STAND. COM. REP. NO. 52

Honolulu, Hawaii

FEB 2 8 2013

RE: S.B. No. 652 S.D. 2

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2013 State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 652, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- Restrict the placement of and advertisements for (1)cigarettes and tobacco products, with certain exceptions;
- Include electronic cigarettes under the definition of (2)"tobacco" and "tobacco products"; and
- Prohibit the sale of electronic cigarettes to minor and (3) the purchase of electronic cigarettes by minors.

Your Committee received testimony in support of this measure from the Coalition for a Tobacco-Free Hawai'i and thirty-five individuals. Your Committee received testimony in opposition to this measure from the Department of the Attorney General and three individuals. Your Committee received comments on this measure from the Department of Health and one individual.

Your Committee finds that smoking and tobacco use remain Hawaii's and the nation's leading cause of preventable morbidity and mortality. Tobacco companies spend millions of dollars each year in Hawaii on advertising, marketing, and promotions to



STAND. COM. REP. NO. 525 Page 2

attract "replacement smokers." Every year, approximately 1,500 Hawaii youth become new daily smokers.

Your Committee further finds that tobacco products are usually located on the counter at the point of sale in most convenience stores, where they are easily accessible. Research has shown that preventing the display of tobacco products leads to a decrease in the number of children and youth experimenting with and becoming addicted to tobacco products.

Your Committee has heard the concerns that there are potential constitutional issues associated with the advertising placement restrictions in this measure. Your Committee concludes that a task force should be convened to explore these issues and other concerns related to advertising and placement of cigarettes and other tobacco products. Therefore, amendments to this measure are necessary.

Accordingly, your Committee has amended this measure by:

- Removing language that would have restricted the placement of and advertisements for cigarettes and tobacco products, with certain exceptions;
- (2) Specifying that it shall be unlawful to sell or furnish tobacco in any shape or form, including chewing tobacco, snuff, and electronic cigarettes, to a minor under eighteen years of age;
- (3) Requiring the Department of Health to convene the Smoking Prevention Among Children and Youth Task Force to develop potential legislation that addresses concerns related to advertising and product placement promoting or encouraging the purchase or use of cigarettes or other tobacco products by children and youth;
- (4) Requiring the Smoking Prevention Among Children and Youth Task Force to report to the Legislature no later than twenty days prior to the convening of the Regular Session of 2014;
- (5) Amending the purpose section for clarity; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.



STAND. COM. REP. NO. **525**

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 652, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 652, S.D. 2.

2013-1576 SSCR SMA-1.doc

Respectfully submitted on behalf of the members of the Committee on Commerce and Consumer Protection,

ROSALYN HO BAKER, Chair

The Senate Twenty-Seventh Legislature State of Hawai'i

Record of Votes Committee on Commerce and Consumer Protection CPN

| Bill / Resolution No.:* | Committee Referral: | | Da | Date: | |
|--|---------------------------------------|-----|----------|--------------|---------|
| SB662, SDI | HTH, CPN | | 7 | 2/20/13 | |
| 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 |
| BAKER, Rosalyn H. (C) | | | | | |
| GALUTERIA, Brickwood (VC) | | V | | | |
| NISHIHARA, Clarence K. | | | | | V |
| SOLOMON, Malama | | | V | · · · | |
| TANIGUCHI, Brian T. | | | | | V |
| WAKAI, Glenn | | | | | |
| SLOM, Sam | | | | \checkmark | |
| · · · · · · · · · · · · · · · · · · · | | | | | |
| | | | | | |
| | · · · · · · · · · · · · · · · · · · · | | | | |
| | | | | | |
| | | | | <u> </u> | |
| | | | | | |
| | | | | | |
| | | | | | |
| · · · · · · · · · · · · · · · · · · · | | | | | |
| ······································ | | | | | |
| TOTAL | | 3 | 1 | 1 | 21 |
| Recommendation: Adopted Not Adopted | | | | | |
| Chair's or Designee's Signature: | | | | | |
| Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy | | | | | |

*Only <u>one</u> measure per Record of Votes