STAND. COM. REP. NO. 233

Honolulu, Hawaii

FEB 1 7 2012

RE: S.B. No. 2422

S.D. 1

Honorable Shan S. Tsutsui President of the Senate Twenty-Sixth State Legislature Regular Session of 2012 State of Hawaii

Sir:

Your Committee on Health, to which was referred S.B. No. 2422 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to impose an excise tax on tobacco products, other than large cigars, in an effort to curtail tobacco use.

Your Committee received testimony in support of this measure from the Department of Health and the Coalition For A Tobacco-Free Hawaii. Your Committee received testimony in opposition to this measure from the Cigar Association of America, Inc., and three individuals. Your Committee received comments on this measure from the Tax Foundation of Hawaii and the American Heart Association.

Your Committee finds that tobacco use continues to be a pressing problem in Hawaii and the United States, causing over 400,000 deaths per year. Illness and death directly related to tobacco consumption costs Hawaii at least \$640,000,000 per year. Your Committee further finds that raising the price of tobacco products through state tax increases will prompt a reduction in tobacco use, especially among adolescents and young adults.

Your Committee has amended this measure by inserting an effective date of January 1, 2050, to allow for further discussion.

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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. 2422, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2422, S.D. 1, and be referred to the Committee on Ways and Means.

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

JOSH GREEN, M.D., Chair

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The Senate Twenty-Sixth Legislature State of Hawai'i

Record of Votes Committee on Health HTH

Bill / Resolution No.:*	Committee Referral:		Date:		
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The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
GREEN, M.D., Josh (C)		V			
NISHIHARA, Clarence K. (VC)		V			
BAKER, Rosalyn H.		/			
CHUN OAKLAND, Suzanne		V			
SHIMABUKURO, Maile		/			
WAKAI, Glenn		V			
SLOM, Sam					
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TOTAL		6	6	0	1
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature: Clarence whichere					
Distribution: Original File with Committee Re	Yellow Pink Goldenrod eport Clerk's Office Drafting Agency Committee File Copy				