

DWIGHT TAKAMINE INTERIM DIRECTOR

AUDREY HIDANO DEPUTY DIRECTOR

## STATE OF HAWAII DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

830 PUNCHBOWL STREET, ROOM 321 HONOLULU, HAWAII 96813 www.hawaii.gov/labor Phone: (808) 586-8842 / Fax: (808) 586-9099 Email: dlir.director@hawaii.gov

February 2, 2011

The Honorable Henry Aquino, Chair Committee on Public Safety and Military Affairs House of Representatives State Capitol, Room 419 Honolulu, Hawaii 96813

Dear Chair Aquino:

Subject: H.B. 605 Relating to Public Safety

I am Kenneth G. Silva, Chair of the State Fire Council (SFC) and Fire Chief of the Honolulu Fire Department (HFD). The SFC and the HFD support H.B. 605, with the following recommended amendments:

Delete SECTION 2 (b) and (c) and replace them with the following:

- "(b) Monies in the reduced ignition propensity cigarette program special fund shall be administered and expended by the state fire council to defray the actual cost of activities and requirements of section 132C-4 by employing one full-time administrator and one full-time assistant whose duties include:
  - Adopting administrative rules for program implementation, establishing compliance inspections, and approving forms and enforcement procedures and guidelines;
  - (2) Receiving, verifying, and approving certifications for approximately 600 different brands and styles of cigarettes from the manufacturers;
  - (3) Compiling a list of the approved brands, verifying tax stamp compliance with the department of the attorney general, and posting the list on a state website;
  - (4) Reviewing and approving, as needed, any alternative test methods or fire standard compliance markings submitted by the manufacturer; and
  - (5) Submitting compliance tests to an accredited laboratory to verify that performance standards have been met, if needed."

The Honorable Henry Aquino, Chair Page 2 February 2, 2011

Delete SECTIONS 3, 4, 5, and 6 and replace them with the following:

SECTION 3. Section 132C-4, Hawaii Revised Statutes, is amended to read as follows:

- "(a) Each manufacturer shall submit to the state fire council written certification attesting that each cigarette has been tested in accordance with and has met the performance standard required under section 132C-3. The description of each cigarette listed in the certification shall include:
  - (1) Brand or trade name on the package;
  - (2) Style, such as light or ultra light;
  - (3) Length in millimeters;
  - (4) Circumference in millimeters;
  - (5) Flavor, such as menthol, if applicable;
  - (6) Filter or nonfilter;
  - (7) Package description, such as a soft pack or box;
  - (8) Approved mark pursuant to subsection (b);
  - (9) Name, address, and telephone number of the laboratory, if different than the manufacturer that conducted the test; and
  - (10) Date testing occurred.

Each cigarette certified under this subsection shall be recertified every three years. For each cigarette listed in a certification, the manufacturer shall pay to the state fire council a \$375 fee. The state fire council is authorized to adjust this fee annually to ensure it defrays the actual costs of the administration and staffing requirements and processing, testing, enforcement, inspection, and oversight activities required by this chapter.

Certifications shall be made available to the attorney general for purposes consistent with this chapter."

Since September 30, 2009, approximately \$375,000 has been collected as a regulatory fee for the SFC. These fees are renewable by the cigarette manufacturers every three years. The monies from the special fund will be used to hire two full-time personnel to effectively administer the program's responsibilities. The purpose of the program is to reduce the number of fires caused by cigarettes in our state.

The SFC and the HFD urge your committee's support on the passage of H.B. 605 with the recommended amendments.

Should you have any questions, please call SFC Administrator Socrates Bratakos at 723-7151.

Sincerely,

KENNETH G. SILVA

Chair

# TESTIMONY BY KALBERT K. YOUNG INTERIM DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE STATE OF HAWAII TO THE HOUSE COMMITTEE ON PUBLIC SAFETY & MILITARY AFFAIRS ON HOUSE BILL NO. 605

February 3, 2011

#### RELATING TO PUBLIC SAFETY

House Bill No. 605 creates a Reduced Ignition Propensity Cigarette Program special fund to be administered by the State Fire Council, administratively attached to the Department of Labor and Industrial Relations. The special fund will receive moneys from manufacturer certification fees and interest earned or accrued to be used to fund the operations of the State Fire Council.

