STAND. COM. REP. NO. 321

Honolulu, Hawaii

Fey 13, 2007

RE: H.B. No. 225

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 H.B. No. 225 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, Department of Taxation, Honolulu Emergency Services Department, University of Hawaii System, Hawaii Primary Care Association, Coalition for a Tobacco Free Hawaii, American Heart Association of Hawaii, American Cancer Society, Queen's Medical Center, and Hawaii Pacific Health supported this bill. The Tax Foundation of Hawaii submitted comments on this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date of subsequent increases in the cigarette tax to begin after September 30, instead of September 29 of each respective year; 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 H.B. No. 225, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 225, H.D. 1, and be referred to the Committee on Finance.

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

JOSHUA 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.: HB 225	Date:	2-06	-07		
Committee Referral: HLT, FIN		☐ The committee is reconsidering its previous decision on the measure.			
The recommendation is to:  Pass, unamended	<b>≭</b> Pa	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)	V				
3. BELATTI, Della Au	V	Siv.			
4. BERTRAM, Joe, III	V				
5. CABANILLA, Rida T.R.	<u> </u>				
6. RHOADS, Karl					
7. SHIMABUKURO, Maile S. L.					
8. TAKAI, K. Mark	V				
9. TOKIOKA, James Kunane	V	1 to 4 to Apple			
10. AWANA, Karen Leinani	V		<del></del>		
11. WARD, Gene, Ph.D.	V				
TOTAL	9		-	2	
The recommendation is:  Adopted  Not Adopted  If joint referral,  cor	nmittee acronym	did not suppo	rt recommendation	1.	
Vice Chair's or designee's signature:					
Distribution: Original (White) Committee	Duplicate (Yello	ow) – Clerk's Office			