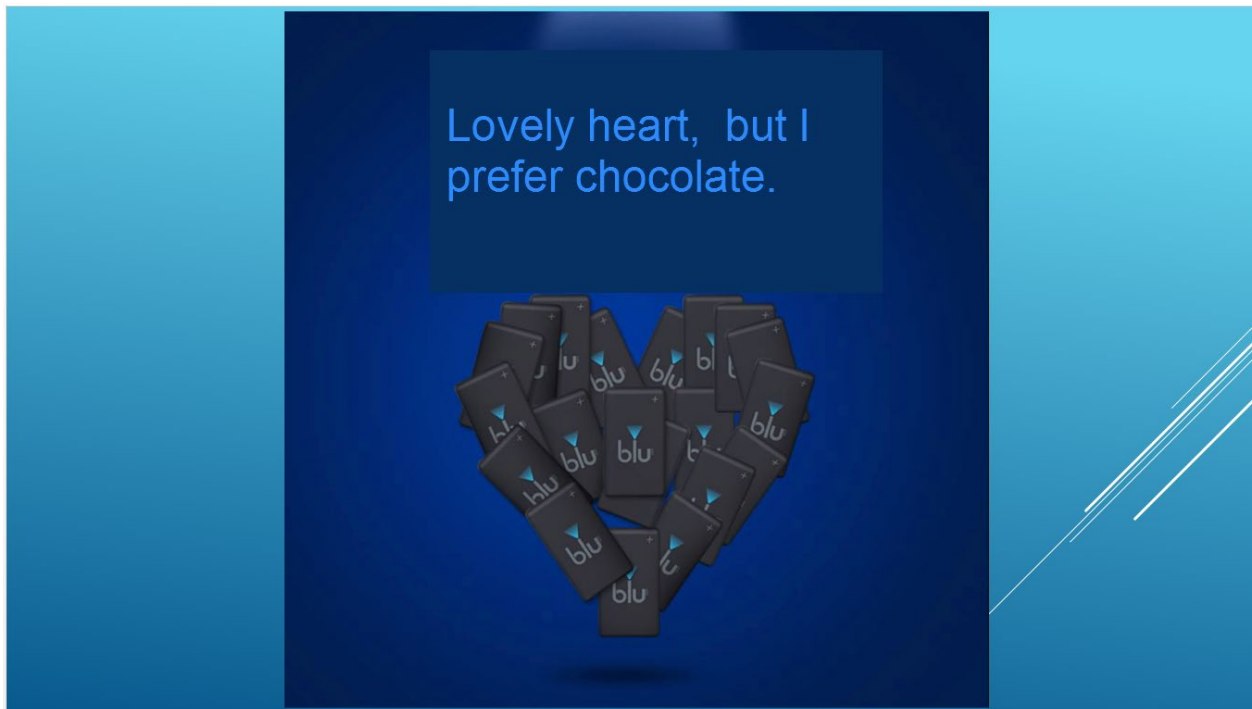
During the County of Maui sponsored Teen Expo event of 2020, our Tobacco and Vape Prevention Program participants created a PSA which was shared with over 120 registrants, 75 of which were teens. The goal of the PSA was to create cessation and prevention information by teens for teens. This was accomplished because of the funds provided by the Tobacco Prevention and Control Trust Fund.

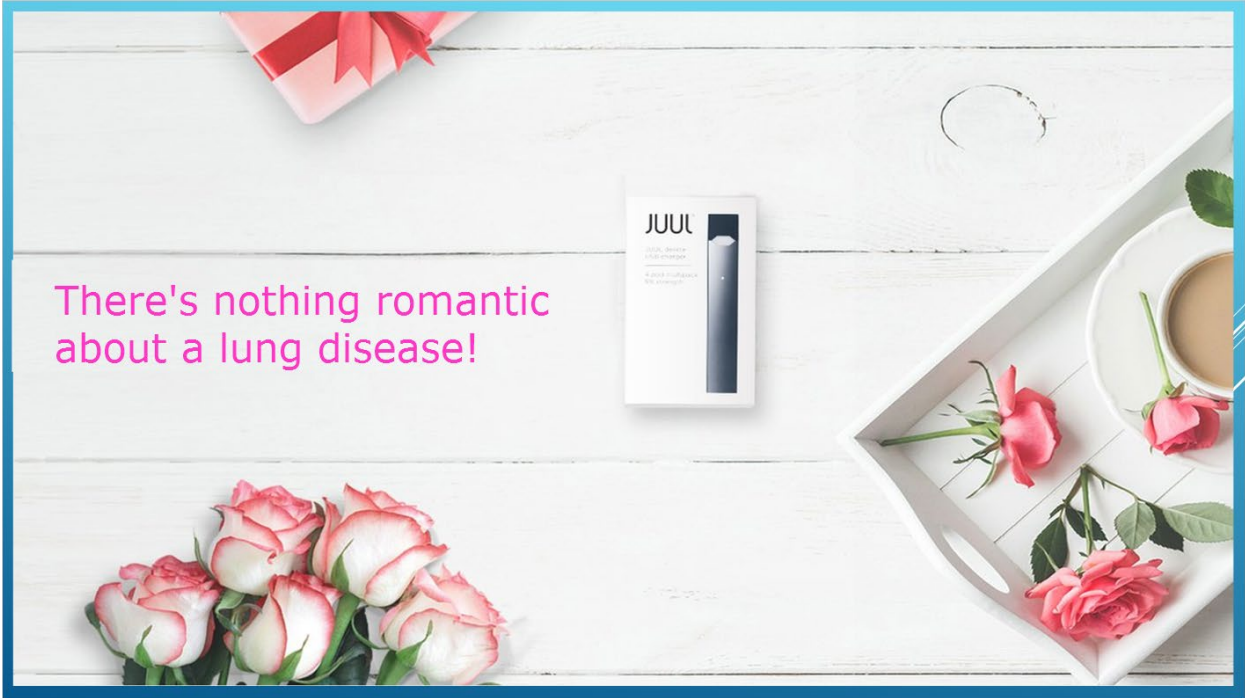
We urge you to **oppose HB 1296**. Thank you for this opportunity to testify.

Kelly Maluo-Pearson

CEO, Boys & Girls Clubs of Maui

Examples of our youth member's PSA posters.





There's nothing romantic about a lung disease!

- ▶ Many e-cigs do not contain nicotine.
- ▶ People can experience secondhand exposure to the vapor released from e-cigs.
- ▶ The mist released from e-cigs is similar to fog machine mist.

✓ that's kinda
✓ not
✓ not

TWO TRUTHS AND A MYTH



To: Rep. Sylvia Luke, Chair
Rep. Ty J.K. Cullen, Vice Chair
Committee on Finance

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

Hrg: March 2, 2021 at 1:00 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

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Honoka'a, HI 96727
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Kohala Health Center
53-3925 Akoni Pule Highway
Kapaau, HI 96755
808.889.6236



To: Rep. Sylvia Luke, Chair
Rep. Ty Cullen, Vice Chair
Committee on Finance

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

Hrg: March 2, 2021 at 1:00 AM 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.



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Date: March 1, 2021

To: Representative Sylvia Luke, Chair
Representative Ty J.K. Cullen, Vice Chair
Members of the Finance Committee

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

Hrg: March 2, 2021 at 1:00 PM via Videoconference

The Coalition for a Tobacco-Free Hawai'i (Coalition), a program of the Hawai'i Public Health Instituteⁱ, offers testimony in **strong opposition to HB 1296**, which would repeal the Tobacco Enforcement Special Fund, Hawai'i Tobacco Settlement Special Fund, and Hawai'i Tobacco Prevention and Control Trust Fund (Trust Fund), and transfer the balances to the general fund.

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, the long-term costs and harms of repealing the Trust Fund and the services it provides will greatly outweigh any short-term benefits.

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 (see attached chart), funding it through payments from the 1998 Master Settlement Agreement (MSA), and designing it to support tobacco prevention and control efforts in perpetuity.

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, enhancing the trust fund's assets so it can support tobacco prevention and control efforts indefinitely. Through these investments, HCF has been able to adapt to emerging needs and provide funding beyond the Trust Fund's 12.5% allocation from the MSA payments. This has been particularly important as the youth vaping epidemic has placed a growing need for additional prevention programs and cessation services.

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 primary source of funding for the Trust Fund is the Master Settlement Agreement (MSA) annual payment.

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 payments^{xiv}. 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.

Tobacco Enforcement Special Fund

We are also concerned about the repeal of the Hawai'i Tobacco Settlement Special Fund as this could impact the State's ability to receive MSA annual payments in the future.

The Coalition recognizes the difficult financial position the state is in, but repealing the Trust Fund will have drastic impacts on the health of our communities and healthcare costs. 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. Losing the Trust Fund and the programs it supports would increase the burden of tobacco in our communities, and as such **the Coalition strongly opposes HB 1296 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.

