STAND. COM. REP. NO. 1337

Honolulu, Hawaii

March 21

, 2007

RE: S.B. No. 139

S.D. 1 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Sir:

Your Committee on Health, to which was referred S.B. No. 139, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CIGARETTE TAX,"

begs leave to report as follows:

The purpose of this bill is to ensure proper distribution of taxes collected from the sale of cigarettes by:

- (1) Clarifying that the cigarette tax collected pursuant to section 245-15, Hawaii Revised Statutes, will be assessed on a per cigarette basis; and
- (2) Ensuring that the cigarette taxes collected are earmarked for designated special funds through the year 2011 and beyond.

The Department of Health, University of Hawaii, Hawaii Primary Care Association, Healthcare Association of Hawaii, Queen's Medical Center, Hawaii Pacific Health, Coalition for a Tobacco Free Hawaii, and a concerned individual supported this bill. The Tax Foundation of Hawaii submitted comments. Your Committee has amended this bill by:

- (1) Ensuring that any interest earned or accrued by the moneys collected from the cigarette tax and placed in the Hawaii Cancer Research Special Fund will remain in the fund for use by the Cancer Research Center of Hawaii; and
- (2) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 139, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 139, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Health,

JOSHVA B. GREEN, M.D., Chair

State of Hawaii House of Representatives The Twenty-fourth Legislature



Record of Votes of the Committee on Health

Bill/Resolution No.: 4B 139 5D 1	Date:	3-16	-07	
Committee Referral: HLT, FIN	The committee is reconsidering its previous decision on the measure.			
The recommendation is to: Pass, unamended Pass, with amendments				
☐ Hold	 Pass, with amendments, for recommittal for further consideration 			
HLT Members	Ayes	Ayes (WR)	Nays	Excused
1. GREEN, Josh, M.D. (C)				
2. MIZUNO, John (VC)				
3. BELATTI, Della Au				
4. BERTRAM, Joe, III		-		
5. CABANILLA, Rida T.R.				
6. RHOADS, Karl				
7. SHIMABUKURO, Maile S. L.				
8. TAKAI, K. Mark				1
9. TOKIOKA, James Kunane				V
10. AWANA, Karen Leinani				i i
11. WARD, Gene, Ph.D.				
TOTAL	7			4
The recommendation is: Adopted Not Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Clerk's Office				