

STAND. COM. REP. NO. 1173

Honolulu, Hawaii

MAR 25 2021

RE: H.B. No. 598
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committees on Health and Commerce and Consumer Protection, to which was referred H.B. No. 598, H.D. 2, entitled:

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

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish the offense of unlawful shipment of tobacco products;
- (2) Increase the license fee for persons or entities engaged as a wholesaler or dealer of cigarettes and tobacco products;
- (3) Increase the retail tobacco permit fee for retailers engaged in the retail sale of cigarettes and tobacco products;
- (4) Fund health education and prevention programs concerning the risks and dangers of the use of electronic smoking devices for youth; and
- (5) Repeal various statutory provisions relating to electronic smoking devices.



Your Committees received testimony in support of this measure from the Hawaii State Teachers Association, Hawaii Dental Association, Hawaii Medical Association, Hawai'i Primary Care Association, Hawaii Substance Abuse Coalition, Keiki Injury Prevention Coalition, and one individual. Your Committees received testimony in opposition to this measure from American Cancer Society Cancer Action Network; American Vaping Association; Cigar Association of America, Inc.; Irie Hawaii; Hawaii Smokes Alliance; Volcano Vape Shops; and thirty individuals. Your Committees received comments on this measure from the Department of the Attorney General, Department of Budget and Finance, Department of Health, Department of Taxation, American Heart Association, American Lung Association in Hawaii, Hawai'i Public Health Institute, Tax Foundation of Hawaii, Hawaii COPD Coalition, Hawaii Petroleum Marketers Association, AlohaCare, Hawaii Food Industry Association, and four individuals.

Your Committees find that tobacco use continues to be a problem in Hawaii, causing approximately one thousand four hundred deaths per year among adults. Your Committees also find that e-cigarette use has increased considerably in recent years and that e-cigarette use among youth and young adults is also strongly associated with the use of other tobacco products, including combustible tobacco products. This measure prohibits online sales of tobacco products and raises monies to fund youth tobacco prevention and education programs.

Your Committees recognize the testimony of the Department of Health which voiced concerns that the measure as currently drafted does not contain a clear vehicle to impose a tax on electronic smoking devices. Therefore, your Committees have amended this measure by:

- (1) Including electronic smoking devices in the definition of "tobacco products"; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 598, H.D. 2, as amended herein, and




recommend that it pass Second Reading in the form attached hereto as H.B. No. 598, H.D. 2, S.D. 1, and be referred to your Committees on Ways and Means and Judiciary.

Respectfully submitted on behalf of the members of the Committees on Health and Commerce and Consumer Protection,



ROSALYN H. BAKER, Chair

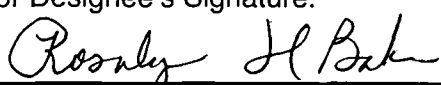


JARRETT KEOHOKALOLE, Chair



The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Health
HTH

Bill / Resolution No.:*	Committee Referral:	Date:		
HB998 HD2	HTH/CPN, WAM/JDC	3-19-2021		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KEOHOKALOLE, Jarrett (C)	✓			
BAKER, Rosalyn (VC)	✓			
MORIWAKI, Sharon Y.	✓			
SAN BUENAVENTURA, Joy A.		✓		
FEVELLA, Kurt	✓			
TOTAL	4	1	-	-
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

*Only one measure per Record of Votes

The Senate
 Thirty-First Legislature
 State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:*	Committee Referral:	Date:
HB 598 HD2	HTH/CPN, WAM/JDC	03.19.2021


The Committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312 Pass, with amendments 2311 Hold 2310 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
CHANG, Stanley (VC)	/			
MISALUCHA, Bennette E.	/			
NISHIHARA, Clarence K.	/			
RIVIERE, Gil	/			
SAN BUENAVENTURA, Joy A.		/		
FEVELLA, Kurt	/			
TOTAL	6	1	—	—

Recommendation: Adopted Not Adopted

Chair's or Designee's Signature:


Distribution: Original Yellow Pink Goldenrod
 File with Committee Report Clerk's Office Drafting Agency Committee File Copy

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