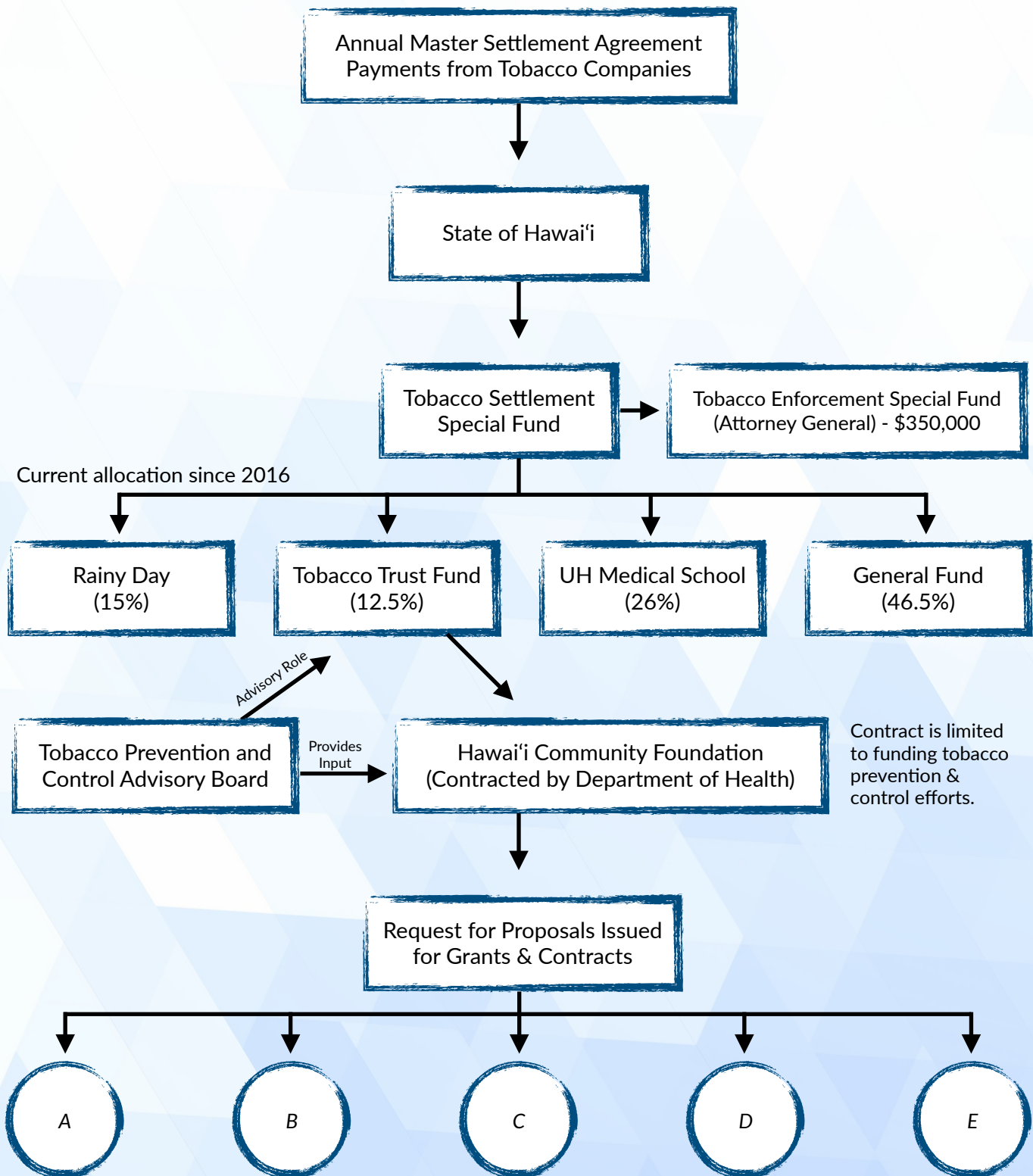
^{xi} U.S. Department of Health and Human Services. *The Health Consequences of Smoking - 50 Years of Progress. A Report of the Surgeon General*. Atlanta, GA: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health 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

Flow Chart: How Hawai'i Funds Tobacco Prevention and Control Programs



Projects and Grantees are selected by the HCF Board of Governors after a competitive request for proposals and review process that provides recommendations to the Board. HCF also contracts an independent evaluator to evaluate the programs.



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

House Committee on Finance
Representative Sylvia Luke, Chair
Representative Ty J.K. Cullen, Vice Chair

Hearing: March 2, 2021

ACS CAN STRONGLY OPPOSES HB1296: 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, which would eliminate funding for all tobacco control programs in Hawaii.

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

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.ⁱ In fact, smoking is responsible for an estimated 24.6% of cancer deaths in Hawaii.ⁱⁱ 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.ⁱⁱⁱ 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.

ⁱ 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.

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

ⁱⁱⁱ 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/

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.^{iv} 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.^v 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.^{vi}

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.^{vii} Furthermore, studies have found that e-cigarette use increases the risk of youth and young adults using cigarettes.^{viii, ix, x}

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.^{xi} Smoking-caused productivity losses cost Hawaii an additional \$387.3 million annually.^{xii} 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.^{xiii} 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.

^{iv} HHS, 2014.

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

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

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

^{viii} 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.

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

^x 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.

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

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

^{xiii} 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>.

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.^{xiv} When appropriately funded in accordance with CDC recommendations, comprehensive tobacco control programs are able to reduce tobacco use.^{xv}

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.^{xvi}

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 Trust Fund's purpose is to reduce cigarette smoking and tobacco use among youth and adults.

This bill proposes to repeal the tobacco enforcement special fund, the Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund, eliminating funding for tobacco control in our state.

In Hawaii, the comprehensive tobacco control program is currently funded at \$7.9 million^{xvii} which is 58% of what the CDC recommends for an effective program in Hawaii based on state-specific factors.^{xviii} 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 smoke indicate they would still like to quit.^{xix} Simply stated, these are people who need our help, their lives are depending on it.

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 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.

^{xiv} CDC, 2014.

^{xv} CDC, 2014.

^{xvi} HHS, 2014.

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

^{xviii} CDC, 2014.

^{xix} 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.

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

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}

It's imperative that programs are funded to protect the next generation from a lifetime of addiction. Maintaining funding for Hawaii's tobacco prevention and cessation program is crucial to prevent kids from starting to use tobacco and help people already addicted to tobacco quit.

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. For example, one study found that Washington state saved more than \$5.00 in just tobacco-related hospitalization costs for every \$1.00 spent during the first 10 years of its program.^{xxiv} 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 is a critical step. Thank you for the opportunity to testify today about the state tobacco control programs, and we urge you to oppose eliminating tobacco control programs to protect respiratory health.

^{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

^{xxiv} Dilley, Julia A., et al., "Program, Policy and Price Interventions for Tobacco Control: Quantifying the Return on Investment of a State Tobacco Control Program," *American Journal of Public Health*, Published online ahead of print December 15, 2011. See also, Washington State Department of Health, Tobacco Prevention and Control Program, Progress Report, March 2011. Washington State Department of Health, Tobacco Prevention and Control Program, News Release, "Thousands of lives saved due to tobacco prevention and control program," November 17, 2010, http://www.doh.wa.gov/Publicat/2010_news/10-183.htm.

Aloha House Committee on Finance,

Attached is a compilation of testimony for Tuesday, March 2, 2021; 1:00 p.m.; State Capitol, Conference Room 308 in **OPPOSITION** of **HB1296: 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

Date: March 1, 2021

To: House Committee on Finance
Representative Sylvia Luke, Chair
Representative Ty J.K. Cullen, Vice Chair

Re: Strong Opposition of HB1296: RELATING TO STATE FUNDS

Hrg: Tuesday, March 2, 2021 at 1:00 pm at Capitol Room 308

Aloha, my name is Tyler Kamisato from Mililani, HI, 96789. Thank you for the opportunity to submit testimony in **strong opposition** to HB1296 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 1, 2021

To: House Committee on Finance
Representative Sylvia Luke, Chair
Representative Ty J.K. Cullen, Vice Chair

Re: Strong Opposition of HB1296: RELATING TO STATE FUNDS

Hrg: Tuesday, March 2, 2021 at 1:00 pm at Capitol Room 308

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 HB1296. 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 1, 2021

To: House Committee on Finance
Representative Sylvia Luke, Chair
Representative Ty J.K. Cullen, Vice Chair

Re: Strong Opposition of HB1296: RELATING TO STATE FUNDS

Hrg: Tuesday, March 2, 2021 at 1:00 pm at Capitol Room 308

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 HB1296. 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 1, 2021

To: House Committee on Finance
Representative Sylvia Luke, Chair
Representative Ty J.K. Cullen, Vice Chair

Re: Strong Opposition of HB1296: RELATING TO STATE FUNDS

Hrg: Tuesday, March 2, 2021 at 1:00 pm at Capitol Room 308

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 HB1296. 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>

^{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 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 1, 2021

To: House Committee on Finance
Representative Sylvia Luke, Chair
Representative Ty J.K. Cullen, Vice Chair

Re: Strong Opposition of HB1296: RELATING TO STATE FUNDS

Hrg: Tuesday, March 2, 2021 at 1:00 pm at Capitol Room 308

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 HB1296. 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:

- 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.

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/

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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Re: Strong Opposition of HB1296: RELATING TO STATE FUNDS

Hrg: Tuesday, March 2, 2021 at 1:00 pm at Capitol Room 308

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 HB1296. 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 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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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.

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^{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 1, 2021

To: House Committee on Finance
Representative Sylvia Luke, Chair
Representative Ty J.K. Cullen, Vice Chair

Re: Strong Opposition of HB1296: RELATING TO STATE FUNDS

Hrg: Tuesday, March 2, 2021 at 1:00 pm at Capitol Room 308

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 HB1296. 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:

- An estimated 1,400 deaths are caused by smoking each year.²

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/

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>

- 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.

