

# STATE OF HAWAII DEPARTMENT OF HEALTH

P. O. Box 3378 Honolulu, HI 96801-3378 doh.testimony@doh.hawaii.gov

# Testimony in SUPPORT of S.B. 2654, SD2 RELATING TO CHAPTER 245, HAWAII REVISED STATUTES

### REPRESENTATIVE JOHN M. MIZUNO, CHAIR HOUSE COMMITTEE ON HEALTH AND HUMAN SERVICES

Hearing Date: March 14, 2018 Room Number: Conference Room 329

- 1 **Fiscal Implications:** The Department of Health (DOH) defers to the Department of Taxation
- 2 (DOTAX) for fiscal implications of implementation and to the Department of the Attorney
- 3 General (AG) for fiscal implications for enforcement.
- 4 **Department Testimony:** The DOH supports Senate Bill 2654, Senate Draft 2 (S.B. 2654, SD2)
- 5 as a measure to protect the public's health. The bill makes unlawful the shipping of tobacco
- 6 products and prohibits the remote sale and distribution of cigarettes and tobacco products,
- 7 including electronic smoking devices (ESD), to consumers except for licensed wholesalers or
- 8 dealers. It provides for the inclusion of e-liquid in the definition of tobacco products, the
- 9 imposition of an excise tax, the requirement for licensing and permitting fees, and increase in
- 10 licensing and permitting fees. The DOH defers to DOTAX for implementation, and to the AG
- regarding the enforcement of the shipping regulations.
- Despite tremendous progress in reducing smoking, tobacco use is still the leading cause of preventable illness and death in the United States and in Hawaii.<sup>1</sup> It is crucial that the
- 14 progress made in reducing cigarette smoking among youth and young adults not be
- 15 compromised by the initiation of e-cigarettes. In 2017, 8.1% of high students were regular
- cigarette users, but when it came to e-cigarettes, an alarming 25% were regular users, and 42%

<sup>&</sup>lt;sup>1</sup> Centers for Disease Control and Prevention. *Best Practices for Comprehensive Tobacco Control Programs, 2014.* Atlanta: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2014

had tried them.<sup>2</sup> Several studies have shown that youth who use e-cigarettes are more likely to
 use regular cigarettes.<sup>3,4,5</sup>

The DOH supports the restriction of shipping tobacco products to anyone other than a licensed wholesaler/dealer, that is engaged in the business of selling tobacco products and is on the DOTAX authorized list. This will strengthen protections for youth and young adults.

Hawaii is among five states (including California, Oregon, New Jersey, and Maine) having the strongest age laws in the country that prohibit the sales of tobacco products to any person under the age of twenty-one years. Such legislation specifically addresses face-to-face transactions, and is meant to prevent youth access and initiation of tobacco use. However, the acceleration of online tobacco product sales has created a dangerous loophole, undermining efforts to protect public health, by providing an appealing option for underage smokers. In the current unregulated online market, youth easily, and often, circumvent the age verification process for purchasing tobacco. In some transactions age verification simply requires the consumer to acknowledge that a person is over the legal age to purchase by clicking the word, "agree," to advance the transaction.

The Internet Tobacco Vendors Study (ITV), supported by the National Cancer Institute and the United States Food and Drug Administration (USFDA) Center for Tobacco Products, has monitored the online tobacco industry for over fifteen years, to assess sales practices and public health impacts. In 2016, its study found that minors were successful in buying ESDs online 93% of the time despite age restrictions and another study found that ESDs were often shipped from internet vendors without instructions or health warnings. Due to the easy access for minors

<sup>&</sup>lt;sup>2</sup> Hawaii School Health Survey/ Youth Risk Behavior Survey (2017)

<sup>&</sup>lt;sup>3</sup> Watkins SL, Glantz, SA. Association of Noncigarette Tobacco Products Use With Future Cigarette Smoking Among Youth in the Population Assessment of Tobacco and Health (PATH) Study, 2013-2015. *JAMA Pediatrics*. Published online January 2, 2018.

<sup>&</sup>lt;sup>4</sup> Barrington-Trimis, JL, Urman, R, Berhane, K, Unger, JB, Cruz, TB, Pentz, MA, Samet, JM, Leventhal, AM, McConnell, R. E-Cigarettes and Future Cigarette Use. *Pediatrics*.2016-0379.

