Honolulu, Hawaii

February 13 , 2018

RE: H.B. No. 1907 H.D. 2

Honorable Scott K. Saiki Speaker, House of Representatives Twenty-Ninth State Legislature Regular Session of 2018 State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1907, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

begs leave to report as follows:

The purpose of this measure is to prohibit mail order and internet-based cigarette and tobacco product sales that circumvent the State's regulatory and tax requirements by prohibiting the shipment of tobacco products including electronic cigarettes to any person in the State other than a licensed wholesaler or dealer.

The Department of Health, Hawai'i Pacific Health, Blue Zones Project, American Heart Association, American Cancer Society Cancer Action Network, Coalition for a Tobacco-Free Hawaii of the Hawai'i Public Health Institute, and two individuals testified in support of this measure. Retail Merchant of Hawaii, VOLCANO Fine Electric Cigarettes, Black Lava Vape, Smokeless Hawaii, Island Vapor, Tobaccos of Hawaii, Cigar Rights of America, and many individuals testified in opposition. The Department of the Attorney General, Department of Taxation, and Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Deleting the provision that makes it unlawful for a person to provide "substantial assistance";
- (2) Deleting an exception for persons or entities with a valid general excise license and a physical building or structure for the purpose of retail; and
- (3) Changing its effective date to July 1, 2050, to promote further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1907, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 1907, H.D. 2.

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

ROY M. TAKUMI, Chair

State of Hawaii
House of Representatives

House of Representatives

The Twenty-ninth Legislature

## **Record of Votes of the Committee on Consumer Protection & Commerce**

	ee Referral: Date: 2/7/18			
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to:  Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. TAKUMI, Roy M. (C)	✓			
2. ICHIYAMA, Linda (VC)	<b>√</b>			
3. AQUINO, Henry J.C.				<b>~</b>
4. ITO, Ken	<u>✓</u>			
4. 110, Kell	v Valgari Indonera			
5. JOHANSON, Aaron Ling				
6. LoPRESTI, Matthew S.	<b>√</b>			nge e 1111-35 deutstandammandemma eitanale ban
7. MIZUNO, John M.	<b>√</b>			1 1 may 1 1 2 Villa Adding againming of man in 1 3
8. SAY, Calvin K.Y.		Nesettana yenye wake 1977 kwa		<b>√</b>
9. TOKIOKA, James Kunane				9 1.61 <u>jewege</u> i
10. YAMANE, Ryan I.	<b>V</b>			
11. McDERMOTT, Bob	. po la me temporisa del de la città di			<u> </u>
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TOTAL (11)	9	O	0	3
The recommendation is: Adopted  Not Adopted				
Injoint referral, did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				