³ Campaign for Tobacco-Free Kids (CTFK). The Toll of Tobacco in Hawaii. Updated October 20, 2020. <https://www.tobaccofreekids.org/problem/toll-us/hawaii>

⁴ Campaign for Tobacco-Free Kids (CTFK). The Toll of Tobacco in Hawaii. Updated October 20, 2020. <https://www.tobaccofreekids.org/problem/toll-us/hawaii>

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

⁶ Campaign for Tobacco-Free Kids. The Toll of Tobacco in Hawaii. October 20, 2020. <https://www.tobaccofreekids.org/problem/toll-us/hawaii>

Date: March 1, 2021

To: House Committee on Finance
Representative Sylvia Luke, Chair
Representative Ty J.K. Cullen, Vice Chair

Re: Strong Opposition of HB1296: RELATING TO STATE FUNDS

Hrg: Tuesday, March 2, 2021 at 1:00 pm at Capitol Room 308

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 HB1296. 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 1, 2021

To: House Committee on Finance
Representative Sylvia Luke, Chair
Representative Ty J.K. Cullen, Vice Chair

Re: Strong Opposition of HB1296: RELATING TO STATE FUNDS

Hrg: Tuesday, March 2, 2021 at 1:00 pm at Capitol Room 308

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 HB1296. 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.

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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^{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 1, 2021

To: House Committee on Finance
Representative Sylvia Luke, Chair
Representative Ty J.K. Cullen, Vice Chair

Re: Strong Opposition of HB1296: RELATING TO STATE FUNDS

Hrg: Tuesday, March 2, 2021 at 1:00 pm at Capitol Room 308

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 HB1296. 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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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.

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Re: Strong Opposition of HB1296: RELATING TO STATE FUNDS

Hrg: Tuesday, March 2, 2021 at 1:00 pm at Capitol Room 308

Position: Strong Opposition

Good morning Chairs, Vice Chairs, and joint committee members. My name is Lynn Wilson, from Honomu, 96728. Thank you so much for the opportunity to submit testimony in STRONG OPPOSITION to HB1296. 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.

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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 in funding of HB 1296 would:

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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.

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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Date: March 1, 2021

To: House Committee on Finance
Representative Sylvia Luke, Chair
Representative Ty J.K. Cullen, Vice Chair

Re: Strong Opposition of HB1296: RELATING TO STATE FUNDS

Hrg: Tuesday, March 2, 2021 at 1:00 pm at Capitol Room 308

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 HB1296. 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.



HAWAI'I COMMUNITY FOUNDATION

To: The Honorable Sylvia Luke, Chair
The Honorable Ty J.K. Cullen, Vice Chair
And Members of the House Committee on Finance

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

Re: Testimony in Opposition of HB1296 Relating to State Funds

Date: Tuesday, March 2, 2021

Time: 1:00 P.M.

Place: Conference Room 306 & 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.

HCF effectively manages the Trust Fund with the goal of reducing tobacco consumption in Hawai'i – this includes efforts to reverse the growing trends in the use of vaping, especially in teens. Our collective work in partnership with the Department of Health, strategic private sector partners and not for profits throughout Hawaii has resulted in fewer deaths and illnesses caused by tobacco and has helped save over \$1 billion in healthcare costs over the past 20 years.¹ There are many advantages to the financing structure of the Trust Fund, including:

- All Trust Fund dollars must be used exclusively to support tobacco prevention and control in Hawai'i. No other use is allowed under the Department of Health's contract with HCF to administer the Trust Fund and under the statute that created the Trust Fund (HRS 328L-5).
- There is one clear set of controls over what can be done by the Trust Fund (see, HRS 328L-2 and -5), which leads to greater success for the goal of reducing tobacco consumption in Hawai'i.
- Our administration of the Trust Fund includes three key activities:
 - We manage statewide community grant programs supporting non-profit organizations on the six main islands to provide community-based tobacco cessation and youth prevention services.
 - We administer vendor contracts for important statewide community services like the Hawai'i Tobacco Quitline to reduce tobacco consumption among youth and adults;
 - We facilitate financial management and investment oversight of the Trust Fund.

¹ Hawai'i State Department of Health, "Hawai'i Tobacco Landscape", <https://health.hawaii.gov/tobacco/files/2018/03/tobaccopolicy.pdf>

- The Trust Fund provides a permanent, stable source of funding to support tobacco prevention and control. As required by our contract with the State, HCF invests Trust Fund dollars to generate earnings to be used for tobacco prevention and cessation activities throughout the state, beyond annual allocations received.
 - The Trust Fund’s investment earnings allow greater public spending on tobacco control programs each year, while protecting the Trust Fund principal for long term use.
 - The permanency of the Trust Fund provides the planning certainty necessary to address deep inequitable systemic problems like those addressed throughout the history of the Trust Fund.
- HCF has over a century of experience in long-term management of charitable funds to provide grants to support community services. To administer the Trust Fund, HCF applies its expertise in fund management, contract management, grantmaking, and community engagement throughout the state.
- HCF’s management team have 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 and ongoing evaluations of services provided to address tobacco use in Hawai’i, and the hiring of independent evaluators to assess Trust Fund programs. This also includes collaborative work with the Department of Health and consultation with the Tobacco Prevention and Control Advisory Board (“Advisory Board”) created by HRS 328L-6.

Alongside the efforts of the Department of Health and many other organizations, the Trust Fund has helped to achieve significant results for Hawai’i. But we know that long term major challenges remain. The greatest concern right now is the youth vaping epidemic. Hawai’i has one of the highest rates in the nation among middle and high school youth.² When the scale of the problem became apparent several years ago, HCF quickly pivoted and created new statewide youth prevention and education programs to teach our keiki about the dangers of using these devices. Currently, the efforts strategically fund two major initiatives to encourage youth not to start vaping: a community grants program using an evidence-based curriculum and a communications contract to provide youth-centered messages over social media and other outlets throughout the state.

By funding and overseeing this work for 20 years since the Trust Fund was created, Hawai’i has gained substantial knowledge about what it takes at the grassroots level to reduce tobacco consumption in our communities. We are deeply connected to the organizations and programs engaged in this effort, giving us rapid access to current information. We have the grant-making experience to quickly adapt to ever-changing trends in tobacco products and consumption patterns. The Trust Fund provides a crucial, dependable source of funding to support tobacco control and prevention. Without it, Hawai’i risks reversing years of progress in reducing the leading preventable cause of chronic disease and death among our people.

Thank you for the opportunity to testify on this measure.

² Hawaii Health Data Warehouse Indicator Based Information System, DOH, Hawai’i Youth Risk Behavior Survey, <http://ibis.hhdw.org/ibisph-view/query/selection/yrebs/YRBSSelection.html>

HB-1296

Submitted on: 3/1/2021 12:57:45 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kristen Alice	HOPE	Oppose	No

Comments:

Hope Services **strongly opposes** this bill.



KŌKUA KALIHI VALLEY COMPREHENSIVE FAMILY SERVICES
2239 N. SCHOOL STREET ♦ HONOLULU, HAWAII 96819 ♦ TEL: 808-791-9400 ♦ FAX: 808-848-0979 ♦
www.kkv.net

To: Rep. Sylvia Luke, Chair
Rep. Ty J.K.Cullen, Vice Chair
House Committee on Finance

Re: Strong Opposition to HB 1296, Relating to State Funds
Hrg: March 2nd, 2021 at 1:00pm HST

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

Tobacco use is considered a vital sign at Kokua Kalihi Valley Comprehensive Family Services (KKV). It is KKV's policy to screen all patients regularly for tobacco use and offer cessation support if positive, because of the adverse impacts that tobacco products have on the health of individuals and families. The Hawaii Tobacco Prevention and Control Trust Fund opens direct access to quit counselors and medication support in Kalihi. It supports community education in spaces like Linapuni Elementary, Dole Middle School, Farrington High School, the Towers of Kuhio Park, and Kamehameha IV Homes to educate parents and youth to prevent initiation. The work leads to healthier households, a stronger workforce, and care for our environment.

With deep respect and sorrow for all the lives lost due to the current novel coronavirus pandemic, let us remember that cigarette smoking is responsible for the deaths of 480,000 individuals in the US each year. Tobacco prevention and cessation programs are essential to reduce the public health burden tobacco use places on our state. Thank you for the opportunity to provide testimony in opposition to HB 1296.

Respectfully,

Philip Racsa

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



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Finance
March 2, 2021 at 1:00 p.m.

by

Kalbert K. Young

Vice President for Budget and Finance/Chief Financial Officer
University of Hawai'i System

LATE

HB 1296 – RELATING TO STATE FUNDS

Chair Luke, Vice Chair Cullen, and members of the Committee:

Thank you for the opportunity to present testimony today. The University of Hawai'i (UH) **opposes** House Bill (HB) 1296, Relating to State Funds, and **provides comments** that the committee should very seriously consider the implications. UH's comments are particularly focused on two sections. First, Section 6 which eliminates the Hawai'i tobacco settlement special fund and the percentage allocation of tobacco settlement moneys to the University Revenue undertakings fund. Second, Section 8 which appropriates general funds into the University Revenue-Undertakings Fund.

HB 1296, Section 6, repeals the Hawai'i tobacco settlement special fund. In doing so, the bill eliminates 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. Any revenues above annual debt service costs can also assist JABSOM with operational expenses.