<sup>&</sup>lt;sup>5</sup> Wills, TA, Knight, R, Williams, RJ, Pagano, I, Sargent JD. Risk Factors for Exclusive E-Cigarette Use and Dual E-Cigarette Use and Tobacco Use in Adolescents. *Pediatrics*. 2014-0760.

through online marketing, researchers recommend more vigorous policies to prohibit sales to minors.<sup>6,7</sup>

Unregulated online access provides a way for the purchaser and tobacco industry to avoid federal and state taxes, resulting in loss of revenue and evasion of an important public health tool for prevention. Youth are price sensitive and online purchasing options are a less expensive method for acquiring tobacco products including ESDs. Hawaii has seen ESD use by youth and young adults increase at an alarming rate. ESDs are now the most commonly used tobacco product among youth in the nation, and in Hawaii. The electronic cigarette industry is growing rapidly, with retail and online sales of electronic smoking devices projected to reach \$10,000,000,000 in 2017. The pricing, marketing, and variety of youth-friendly flavors are contributing to the increased use of ESDs. 14

The DOH supports the proposed amendment in the measure to require wholesalers and retailers of e-liquids to obtain the applicable license or permit. Currently, all that is required of these vendors is a General Excise License. A statewide survey conducted by the University of Hawaii Cancer Center identified more than 100 e-cigarette establishments (vape shops) as separate from tobacco retail outlets. However, this cannot be considered an accurate assessment, since no specific database exists from the DOTAX regarding the number of vendors. Licensure and retail permitting would bring e-liquid vendors in alignment with the traditional tobacco

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

<sup>&</sup>lt;sup>6</sup> Williams RS, Derrick J, Ribisl KM. Electronic Cigarette Sales to Minors via the Internet. *JAMA Pediatrics*. 2015;169(3): e1563. doi:10.1001/jamapediatrics.2015.63.

<sup>&</sup>lt;sup>7</sup> Kong AY, Derrick JC, Abrantes AS, Williams RS. What is included with your online e-cigarette order? An analysis of e-cigarette shipping, product and packaging features. Tobacco Control. [Epub ahead of print] June 29, 2016. doi:10.1136/tobaccocontrol-2016-053061.

<sup>&</sup>lt;sup>8</sup> The National Association for Convenience and Fuel Retailing: http://wwww.nacsonline.com/Advocacy/Issues//Tobacco/Pages/RemoteSales of Tobacco.aspx

<sup>&</sup>lt;sup>9</sup> Hawaii State Department of Health, 2016-2020 Tobacco Use Prevention and Control in Hawaii, Five-Year Strategic Plan, p.25.

<sup>&</sup>lt;sup>10</sup> U.S. Centers for Disease Control and Prevention (CDC), "Tobacco Use Among Middle and High School Students — United States, 2011-2015," Morbidity and Mortality Weekly Report (MMWR) 65(14):361-367, April 14, 2016,

http://www.cdc.gov/mmwr/volumes/65/wr/pdfs/mm6514a1.pdf

<sup>&</sup>lt;sup>11</sup> Hawaii State Department of Health, *Youth Risk Behavior Survey (2015)* 

<sup>&</sup>lt;sup>12</sup> Herzog B, Gerberi J. *E-Cigs revolutionizing the tobacco industry, 2013.* http://www.smallcapfinancialwire.com/wp-content/uploads2013/11/E-Cigs-Rovolutionizing-the-Tobacco-Industry-Interactive-Model.pdf

<sup>&</sup>lt;sup>13</sup> Craver, R. (September 15, 2013). Analyst projection: *E-cigs will overtake traditional tobacco revenue at Reynolds in 2021. Winston-Salem Journal*. http://www.journalnow.com/business/business\_news/local/analyst-projection-e-cigs-will-overtake-traditional-tobacco-revenue-at/article\_948674ca-1ca9-11e3-a0ae-0019bb30f31a.html

<sup>14</sup> ibid

- retailers and would provide accurate data for compliance surveillance and working with the vendors to educate and enforce current tobacco laws.
  - The proposed increases in licensure and permitting fees are long overdue. They have remained unchanged since 1995, despite high tobacco taxes and ever-increasing tobacco industry expenditures in marketing and advertising. Tobacco licensing is an effective tool for limiting the negative public health consequences of tobacco use by ensuring that wholesalers and retailers comply with responsible sales practices. The proposed licensing would apply to those who sell e-liquids.
  - The DOH supports S.B. 2654, SD2 as a multifaceted public health measure to help prevent access to e-liquid and e-cigarettes among youth and young adults and to encourage users to quit.
- Thank you for the opportunity to testify.

3

4

5

6

7

8

9

10

11



#### ON THE FOLLOWING MEASURE:

S.B. NO. 2654, S.D. 2, RELATING TO CHAPTER 245, HAWAII REVISED STATUTES.

