

STAND. COM. REP. NO. 471-24

Honolulu, Hawaii
, 2024

FEB 15

RE: H.B. No. 1778
H.D. 2

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Judiciary & Hawaiian Affairs, to which was referred H.B. No. 1778, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Beginning July 1, 2026, amend existing law regarding preemption of local ordinances and regulations regulating the sale of cigarettes, tobacco products, and electronic smoking devices as a matter of statewide concern to clarify that the State's preemption power extends solely to the taxation of cigarettes, tobacco products, and electronic smoking devices and allows counties to adopt ordinances and regulations that regulate the sale of cigarettes, tobacco products, and electronic smoking devices that do not conflict with and are more stringent than the state law that governs smoking; and
- (2) Prohibit the counties from enacting an ordinance or regulation that imposes a fee or tax on the sale of cigarettes, tobacco products, or electronic smoking devices.

2024-1532 HB1778 HD2 HSCR HMSO



Your Committee received testimony in support of this measure from the Department of Health; two members of the Hawaii County Council; Hawai'i Public Health Institute; Campaign for Tobacco-Free Kids; Hawai'i State Teachers Association; American Lung Association; Coalition for a Tobacco-Free Hawai'i's Youth Council; Hawai'i Primary Care Association; Hawai'i Public Health Association; Hawaii Substance Abuse Coalition; Hawai'i State Association of Counties; Kaiser Permanente; The Friends of Kamalani & Lydgate Park; American Heart Association; Hawaii Dental Association; Papa Ola Lokahi; Hawai'i Children's Action Network Speaks!; Hawai'i Health & Harm Reduction Center; AlohaCare; and numerous individuals. Your Committee received testimony in opposition to this measure from the Hawaii Energy Marketers Association; Cigar Association of America, Inc.; Team Hustle Vape Spot; Retail Merchants of Hawaii; and three individuals. Your Committee received comments on this measure from the Department of the Attorney General; Taxpayers Protection Alliance; and American Cancer Society Cancer Action Network.

Your Committee finds that given the geographic disparities in tobacco usage across the State, the counties are uniquely positioned to develop innovative, community-based solutions to quickly address the health needs of their communities. Your Committee further finds that although the counties are best situated to develop solutions to address smoking or the sale of cigarettes, tobacco products, and electronic smoking devices in their communities, the taxation of these products should remain a matter of statewide concern. This measure is intended to clarify the authority of the counties to enact local regulations for the sale of cigarettes, tobacco products, and electronic smoking devices.

Your Committee has amended this measure by:

- (1) Clarifying that the counties possess the authority to regulate smoking as well as the sale of cigarettes, tobacco products, and electronic smoking devices; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of



H.B. No. 1778, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 1778, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary &
Hawaiian Affairs,



DAVID A. TARNAS, Chair