The outstanding bonds were sold in 2006 and the tobacco settlement revenues were a primary revenue pledge to bond buyers. Currently, there remain more than \$117.22 million in bonds outstanding. HB 1296 would eliminate that source of funding and could trigger a bond covenant default to investors.

Relatedly, Section 8, of the bill purports to appropriate an undetermined amount of funds to the university revenue-undertakings fund. Without knowing the Legislature's intention for this appropriation, I would point out that the UH's annual debt service payments alone are between \$9.4 million and \$10.04 million each year. The bonds have as much as ten (10) years remaining until full maturity, with a total debt service remaining on the bonds of \$123.57 million. The par value of the outstanding bonds is approximately \$117.22 million.

Terminating the statutory provision of tobacco settlement revenues would have serious bond implications to UH and the State of Hawai'i. For these reasons, the UH opposes this bill.

Thank you for this opportunity to testify.

LATE

COMMITTEE ON FINANCE
Rep. Sylvia Luke, Chair
Rep. Ty J.K. Cullen, Vice Chair

Tuesday, March 2, 2021 1:00 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.
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.

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.

⁶ Campaign for Tobacco-Free Kids (accessed February 16, 2021). The Toll of Tobacco in Hawaii.

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

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



Tuesday, March 2, 2021; 1:00 pm
Via Video Conference

House Committee on Finance

To: Representative Sylvia Luke, Chair
Representative Ty Cullen, Vice Chair

From: Lisa Dau, RN
Injury Prevention Coordinator, KIPC

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

My name is Lisa Dau and I am the Injury Prevention Coordinator for Keiki Injury Prevention Coalition (KIPC). KIPC is a Statewide community-based organization, established in 1991 by Hawaii Department of Health (incorporated as non-profit in 1995), comprised of broad-based representation from more than one hundred-fifty organizations, agencies, and individuals committed to preventing injuries to children and youth in Hawaii.

We oppose HB1296. The Hawaii Tobacco Prevention and Control Trust Fund was created to prevent youth from starting to use tobacco and help people quit tobacco. Since 2000, Hawaii has saved billions of dollars in healthcare costs by reducing smoking among youths and adults. Tobacco prevention and control funding are important to saving lives and healthcare costs.

Based on the above reasons, KIPC respectfully opposes this measure. Thank you for the opportunity to testify.

HB-1296

Submitted on: 3/1/2021 4:17:46 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Zehner	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. As it stands, millions of it goes to private lobbyist groups. 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 slammed by covid19.

Bravo for HB1296.

<http://hawaiismokersalliance.net/>



Wellness & Lifestyle Medicine

To: Rep. Sylvia Luke, Chair
Rep. Ty J.K. Cullen, Vice Chair
Committee on Finance

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

Hrg: March 2, 2021 at 1:00 pm via Videoconference

Adventist Health Castle 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.

Castle's "Live Well Tobacco Free Program" is 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 the state. It continues to successfully help tobacco users from priority populations quit tobacco use, including those with serious behavioral health diagnoses, and pregnant mothers. It reaches strong proportions of highly addicted tobacco users while providing participants with grant-funded medication—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 expand access to the entire state through our free, remote, virtual services for effective individual counseling, group classes and support. In light of 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.

Tobacco prevention and control funding is a critical factor in saving lives and reducing healthcare costs. We understand the dire fiscal situation that Hawaii is in; still, our state saves \$6.64 in direct healthcare costs for every \$1 spent on tobacco prevention. These programs are important to continue to reduce the burden of tobacco in our state. Thank you for your ongoing support and the opportunity to provide testimony in opposition to HB 1296.

Mahalo nui loa,

A handwritten signature in black ink, appearing to read "Allie Hall".

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

HB-1296

Submitted on: 2/27/2021 10:23:10 AM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Janet Berreman	Individual	Oppose	No

Comments:

Our state has alarmingly high and rising rates of youth vaping and nicotine addiction. Eliminating dedicated funding for tobacco control at this juncture is irresponsible and dangerous for our community.

HB-1296

Submitted on: 2/27/2021 10:56:18 AM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Ralph Shoheit, MD	Individual	Oppose	No

Comments:

As a cardiologist, professor of medicine, and Director of the Cardiovascular Center at the medical school, I write in strong opposition to this Bill. I agree with the thoughtful comments in opposition by the Attorney General, the Department of Health, The Medical School Dean and the American Heart Association. I have studied the ravages of tobacco-related heart disease for decades and have cared for the patients whose lives have been ruined and cut short. The most important intervention in our entire armamentarium of medical advances is eliminating smoking in our society, and this Bill would substantially reduce and reverse our progress in reducing smoking in our State. To reduce our efforts to prevent smoking in this way would be like halting vaccination against Covid. Please do not pass this Bill.

Date: February 27, 2021

To: The Honorable Sylvia Luke, Chair
The Honorable Ty J.K. Cullen, Vice Chair
Members of the House Committee on Finance

Re: **Strong Opposition to HB1296**, Relating to State Funds

Hrg: March 2, 2021 at 1:00 PM via Videoconference in Conference Room 306

Aloha House Committee on Finance,

As a concerned parent, community member and healthcare professional I am writing in **strong OPPOSITION to HB1296**, which repeals the Tobacco Enforcement Special Fund, Hawai'i Tobacco Settlement Special Fund, and Hawai'i Tobacco Prevention and Control Trust Fund.

For over 20 years, Hawaii's Tobacco Prevention and Control Trust Fund has provided resources to reduce the burden of tobacco in our state, saving both lives and healthcare costs. Since its inception, we have achieved significant declines in conventional cigarette smoking rates for both adults and youth. Yet, tobacco use is still the leading cause of preventable death and disease in Hawai'i, claiming 1,200 lives each year and creating \$336 million in annual healthcare costs.

Hawai'i is in the midst of a youth vaping epidemic. Approximately 31% of Hawai'i high school students and 18% of our middle schoolers are current e-cigarette users. For Native Hawaiian and Pacific Island youth these numbers climb to 40% for high school and 30% for middle school students.

With funding from the Tobacco Prevention and Control Trust Fund Hawai'i has been a national leader in reducing conventional cigarette use to record lows. Continued investment in tobacco prevention and control is needed to continue reducing cigarette use, reverse the youth vaping epidemic and protect the long-term health of our community.

HB1296 jeopardizes decades of progress in tobacco prevention and control efforts at a time they are most needed.

I **strongly oppose HB1296** and respectfully ask you to hold this bill in committee.

Many thanks for your consideration,

Forrest Batz, PharmD
Kea'au, HI

HB 1296
Committee on Finance
Chair Luke, Vice Chair Cullen, Members
March 2, 2021

Good afternoon Chair, Vice Chair, 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.

The passage of this measure would be seen as no small misstep and would result in a variety of negative health, economic, legal, and policy consequences.

In a long career in public health with the Hawaii State Department of Health (DOH), including over 20 years leading the DOH Tobacco Program, I was involved in the inception and establishment of the Tobacco Prevention & Control Trust Fund.

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 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 22 years can be seen from the significant reduction in the smoking rates among both adults and youth.

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 will and have not gone away. They have 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 could send Hawaii back to where we were two decades ago fighting the same battles against the multi-billion dollar tobacco industry virtually defenseless and without the means and resources to address their ever present threats.

I urge you to consider the good that the Trust Fund has accomplished for Hawaii and to oppose HB 1296

Thank you for the opportunity to testify.

HB-1296

Submitted on: 2/27/2021 1:09:06 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jennifer Noelani Ahia	Individual	Oppose	No

Comments:

I strongly oppose this bill.

HB-1296

Submitted on: 2/27/2021 5:15:57 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

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

Comments:

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HB-1296

Submitted on: 2/27/2021 5:40:19 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

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

Comments:

02/27/21

As a parent, nurse, and teacher, I am strongly opposed to HB 1296 which will repeal the tobacco prevention and control trust fund. In the midst of the COVID-19 pandemic (a primarily respiratory disease for which tobacco users are at significantly higher risk) and an epidemic of youth vaping on Maui, this is not the time to cut the important work it funds. Tobacco prevention and community smoking cessation services have proven effective and cost-saving in Hawaii, and are needed more than ever. Although the state is in a tough financial situation, cutting tobacco prevention and control funding will end up increasing healthcare costs as well as morbidity and mortality in both the short and long term. Please protect these funds by voting against HB 1296.

Mahalo,

Kathleen Hagan, MS, APRN, ANP-BC

Paia, Maui

HB-1296

Submitted on: 2/28/2021 5:12:13 AM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Brijit Reis	Individual	Oppose	No

Comments:

As a pediatrician, I see the effects of vaping on our young adolescents and our community. They are taking up this new form of tobacco at an alarming rate. 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. Continued investment in tobacco prevention and cessation is needed to reverse this alarming trend and protect public health.