#### **BEFORE THE:**

HOUSE COMMITTEE ON HEALTH AND HUMAN SERVICES

**DATE:** Wednesday, March 14, 2018 **TIME:** 8:40 a.m.

**LOCATION:** State Capitol, Room 329

**TESTIFIER(S):** Russell A. Suzuki, Acting Attorney General, or

Janine R. Udui, Deputy Attorney General

Chair Mizuno and Members of the Committee:

The Department of the Attorney General (Department) appreciates the intent of this bill and submits the following proposed amendments.

The purposes of this bill are to: (1) prohibit the shipment of tobacco products to anyone other than a licensee; (2) prohibit the transport of tobacco products ordered through remote sale to anyone other than a licensee; (3) amend the definition of "tobacco products" to include "e-liquid"; (4) increase the license fees for wholesaler or dealers of cigarettes and tobacco products; and (5) increase the fees for retail tobacco permits.

The Department notes that S.B. No. 2654, S.D. 2, adds a new Hawaii Revised Statute (HRS) section to the bill in section 2, page 9, lines 1 through 21, and on page 10, lines 1 through 9, entitled "Unlawful transport of tobacco products ordered through remote sale; penalty," which may be redundant of the intent of provisions in the proposed HRS section set forth in section 2, page 6, lines 16 through 20, page 7, lines 1 through 20, and page 8, lines 1 through 20, entitled "Unlawful shipment of tobacco products; penalty; reports; liability for unpaid taxes." Accordingly, the Department recommends combining the two proposed HRS sections by incorporating the redundant provisions of the section prohibiting the unlawful transport of tobacco products ordered

Testimony of the Department of the Attorney General Twenty-Ninth Legislature, 2018 Page 2 of 2

through remote sale into the section relating to the unlawful shipment of tobacco products, and adding the remaining provisions as new subsections.

Accordingly, section 2, on page 9, lines 1 through 8, could be integrated into section 2, on page 6, lines 16 through 20, and page 7, lines 1 through 2 to read as follows:

§245- Unlawful shipment of tobacco products; penalty; reports; liability for unpaid taxes. (a) A person or entity commits the offense of unlawful shipment of tobacco products if the person or entity is engaged in the business of selling tobacco products and ships tobacco products or causes to be shipped, any tobacco products to be shipped ordered or purchased through a remote sale, to a person or entity in this State that is not:

. . . .

Similarly, redundant portions of the penalty section prohibiting the unlawful transport of tobacco products ordered through remote sale to anyone other than a licensee currently set forth in section 2, on page 9, lines 9 through 13, could be integrated into the existing provisions of S.B. No. 2654, S.D. 2, relating to the unlawful shipment of tobacco products by amending section 2, on page 8, lines 10 through 11, to be worded as follows:

(c) Any person <u>or entity</u> who knowingly <u>violates this section</u> engages in the unlawful shipment of tobacco products shall be guilty of a misdemeanor. <u>Each shipment that violates or fails to comply with this section shall be a separate and distinct violation.</u>

Should the recommended wording be incorporated as set forth above, section 2, page 9, lines 1 through 13, may be deleted entirely.

Moreover, subsection (c) on page 9, lines 14 through 18, may be added to section 2, on page 8, after line 20, and designated as new subsection (f).

Finally, the definitions of "internet sale" as set forth in subsection (d) on page 9, lines 20 through 21, and page 10, lines 1 through 2, and "mail order" and "remote sale" on page 10, lines 3 through 9, may be added to subsection (d) on page 8, lines 12 through 14, as additional definitions.

Thank you for the opportunity to provide testimony.

DAMIEN A. ELEFANTE DEPUTY DIRECTOR



# STATE OF HAWAII DEPARTMENT OF TAXATION

830 PUNCHBOWL STREET, ROOM 221 HONOLULU, HAWAII 96813

http://tax.hawaii.gov/ Phone: (808) 587-1540 / Fax: (808) 587-1560 Email: Tax.Directors.Office@hawaii.gov

To: The Honorable John M. Mizuno, Chair

and Members of the House Committee on Health & Human Services

Date: Wednesday, March 14, 2018

Time: 8:40 A.M.

Place: Conference Room 329, State Capitol

From: Linda Chu Takayama, Director

Department of Taxation

Re: S.B. 2654, S.D. 2, Relating to Chapter 245, Hawaii Revised Statutes

The Department of Taxation (Department) offers the following comments on S.B. 2654, S.D. 2 for the Committee's consideration.

