
A BILL FOR AN ACT

RELATING TO TOBACCO PRODUCTS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that Act 62, Session Laws
2 of Hawaii 2023 (Act 62), provides, among other things,
3 additional layers of protection against the rapid growth of the
4 use of electronic smoking devices, including financial
5 disincentives to purchase these products, for consumers in the
6 State, especially for youth and young adults. However, Act 62
7 also establishes the offense of unlawful shipment of tobacco
8 products, including large cigars, which has created unintended
9 consequences for many consumers in the State.

10 The purpose of this Act is to repeal certain provisions
11 established under Act 62 to allow for the shipment of tobacco
12 products to consumers in the State.

13 SECTION 2. Section 245-16.5, Hawaii Revised Statutes, is
14 repealed.

15 ~~["§245-16.5 Unlawful shipment of tobacco products;~~
16 ~~penalty; liability for unpaid taxes. (a) A person or entity~~



1 ~~commits the offense of unlawful shipment of tobacco products if~~
2 ~~the person or entity:~~

3 ~~(1) Is engaged in the business of selling tobacco~~
4 ~~products; and~~

5 ~~(2) Knowingly ships or causes to be shipped any tobacco~~
6 ~~products to a person or entity in this State that is~~
7 ~~not a licensee under this chapter.~~

8 ~~(b) This section shall not apply to the shipment of~~
9 ~~tobacco products if any of the following conditions are met:~~

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

12 ~~(2) All applicable state taxes on the tobacco products are~~
13 ~~paid in accordance with the requirements of this~~
14 ~~chapter.~~

15 ~~(c) Unlawful shipment of tobacco products shall be:~~

16 ~~(1) A misdemeanor if the person or entity knowingly ships~~
17 ~~or causes to be shipped tobacco products having a~~
18 ~~value of less than \$10,000, in violation of subsection~~
19 ~~(a); and~~

20 ~~(2) A class C felony if the person or entity knowingly~~
21 ~~ships or causes to be shipped tobacco products having~~



1 a value of \$10,000 or more, in violation of subsection

2 (a).

3 (d) Notwithstanding the existence of other remedies at
4 law, any person or entity that purchases, uses, controls, or
5 possesses any tobacco products for which the applicable taxes
6 imposed under title 14 have not been paid shall be liable for
7 the applicable taxes, plus any penalty and interest as provided
8 for by law.

9 (e) For purposes of this section:

10 (1) A person or entity is a licensee if the person's or
11 entity's name appears on a list of authorized
12 licensees published by the department; and

13 (2) "Value" means the retail fair market value at the time
14 of the offense."]

15 SECTION 3. Statutory material to be repealed is bracketed
16 and stricken.

17 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY: James S. Kay

JAN 19 2024



H.B. NO. 1962

Report Title:

Tobacco Products; Unlawful Shipping; Repealed

Description:

Repeals provisions relating to the unlawful shipping of tobacco products.

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