HB-1296

Submitted on: 2/28/2021 10:44:29 AM

Testimony for FIN on 3/2/2021 1:00:00 PM

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

Comments:

This bill is a wonderful. It helps unlock badly needed funds while allowing the direct oversight of these funds which has been missing since the beginning. Many thanks for hb1296. :)

HB-1296

Submitted on: 2/28/2021 10:55:25 AM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Wesley Oda	Individual	Oppose	No

Comments:

I oppose HB1296 which would repeal the tobacco prevention and control trust fund. I am a lifetime resident of Hawaii and a parent, and I strongly advocate the elimination of tobacco and tobacco related products. Our State leaders must show courage to stand against any/all pressure to relax any of our existing laws that prevent/limit the use of tobacco and/or reduce critical funding that is needed for tobacco prevention and cessation programs. As a parent, I have always opposed smoking because I grew up with a smoking parent and saw the toll it took on my father's health. More recently, multiple studies show heightened negative health outcomes from the COVID-19 virus with active, and/or a history of, tobacco use. We cannot put youth tobacco prevention program funding at risk while we're seeing increasing use of electronic smoking devices (ESD) and 27% of middle school students and 42% of public high school students acknowledged trying ESD in 2017. We must do all that we can to continue to raise awareness of the dangers of tobacco and related products and the resulting long term costs and burden it will place on our health system. Please do not allow any kind of legislation that will put the decades of work to waste! Thank you in advance for your serious consideration of my testimony - which is shared by many in our state. Wesley Oda

HB-1296

Submitted on: 2/28/2021 2:16:04 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

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

Comments:

HB1296 is just common sense with the economic mess we are in.

HB-1296

Submitted on: 2/28/2021 2:51:39 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Monika Lopez	Individual	Support	No

Comments:

This bill will benefit lower income people who have been slammed by COVID19. Please transfer all the money to the general fund to help those who are needy.

HB-1296

Submitted on: 2/28/2021 2:54:55 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Alex Abe	Individual	Support	No

Comments:

I'm Alex and I strongly support this bill. The general fund needs the money now.

HB-1296

Submitted on: 2/28/2021 3:39:50 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

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

Comments:

I like this idea. Get the money from the special interests and not the school teachers.

HB-1296

Submitted on: 2/28/2021 4:06:35 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Dallas Nelson	Individual	Support	No

Comments:

The State Budget badly needs the tobacco settlement funds. Let's do this.

HB-1296

Submitted on: 2/28/2021 4:25:16 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

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

Comments:

Tapping into those hidden funds, good, that's what we need.

Very Strong Support for hb1296.

Respectfully,

Cindy Nettles

from iPhone

HB-1296

Submitted on: 2/28/2021 5:09:56 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

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

Comments:

The State's been sitting on the tobacco settlement pile of money for a long time and most of it just gets wasted on things that don't benefit the average citizen.

HB-1296

Submitted on: 2/28/2021 6:11:55 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Lani Hernandez	Individual	Support	No

Comments:

This is a more fair way to do things.

HB-1296

Submitted on: 2/28/2021 6:52:30 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Nicholas Winters	Individual	Support	No

Comments:

VERY STRONG SUPPORT for HB1296.



Kahu Dennis F. Barger MPH, M.DIV. (retired)

283 Palanehe St, Kihei, HI 96753

February 28, 2021

House Committee on Finance

OPPOSITION TESTIMONY RE: HB1296

Aloha Kakou,

I am STRONGLY OPPOSED to the defunding of the Tobacco Trust Fund.

This proposal to repeal the Tobacco Prevention and Control Trust Fund is totally unjustifiable.

Reasons for keeping the Tobacco Control Fund:

- 1.) **A HIGHLY EFFECTIVE PROGRAM:** Over the last 20 years the Trust Fund has successfully cut tobacco/nicotine dependence BY HALF. Because of community and institutional support it has been successful in its mission to promote the dangers of smoking tobacco (including E-cigarettes), organize cessation support and design prevention services to our youth and adult vulnerable populations. These successes came despite the underfunding (58%) of tobacco prevention and control by the state of Hawaii that is recommended by the Center for Disease Control.
- 2.) **AN ECONOMICAL PROGRAM:** Tobacco Fund activities have saved over a Billion dollars in health care costs on top of preventing untold suffering of those who are affected by tobacco/nicotine addiction and their families. Simply put, tobacco prevention and control funding saves Hawaiian's lives.
- 3.) **MUCH WORK NEED TO BE DONE:** We are in the midst of a youth (and adult) vaping epidemic. The current E-cigarettes statistics show a dramatic, unacceptable rise in use by our youth. This is due to the millions of dollars the tobacco industry put into promotion and advertising. The success of the prevention programs will be quickly undone if their funding is radically cut off. Teens and young adults that use e-cigarettes have 5-7 times greater chance of being diagnosed with COVID-19 because of the effect on their lungs.

I STRONGLY URGE THE COMMITTEE TO VOTE DOWN HB1296 and its companion bill HB199.

Sincerely, Rev. Dennis F. Barger

RE: Oppose HB 1296

As a voter, taxpayer, concerned Hawaii citizen and former State employee, I urge you **RETAIN FUNDING** to prevent and treat tobacco/nicotine abuse and dependence among our keiki and ohanas, **MAINTAINING** The Tobacco Prevention and Control Trust Fund and even **ENHANCING FUNDING TO CDC** recommended levels of \$13.75M.

I started smoking cigarettes as a youth and it took more than 28 years to quit **WITH THE HELP OF A PUBLIC HEALTH CESSATION PROGRAM**. My success depended upon being educated on the dangers of smoking, literature and support to quit and helplines for counseling.

Nowadays, **ONE IN THREE** Hawaiian **HIGHSCHOOLERS**, and, **ONE IN FIVE** Middle Schoolers smoke e-cigarettes, creating a 2021 **YOUTH VAPING EPIDEMIC**. It was difficult for me to quit smoking Camels; it will be much more challenging for young people and adults to quit the designer, often flavored, mechanized delivery system of vapers. There is a racial and socioeconomic fact to consider, dear Policymakers: communities of color, lower economic status persons, and non-college educated people **ARE MOST AT RISK** for nicotine abuse and dependence! Finally, teens and young adults that smoke e-cigarettes have a 5-to-7 times greater likelihood of contracting COVID-19. Please consider each precious neighborhood and special populations when making your decision! Please **DO NOT** remove precious tobacco prevention programs by de-funding the Trust Fund! **KEEP OUR PUBLIC HEALTHY!**

Laurie Tanner
283 Palanehe St.
Kihei, HI 96753

HB-1296

Submitted on: 2/28/2021 10:47:49 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Nikkya Taliaferro	Individual	Oppose	No

Comments:

Dear Chair Luke, Vice Chair Cullen, and Committee Members,

As a Hawaii student and resident, I strongly **oppose H.B.1296**. Given the current vaping epidemic and health crisis, it is important now more than ever to continue persistent work in reducing tobacco use which substantially increases the chances of catching COVID-19. This includes continued funding of programs that work to assist in lowering these rates.

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. The fund has not only provided free counseling and support services to help people become tobacco-free but has also saved Hawaii over \$1 billion dollars in healthcare costs through a reduction in smoking rates among youth and adults. Continued investment in tobacco prevention and control is necessary to protect public health and assist in the growing e-cigarette rates among youth.

Thank you for the opportunity to testify.

Sincerely,

Nikkya Taliaferro

HB-1296

Submitted on: 2/28/2021 11:58:33 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Logan Lau	Individual	Oppose	No

Comments:

Aloha,

My name is Logan Lau, I am a current junior at Kamehameha Schools Kapalama, and for the past two school years now, I have been on the Coalition for a Tobacco Free Hawaii's Youth Council. I stand in strong opposition to HB1296 for the following reasons.

First, 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.

Second, 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](#), or only 58% of the total CDC recommended amount.

Third, 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.

Fourth, 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.

Fifth, 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](#).

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

HB-1296

Submitted on: 3/1/2021 7:30:34 AM

Testimony for FIN on 3/2/2021 1:00:00 PM

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

Comments:

There is a serious drug problem in these islands--nicotine. It's a toxic and extremely addictive chemical, and there are specific programs in place to help to stop--or at least regulate--its spread. Defunding or removing those programs is a major error. Failing to oppose those who profit from addiction is a major error.

HB-1296

Submitted on: 3/1/2021 8:19:52 AM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Andrew Fox	Individual	Oppose	No

Comments:

At a time when youth tobacco use is worsening, repealing the tobacco prevention and control trust fund seem worse than foolhardy- it will further endanger our community. Please vote down this repeal effort!

HB-1296

Submitted on: 3/1/2021 8:22:12 AM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Daniel Nead	Individual	Oppose	No

Comments:

Tobacco cessation is one of the key preventative services to ensure long-lasting public health. As a clinical health psychologist, I have worked with numerous patients in quitting smoking due to the plethora of related health problems that smoking and tobacco use cause. This fund should be protected and kept not just to reduce and prevent tobacco use, but also as a public health service for this generation and future ones as well. The health of the future depends on our health now; that's why this fund was established and that's why it needs to be kept reserved for tobacco cessation and prevention services.

Respectfully,

Daniel Nead
Licensed Clinical Psychologist

HB-1296

Submitted on: 3/1/2021 8:41:05 AM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Crystal Robello	Individual	Oppose	No

Comments:

Aloha,

As a community member, mother, and daughter, I am in strong opposition of HB1296. I understand that the state is recovering from a really hard time during the pandemic economic situation, but we need these state funds to be present for our keiki. It took years of hard work and education from community funded programs to get to where they are today. Many keiki realized the harms of smoking through the work that has been done around it and it needs to continue now more than ever because most keiki are home and they still need to be reached. As a mother of two middle school aged children who face these pressures at school, I realize the need for the funding to continue.

I deeply am concerned with the health of the keiki, especially since the pandemic has led them to living more unhealthy due to so much screen time per day. We need to keep programs present that help our keiki live healthier lives. These types of programs make a difference and educate folks about the harms of smoking. Please keep the funding present for these programs to continue as our community, especially the youth, need it now more than ever.