As a matter of general policy, the Department of Budget and Finance does not support the creation of any special fund or revolving fund that does not meet the requirements of Sections 37-52.3 and 37-52.4, Hawaii Revised Statutes. Special and revolving funds should: 1) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries of the program; 2) provide an appropriate means of financing for the program or activity; and 3) demonstrate the capacity to be financially self-sustaining. In regards to House Bill No. 605, it is difficult to determine whether the Ignition Propensity Cigarette Program special fund would be financially self-sustaining.

ALAN M. ARAKAWA Mayor



JEFFREY A. MURRAY CHIEF

ROBERT M. SHIMADA DEPUTY CHIEF

## COUNTY OF MAUI DEPARTMENT OF FIRE & PUBLIC SAFETY

200 DAIRY ROAD
KAHULUI, HI 96732
(808) 270-7561
Fax (808) 270-7919
Email: fire.dept@maulcounty.gov

February 2, 2011

The Honorable Henry Aquino Committee on Public Safety and Military Affairs House of Representatives State Capitol, Room 419 Honolulu, Hawaii 96813

Dear Chair Aquino:

Subject: H.B. 605 Relating to Public Safety

I am Jeffrey A. Murray, Fire Chief of the County of Maui, Department of Fire & Public Safety (MFD) and a member of the State Fire Council (SFC). The MFD and the SFC support H.B. 2092, with the following recommended amendments:

Delete SECTION 2. (b) and (c) and replace as follows:

- (b) Moneys in the reduced ignition propensity cigarette program special fund shall be administered and expended by the state fire council to defray the actual cost of activities and requirements of section 132C-4 by employing one full-time administrator and one full-time assistant whose duties include:
  - (1) Adopting administrative rules for program implementation, establishing compliance inspections, and approving forms and enforcement procedures and guidelines;
  - (2) Receiving, verifying, and approving certifications for approximately six hundred different brands and styles of cigarettes from the manufacturers;
  - (3) Compiling a list of the approved brands, verifying tax stamp compliance with the department of the attorney general, and posting the list on a state website;
  - (4) Reviewing and approving, as needed, any alternative test methods or fire standard compliance markings submitted by the manufacturer; and
  - (5) Submitting compliance tests to an accredited lab to verify that performance standards have been met, if needed."

Delete all of SECTIONS 4, 5 and 6. and replace SECTION 4 as follows:

The Honorable Henry Aquino, Chair Page 2 February 2, 2011

SECTION 4. Section 132C-4, Hawaii Revised Statutes, is amended by amending its title and subsection (a) to read as follows:

"[[]§132C-4[]] Certification; marking[-]; administration. (a) Each manufacturer shall submit to the state fire council written certification attesting that each cigarette has been tested in accordance with, and has met the performance standard required under section 132C-3. The description of each cigarette listed in the certification shall include:

- (1) The brand or trade name on the package;
- (2) Style, such as light or ultra light;
- (3) Length in millimeters;
- (4) Circumference in millimeters;
- (5) Flavor, such as menthol, if applicable;
- (6) Filter or nonfilter;
- (7) Package description, such as a soft pack or box;
- (8) The mark approved pursuant to subsection (b);
- (9) The name, address, and telephone number of the laboratory, if different than the manufacturer that conducted the test; and
- (10) The date that the testing occurred.

Each cigarette certified under this subsection shall be recertified every three years. For each cigarette listed in a certification, a manufacturer shall pay to the state fire council a \$375 fee. The state fire council is authorized to annually adjust this fee to ensure it defrays the actual costs of the <u>administration and staffing requirements and</u> processing, testing, enforcement, inspection, and oversight activities required by this chapter.

The certifications shall be made available to the attorney general for purposes consistent with this chapter."

Since September 30, 2009, approximately \$375,000 has been collected as a regulatory fee for the SFC. These fees are renewable by the cigarette manufacturers every three years. The monies from the special fund will be used to hire two full-time personnel to effectively administer the program responsibilities. The purpose of the program is to reduce the number of fires caused by cigarettes in our state.

Should you have any questions, please call SFC Administrator Socrates Bratakos at 723-7151.