Thank you for the opportunity to submit testimony in regards to this important matter.

Mahalo,

Crystal Robello

HB-1296

Submitted on: 3/1/2021 9:18:29 AM

Testimony for FIN on 3/2/2021 1:00:00 PM

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

Comments:

Dear House committee,

Please do NOT pass this bill. I oppose it on the grounds that it will cost the State, as well as individuals health care costs that are SAVED are a result of the prevention and cessation programs that are funded by the Tobacco Settlement Fund. I understand that the State is doing everything that it can to access revenue right now, but this is NOT a way to find revenue.

Please do more research on how much the State saves in money as well as lives by using this fund the way it presently does. Please continue to use the Resettlement Fund for the health and benefit of the Keiki and general population.

Very Sincerely,

Mary Santa Maria

Maui Hawaii

HB-1296

Submitted on: 3/1/2021 9:33:05 AM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Misty Pacheco	Individual	Oppose	No

Comments:

My name is Misty Pacheco, and I am a public health worker and educator on the Big Island, and I strongly oppose this bill. This trust fund has allowed for tremendous strides in tobacco prevention and education efforts. Passing this bill would jeopardize future efforts that are greatly still needed; especially due to the new tobacco threat, which is ecigarettes of all forms. Our youth are specifically experiencing the effects of vaping and ecigs. Parents and adults are falsely led to believe that this is a "safer and healthier alternative". Factual education and evidence-based interventions are needed to combat this issue that will only get worse and contribute to the overall health of our state. Thank you for your time.

HB-1296

Submitted on: 3/1/2021 9:40:26 AM

Testimony for FIN on 3/2/2021 1:00:00 PM

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

Comments:

I am 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 Hawaii Tobacco Prevention and Control Trust Fund provides important tobacco education, prevention and cessation services for communities across our state. The reach of these 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 are available throughout the islands to help smokers and vapers to quit and become tobacco-free.

These valuable tobacco prevention and control programs have helped our state to dramatically decrease adult and youth cigarette smoking rates, saved Hawaii over \$1 billion dollars in healthcare costs and improved the lives of many individuals who successfully quit tobacco products.

The progress and significant gains in tobacco prevention and control are impressive; much has been accomplished through the programs and services funded by the Hawaii Tobacco Prevention and Control Trust Fund, but we continue to face new tobacco challenges. Smoking is still the leading cause of death and disability; and the spotlight is urgently focused on addressing the youth vaping epidemic. Additional services for tobacco users to quit, especially during the CO-VID 19 pandemic is 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 as it is essential to dedicate funding to these critical programs in order to save lives and healthcare costs, prevent disease, and to reduce the burden of tobacco in our state.

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

**TESTIMONY OF ROBERT TOYOFUKU REGARDING AND IN OPPOSITION
TO H.B. NO. 1296**

DATE: March 2, 2021

To: Chairperson Sylvia Luke and Members of the House Committee on Finance:

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

Although I am the government affairs consultant for the Hawaii Public Health Institute (HiPhi) and for the Coalition for Tobacco Free Kids (CTFK), I am testifying personally to present some 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.

I would like to focus on the chart that is attached to my written testimony, and want to spend my time to clarify any possible misconceptions about the use of the Trust Fund and who has the oversight over these funds.

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 and three specific allocations were created; namely, (1) the emergency and budget reserve fund (Rainy Day Fund) -40%; (2) allocation to the Department of Health (DOH) -35%; and (3) Hawaii tobacco prevention and trust fund (Trust Fund) – 25%.

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.

Also, for your background information, from 2001 to 2015 there were various amendments made to the Settlement Special Fund and to the allocations initially created with the current allocations being done by legislation in 2015.

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.

There is some concern that certain Trust Fund monies may have been used for non-tobacco prevention related projects. This is not accurate. 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. 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 Board of Governors after consultation with the Department of Health.

Prior to the current allocation in 2015, a certain percentage was allocated to the Department of Health to be used for healthy lifestyles including tobacco related projects. Currently no tobacco settlement monies is distributed to the Department of Health and it

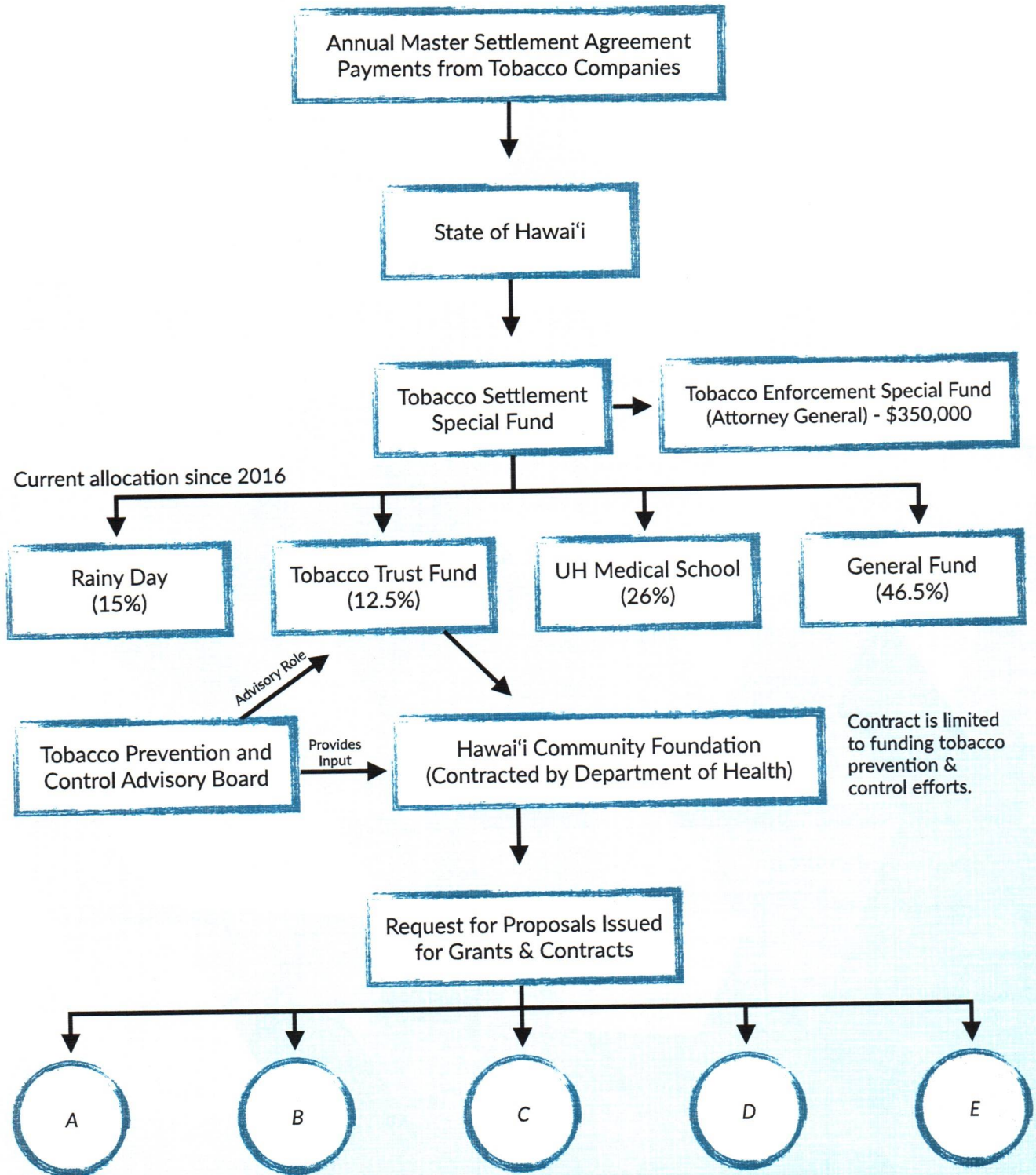
is dependent upon federal grants or the state general fund appropriations to fund any tobacco related activities.

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.
- (2) These Settlement Special Funds are distributed to five 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 related projects
- (4) The Hawaii Community Foundation is the entity contracted by the state Department of Health to oversee the trust fund monies and to invest the corpus of the trust fund
- (5) The Hawaii Community Foundation is the entity that issues the RFPs to determine awards to applicants (grantees) which use the funds exclusively for tobacco related projects
- (6) The Department of Budget and Finance has oversight authority over the Trust Fund

Thank you very much for the opportunity to testify in an attempt to clarify the 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.

Flow Chart: How Hawai'i Funds Tobacco Prevention and Control Programs



Projects and Grantees are selected by the HCF Board of Governors after a competitive request for proposals and review process that provides recommendations to the Board. HCF also contracts an independent evaluator to evaluate the programs.

HB-1296

Submitted on: 3/1/2021 10:09:22 AM

Testimony for FIN on 3/2/2021 1:00:00 PM

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

Comments:

Rep Sylvia Luke, Chair, and the members of the Committee on Finance:

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.

Shelly Ogata, RN, MPH

HB-1296

Submitted on: 3/1/2021 10:18:01 AM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Sid Hermosura, PsyD	Individual	Oppose	No

Comments:

Dear Committee on Finance,

I am writing in STRONG OPPOSITION to HB 1296.

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.

As a health provider in the community of Waimanalo, I have personally seen how these funds have helped change lives for the better. These funds have helped create more opportunities with staffing so that people can get the help and counseling that they need. It's also helped with providing medications so that people are more successful at quitting. I've worked with pregnant mothers to quit cigarettes so that their babies can be healthy. I've seen people with chronic health conditions quit cigarettes in order to live longer for their kids, grandkids, and ohana.

The 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. 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](#). My fear is that without protecting these funds for the Tobacco Prevention and Control

Trust Fund, more people will not get the counseling, medications or help that they need to quit tobacco. Therefore, more people will die or experience negative health and social consequences needlessly.

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](#), or only 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](#).
- We understand the dire fiscal situation the state is in, however tobacco prevention and control funding is critical to saving lives and healthcare costs.
- 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.

Thank you for reading my testimony and I hope that this information about why I strongly oppose HB1296 informs your decision-making.

Sincerely,

Sid Hermosura, PsyD

Licensed Clinical Psychologist

HB-1296

Submitted on: 3/1/2021 10:22:26 AM

Testimony for FIN on 3/2/2021 1:00:00 PM

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

Comments:

Aloha kakou,

This is a blanket bill that could potentially eliminate special funds for programs that matter and make a difference in our lives. For example, school-based driver's ed programs could be eliminated. Please oppose this BAD bill that offers no transparency and no limit on what programs and funds might be cut.

Thank you.

HB-1296

Submitted on: 3/1/2021 10:51:52 AM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
David Kingdon	Individual	Oppose	No

Comments:

Public health programs that work towards smoking and other tobacco and/or nicotine cessation are more important than ever. The funding mechanisms for these programs should not be eroded.

Thank you for your consideration.

David Kingdon, MPH

HB-1296

Submitted on: 3/1/2021 11:27:50 AM

Testimony for FIN on 3/2/2021 1:00:00 PM

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

Comments:

Hi, As a resident, tax payer, parent, and health educator of the State DOH, I am strongly OPPOSED to HB1296. While I empathize with legislature trying to balance our budget, taking funds that are meant for public health and prevention is not the way to do it. We need these funds to remain in the special fund. Without these special funds, substance use and abuse will increase which leads to more medical costs as well as other lost funds in lost income, etc. The science is strong... the more money we put into public health and prevention the more our state will save money in the long run. If you remove these special funds, and hence remove prevention work, then our state will ultimately lose more funds in the future.

Please OPPOSE HB1296

Mahalo, Kristin Mills

My name is Helen Barrow from the island of Maui. I am testifying today as a private citizen.

I urge you to oppose HB1296. For the last 15 years, I have served as a certified tobacco treatment specialist first at the American Lung Association in Hawaii and now at Malama I Ke Ola Health Center. The Hawaii Tobacco Prevention and Control Trust Fund has funded our nicotine dependence program that has helped so many people on Maui quit smoking and vaping. This fund also supports vital tobacco prevention and vaping prevention programs throughout our islands.

A few years ago, someone asked me what I did. When I told them I helped people quit tobacco and vaping they didn't skip a beat. They asked "How many lives have you saved today?" Quitting smoking and vaping doesn't just save the lives of the people who stop. Well-being spreads as people see other succeed and get healthy. The Hawaii State Tobacco Prevention and Control Trust Fund supports healthy journeys on every island and not just cessation; prevention as well.

Please oppose HB1296 to save lives on every island in Hawaii. Mahalo for this opportunity to testify!!

HB-1296

Submitted on: 3/1/2021 11:39:50 AM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Loren Lindborg	Individual	Oppose	No

Comments:

- 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 is critical to saving lives and healthcare costs.
- 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.

HB-1296

Submitted on: 3/1/2021 11:59:31 AM

Testimony for FIN on 3/2/2021 1:00:00 PM

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

Comments:

Aloha, my name is Shani Gacayan and greatly OPPOSE this bill that will affect ALL of our community as it will take a way funds needed to help our people get healthier by having access to services to quit their tobacco use. These funds will also affect access for teens, youth and young adults in getting the health services and education they need to quit their vaping use. Again I STRONGLY OPPOSE this bill, it will have detrimental effects on all of our communities as it will cut off funds that's used for our people to quit the number preventable cause of death which is tobacco use. Mahalo for your time.

HB-1296

Submitted on: 3/1/2021 12:02:40 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jennifer Valera	Individual	Oppose	No

Comments:

I Jennifer Valera oppose raiding the Tobacco Trust Fund!

As a health care professional, this fund is clearly providing a much needed service to assist our residents from life long illness and poor health outcomes for them and their families-and this fund needs to stay in tack. Providing our communtiy the education and resources to quit using tobacco saves money for our state in the long run. The hospitals, and the rest of our medical professionals already have enough to deal with during this covid pandemic, please do not take this away from our healthcare professionals.

HB-1296

Submitted on: 3/1/2021 12:05:21 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Rae Ward	Individual	Oppose	No

Comments:

Dear Members of the Committee, House Bill No. 1296 would repeal the Tobacco Enforcement Special Fund, the Hawaii Tobacco Settlement Special Fund, and the Hawaii Tobacco Prevention and Control Trust Fund and transfer all balances to the General Fund on 7/1/21. I work for a Federally-Qualified Health Center (FQHC) and we provide desperately needed medical and behavioral health 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 special funds in this bill provide critically important resources for a vast array of public health programs, including tobacco cessation and youth vaping prevention programs. Many FQHCs, including the one I work for, provide these kinds of programs through the support of the Trust Fund. Elimination of these dedicated funds will seriously undermine sustainability of these programs. Please oppose HB1296. Kindly, Rae Ward

HB-1296

Submitted on: 3/1/2021 12:08:06 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Leilani Bronson-Crelly	Individual	Oppose	No

Comments:

Please OPPOSE this bill for lack of clarity on affordable housing impact.

HB-1296

Submitted on: 3/1/2021 12:13:11 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Sharllo Ginelsa	Individual	Oppose	No

Comments:

I Sharllo Ginelsa strongly oppose this bill because it will take away tobacco cessation services for our people in our community.

HB-1296

Submitted on: 3/1/2021 12:19:40 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Tammie cypriano	Individual	Oppose	No

Comments:

I, Tammie Cypriano STRONGLY OPPOSE THIS BILL because it will take away very much needed tobacco services for our community. Our keiki need to have the resources to make informed decisions on the harmful effects of tobacco use/vaping.

HB-1296

Submitted on: 3/1/2021 12:24:35 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Desha Ann	Individual	Oppose	No

Comments:

I Desha Ann Hegerfeldt strongly oppose this bill because tobacco sedation services are needed for our community and the people we serve.

HB-1296

Submitted on: 3/1/2021 12:28:55 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Chante Cardoso	Individual	Oppose	No

Comments:

I, Chante Cardoso, strongly oppose this bill because tobacco cessation services is very important in our community for our keiki to our kupuna.

HB-1296

Submitted on: 3/1/2021 12:32:35 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Alexis McDougall	Individual	Oppose	No

Comments:

I strongly oppose this bill because the availability of Tobacco Cessation services is necessary to get our community healthy.

HB-1296

Submitted on: 3/1/2021 12:32:57 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Mayjell Cabrerros	Individual	Oppose	No

Comments:

I Cy Cabrerros strongly oppose this bill. Because we need tobacco cessation services in our community and our island.

LATE

HB-1296

Submitted on: 3/1/2021 1:07:45 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Alysa Lavoie	Individual	Oppose	No

Comments:

Oppose.

We need to increase resources for nicotine use disorder presentation and treatment and not cut/divert the limited funding we presently have. Nicotine use disorder is an epidemic and needs to be approached aggressively.

Money that is diverted now, is going to be paid tenfold in the future.

HB-1296

Submitted on: 3/1/2021 1:11:57 PM

Testimony for FIN on 3/2/2021 1:00:00 PM



Submitted By	Organization	Testifier Position	Present at Hearing
Serenity Chambers	Individual	Oppose	No

Comments:

Aloha,

I strongly oppose HB1296. I am very concerned about the impact this bill would have on our ongoing efforts to combat the most highly preventable disease, tobacco/nicotine addiction. I've had many friends and loved ones suffer the consequences of this disease. I am also highly concerned about the high and increasing number of young people who are vaping and who don't understand the consequences of this action. Keeping the tobacco funds where they are will enable our communities to combat this vital issue as we are still in the early stages of this anti-vaping campaign and need those funds to keep flowing! Please please help us continue to fight this war against tobacco and nicotine as efficiently as we can by opposing this dangerous bill!

Mahalo nui loa for your time and kokua,

Serenity Chambers

HB-1296

Submitted on: 3/1/2021 1:24:50 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Present at Hearing
Kaikea K. Blakemore	Individual	Oppose	No

Comments:

Hawai'i has one of the most regressive tax systems in the nation. Please tax the wealthy appropriately so our state and county systems are not continuously forced to pit education, healthcare, environmental and social service budgets against one another. A better world is possible. The poorest and most historically underfunded departments in our community should not be stripped while our state continues to allow a regressive tax system to remain unchanged. Tax those who can afford it and please stop removing funds from programs important to the health of our communities. Our communities deserve more, not less, in essential program funding especially during crisis. Any initiative that removes funding to social programs without addressing regressive tax systems in Hawai'i is doing a disservice to all of our citizens.

HB-1296

Submitted on: 3/1/2021 3:25:19 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Cyd L. Hoffeld	Individual	Oppose	No

Comments:

Aloha Representatives Luke, Cullen, and Committee Members,

I am in **strong opposition to HB 1296**, which repeals the Hawaii Tobacco Prevention and Control Trust Fund and transfers the balances to the general fund.