Sincerely,

Fire Chief

William P. Kenoi



Darryl J. Oliveira

Glen P. I. Honda
Deputy Fire Chief

## County of Hawai'i

25 Aupuni Street • Suite 2501 • Hilo, Hawai i 96720 (808) 932-2900 • Fax (808) 932-2928

February 1, 2011

TO

REPRESENTATIVE HENRY J. C. AQUINO, CHAIR, COMMITTEE ON

**PUBLIC SAFETY & MILITARY AFFAIRS** 

FROM

FIRE CHIEF DARRYL OLIVEIRA, HAWAII FIRE DEPARTMENT

SUBJECT:

HB 605 RELATING TO PUBLIC SAFETY

DATE/TIME OF HEARING: THURSDAY, FEBRUARY 3, 2011, 8:30 A.M.

I would like to submit this letter as written testimony in support of House Bill 605 which proposes the establishment of a "special fund" to support the State Fire Council's administration and management of the Reduced Ignition Propensity Cigarette Program.

The State Fire Council, which is comprised of the four County Fire Chiefs, is tasked with administration and management of the statewide Reduced Ignition Propensity Cigarette Program. This challenging endeavor is further magnified by the lack of dedicated support staff. As proposed in House Bill 605, those fees collected pursuant to the Reduced Ignition Propensity Cigarette Program would be deposited into a "special fund" to be used by the State Fire Council to hire and employ administrative staff to assist the Council in the carrying out of its duties and functions.

Therefore, I humbly request your consideration and support of House Bill 605.

Sincerely,

Fire Chief

DO:lk



#### Bernard P. Carvalho, Jr.

Mayor



Robert F. Westerman
Fire Chief

Gary K. Heu Managing Director John T. Blalock
Deputy Fire Chief

### KAUA'I FIRE DEPARTMENT County of Kaua'i, State of Hawai'i

3083 Akahi Street, Suite 101, Līhu'e, Hawai'i 96766 TEL (808) 241-4980 FAX (808) 241-6508

February 1, 2011

The Honorable Henry Aquino Committee on Public Safety and Military Affairs House of Representatives State Capitol, Room 419 Honolulu, Hawaii 96813

Dear Chair Aguino:

Subject: H.B. 605 Relating to Public Safety

I am Robert F. Westerman, Fire Chief of the Kauai Fire Department (KFD) and a member of the State Fire Council (SFC). The SFC and the KFD support H.B. 605, with the following recommended amendments:

Delete SECTION 2. (b) and (c) and replace as follows:

- (b) Moneys in the reduced ignition propensity cigarette program special fund shall be administered and expended by the state fire council to defray the actual cost of activities and requirements of section 132C-4 by employing one full-time administrator and one full-time assistant whose duties include:
  - (1) Adopting administrative rules for program implementation, establishing compliance inspections, and approving forms and enforcement procedures and quidelines;
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  - (4) Reviewing and approving, as needed, any alternative test methods or fire standard compliance markings submitted by the manufacturer; and
  - (5) Submitting compliance tests to an accredited lab to verify that performance standards have been met, if needed."

Delete all of SECTIONS 4, 5 and 6. and replace SECTION 4 as follows:

SECTION 4. Section 132C-4, Hawaii Revised Statutes, is amended by amending its title and subsection (a) to read as follows:

The Honorable Henry Aquino, Chair Page 2 February 1, 2011

"[[]§132C-4[]] Certification; marking[-]; administration. (a) Each manufacturer shall submit to the state fire council written certification attesting that each cigarette has been tested in accordance with, and has met the performance standard required under section 132C-3. The description of each cigarette listed in the certification shall include:

- (1) The brand or trade name on the package;
- (2) Style, such as light or ultra light;
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Since September 30, 2009, approximately \$375,000 has been collected as a regulatory fee for the SFC. These fees are renewable by the cigarette manufacturers every three years. The monies from the special fund will be used to hire two full-time personnel to effectively administer the program responsibilities. The purpose of the program is to reduce the number of fires caused by cigarettes in our state.

Please call me at (808) 241-4980 should you have any questions regarding this matter.

Sincerely,

Robert Westerman Fire Chief, County of Kaua'i

RFW/eld