While working in the field of health education for over 20 years, I have had the privilege of working in many schools and after-school programs with thousands of youth, and in substance abuse treatment programs on Hawai'i Island. For almost ten years, the tobacco industry has been targeting our youth with fruit and candy- flavored vaping products which are hooking our children on nicotine.

Currently, the Hawai'i Tobacco Prevention and Control Trust Fund has been able to provide much needed funds to many medical clinics and community partner tobacco prevention, cessation and treatment programs. This financial resource allows tobacco cessation and treatment program staff to work with adults and youth in prevention, cessation counseling, and nicotine replacement therapy. These are services that would not exist without strong and consistent funding.

The trust funds have not only helped individuals quit smoking for their own health but also for the health and wellbeing of those around them during this pandemic. Keeping Tobacco Prevention and Control funds intact and where it needs to be used in the enforcement of existing policies, prevention and treatment, and cancer research will not only continue to assist adults in their quit journey but will also help our vulnerable youth in preventing the onset of smoking and vaping. And for those youth who become addicted to fruit and candy-flavored vaping products, the continuation of funding for tobacco cessation and treatment programs will help them as adults to make their quit attempts earlier and more successful so they can escape lifelong nicotine addicts. It will keep the enforcement dollars focused on the tobacco industry where it belongs and not on the victims of Big Tobacco's creation and advertising of enticing and addictive nicotine products.

We need to keep tobacco money from being taken away from its primary purpose. The use of tobacco products and nicotine addiction not only steals lives from the users and their families, it steals health from others through second & thirdhand smoke. It steals trust from youth and adult relationships. It steals time and money away from businesses

for “breaks” during a productive work day. It steals money from the pockets of individuals and families living in poverty. It steals precious medical resources because of the illnesses it causes and makes worse. It steals the lives of fathers, mothers, children, relatives, and friends through cancer. It steals from society. Keeping funds intact helps stop the “steal” by supporting many essential resources.

The Hawaii Tobacco Prevention and Control Trust Funds create programs, maintain services, collect empirical data, builds organizational capacity, provide counseling and treatment, facilitate networking, and strengthen community partnerships to help youth and adults keep Hawai'i residents healthier today and into our future.

Please stand with me to **strongly oppose HB 1296**.

Mahalo nui,

Cyd L. Hoffeld

Health Promotions Manager & Health Educator

HB-1296

Submitted on: 3/1/2021 4:26:20 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jeff Stevens	Individual	Support	No

Comments:

I like this bill, it would really help out the state budget.

HB-1296

Submitted on: 3/1/2021 5:00:12 PM

Testimony for FIN on 3/2/2021 1:00:00 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. Please transfer all the money to the general fund permanently.

HB-1296

Submitted on: 3/1/2021 5:59:42 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Alan Watanabe	Individual	Support	No

Comments:

Good bill, please pass it.

HB-1296

Submitted on: 3/1/2021 6:06:43 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Sean Higa	Individual	Support	No

Comments:

HB1296 is A+++++ with me.

HB-1296

Submitted on: 3/1/2021 11:54:46 PM

Testimony for FIN on 3/2/2021 1:00:00 PM

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

Comments:

Please do not repeal the Tobacco Prevention and Control Trust Fund!

As a practicing physician, I've seen the important progress that the Trust Fund has produced and supported. Over 20 years of careful strategy and working closely with our own communities, the Trust Fund has built vital relationships and processes that are supported by evidence and the commitment of Hawaii's people. Together, we have reduced the toll of tobacco- and nicotine-related diseases, saving lives and millions of healthcare dollars for the State of Hawaii.

As a practicing physician, I also know that this progress is fragile. The power of addiction, and the cunning of the tobacco industry, demand that we maintain the resources of the Tobacco Prevention and Control Trust Fund for the purpose for which it was established. Our community relies on so many of the resources made possible by the fund, including the Tobacco Quitline, messaging to our youth (who are particular targets for the tobacco industry).

Please vote NO on HB1296.

HB-1296

Submitted on: 3/2/2021 12:06:00 AM

Testimony for FIN on 3/2/2021 1:00:00 PM

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

Comments:

Please vote NO on HB1296 and preserve the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund for the important purposes that they were established. These funds were instrumental in reducing smoking rates and the costs of tobacco-related disease in Hawai'i, but they are still needed because of renewed and aggressive targeting of our youth and vulnerable populations by the tobacco/nicotine/vaping industry.

Please preserve these vital funds. Sweeping them will lead to much greater health care and economic costs long after COVID-19 is brought under control.

March 02, 2021

Aloha! My name is Rojelle Bohol and I am writing to oppose HB 1296.

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. 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 huge because many lives were saved during this time. Although cigarette rates have decreased, more needs to be done.

The Trust Fund should be kept because it can be used to 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. 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.

Prevention work and services are still 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 health and increase health care costs. Preventative measures should be considered first, rather than wait for a high number of people diagnosed with negative health outcomes related to smoking and tobacco use. This will keep people healthier for 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. Please consider opposing HB 1296.

Thank you for your time.

Mahalo,
Rojelle Bohol
Kaimuki, HI

HB-1296

Submitted on: 3/2/2021 7:27:23 AM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jill Tamashiro	Individual	Oppose	No

Comments:

Dear Chair Luke and Members of the Committee,

Thank you for your service to our community and for stepping up to make some of the most difficult decisions facing us today. The allocation of resources to uphold the health of Hawaii's people is a tremendous responsibility and I thank you for your courageous leadership. I **respectfully oppose** H.B. 1296 and implore the Committee to preserve the contents and structure of the Tobacco Prevention and Control Trust Fund (TPCTF). It is a critical component of public health in our state.

The TPCTF has been a powerful, yet invisible driver behind our low tobacco use rates. The faithful stewardship of the TPCTF by the Hawaii Community Foundation (HCF) has benefitted our community through the funding and administration of the Hawaii Tobacco Quitline, a population-focused cessation service that provides critical quit smoking supports without barriers to those who may not be able to afford it otherwise. The HCF has also thoughtfully guides community-based, in-person cessation service providers through a request for proposal (RFP) process that ensures cessation counselors focus on communities at greatest risk for tobacco use. All these operations occur behind the scenes and is not plain to see, yet so important to the successful functioning of tobacco control in our state.

The HCF is arguably the most important ally in our fight to address tobacco-related health disparities. Over the years, the Hawaii legislature has demonstrated national leadership by enacting policies that have driven our state's adult tobacco use prevalence to an all-time low. However, those who identify as Native Hawaiian, lesbian, gay, bisexual or transgender, those who are of low socioeconomic status, and those who cope with behavioral health conditions have not benefitted from these population-based strategies. Innovative, culturally- responsive services are needed to reach those who are from these communities. The HCF has demonstrated that they are dedicated to building programs comprised of cessation treatment providers who are for and from theses communities. It is rare to find a funder who believes and encourages communities to come up with their own solutions. The HCF plays a foundational role in our continued fight against the disparities that persist. They are critical entity for social justice reasons.

Tobacco use remains the leading cause of preventable death and disease in our country and Hawaii is no exception. Nicotine addiction is also associated with other forms of addiction which jeopardizes the health and safety of our community at large, especially in light of the heightened vulnerability of our state to mental health challenges during the continued global pandemic.

Thank you for this opportunity to testify and I respectfully urge the Committee to preserve the TPCTF.

Sincerely,

Jill Tamashiro

HB-1296

Submitted on: 3/2/2021 7:57:52 AM

Testimony for FIN on 3/2/2021 1:00:00 PM

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

Comments:

It is imperative to maintain the tobacco prevention and control trust fund. Although tobacco use has decreased over the years, vaping has taken its place and vaping by youth in Hawaii is an epidemic! The culprit in tobacco is nicotine, the same culprit in vaping. The monies are needed to fight the "new use of nicotine" - vaping. Please vote to maintain this fund to help stop the assault on our youth by the vaping industry. Our youth deserve better. Please keep this fund to fight vaping in Hawaii. Thank you.

HB-1296

Submitted on: 3/2/2021 9:19:52 AM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Joseph Spurrier	Individual	Oppose	No

Comments:

I strongly oppose! Tobacco kills more people yearly than anyother drug/substance minus alcohol, what a cost it could have if you were to take money from programs who literally fight to save lives in helping our youth and young people, our future leaders stop using tobacco...

HB-1296

Submitted on: 3/2/2021 10:05:16 AM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Delanie Prescott-Tate	Dept of the Attorney General	Comments	No

Comments:

I am available for comments if Richard Stacey is unavailable.

HB-1296

Submitted on: 3/2/2021 10:29:04 AM

Testimony for FIN on 3/2/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
thomas wills	Individual	Oppose	No

Comments:

I am opposed to repealing tobacco controls. The pandemic has increased smoking rates across the board and this will be reflected in lung cancer rates increasing. E-cigarette use has also increased; as shown by research in Hawaii and elsewhere, the consequence will be increased rates of asthma and chronic obstructive pulmonary disease (COPD).

There is never a good time to repeal tobacco control efforts until smoking is entirely eliminated. For years, Hawaii has been a leader in tobacco control efforts and this has led to dramatic decreases in smoking rates. But smoking and adults and adolescents still continues. Therefor ending tobacco control efforts is extremely unwise and will be bad for public health in Hawaii.