S.B. 2654, S.D. 2, makes unlawful the transport of tobacco products ordered through remote sale to any address other than that of a tobacco wholesaler or dealer. S.B. 2654, S.D. 2, also expands the tax on tobacco products to include e-liquid used in electronic smoking devices. Under this bill, wholesalers and dealers of e-liquid would be subject to a tax of 70% of the wholesale price of the e-liquid, and wholesalers, dealers and retailers of e-liquid would be required to secure licenses and retail permits annually. S.B. 2654, S.D. 2, also increases the annual fee for a tobacco license from \$2.50 per year to \$250 per year, and the annual fee for a tobacco retail permit from \$20 per location to \$50 per location. The bill has a defective effective date of July 1, 2050.

The Department notes that it is able to administer the changes in this measure and defers to the Department of the Attorney General on Section 2 of this measure.

Thank you for the opportunity to provide comments.

# LEGISLATIVE TAX BILL SERVICE

# TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 304

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: TOBACCO, Prohibits shipment of tobacco products, adds electronic smoking

devices

BILL NUMBER: SB 2654, SD-2

INTRODUCED BY: Senate Committee on Ways & Means

EXECUTIVE SUMMARY: Prohibits shipment of tobacco products to anyone other than a licensee. Includes e-liquid within the definition of "tobacco products", as used in the cigarette tax and tobacco tax law, thereby making all provisions of the cigarette tax and tobacco tax law that relate to tobacco products applicable to e-liquid as well. Increases the license fee for wholesalers or dealers and the retail tobacco permit fee.

SYNOPSIS: Adds a new section to chapter 245, Hawaii Revised Statutes, to prohibit certain transport of tobacco products other than to a tobacco licensee, unless either (1) the tobacco products are exempt from tax, or (2) the packaging includes a notice to the effect that the State bans the sale of tobacco products to individuals under 21, and that the recipient is legally responsible for all applicable unpaid taxes on the shipped products. Unlawful shipment of tobacco products is a misdemeanor. Provides that any person or entity that purchases, uses, controls, or possesses any tobacco products for which the applicable tax has not been paid, shall be liable for the taxes, plus penalties and interest as provided for by law.

Adds a new definition to HRS section 245-1 of "e-liquid."

Amends the definition of "tobacco products" in HRS section 245 to include e-liquid.

Amends section 245-2, HRS, to raise the annual tobacco license fee from \$2.50 to \$250.00.

Amends section 245-2.5, HRS, to raise the annual retail tobacco permit fee from \$20 to \$50.

EFFECTIVE DATE: July 1, 2050.

STAFF COMMENTS: The question that should be asked is the purpose of the tobacco tax. If the goal is to make people stop smoking by making it cost-prohibitive to smoke, then (a) it's working, as hikes in the cigarette tax have begun to exert downward pressure on collections not only locally but also nationally, but (b) it shouldn't be expected to raise revenue, because of (a). If the goal is really to stop the behavior, why are we not banning it?

Digested 3/12/2018



life is why™

# American Heart Association testimony in support of SB 2056, SD2, "Relating to Health"

The American Heart Association strongly supports SB 2056, SD2, "Relating to Health." The proposed legislation will reduce the marketing of unhealthy beverages to children by making the default beverage included in kid's meals milk, water, or 100% fruit juice in serving sizes of 6 ounces or less.

Restaurants play a central role in the American diet as people increasingly consume more food away from home. The Rudd Center for Food Policy and Obesity reports that 89 percent of parents make a weekly purchase from a fast-food restaurant for their children. Children now consume about 20 percent of their daily calories at fast food establishments and full-service restaurants. Children and teens who eat at restaurants drink more sodas and less milk than those who eat at home.

Sugary drinks, including soda, energy and sports drinks, and flavored waters, provide the single largest source of calories in the diets of American children. Each additional daily serving of a sugar-sweetened beverage increases a child's chance of becoming obese by 60 percent. Sugary drinks are also associated with a greater risk of cardiovascular disease and high blood pressure in adolescents, dental cavities in children, and inadequate intake of vitamins and minerals.

An extra-small (ten-ounce, child-size) cola contains approximately 33 grams (over 8 teaspoons) of added sugars, which exceeds the 25 grams of added sugars that the American Heart Association (AHA) has established as the daily upper limit for children and teenagers. The AHA recommends that children consume no more than eight ounces of sugary drinks per week; kid-sized beverages vary across restaurants, but are usually six to twelve ounces.

In 2009, the state medical cost attributable to obesity was \$470 million dollars, and this figure continues to rise. As many as 1 in 3 adults could have diabetes by 2050 if current trends continue. Without changes in this trajectory, Hawaii's healthcare costs will be unsustainable for Hawaii's businesses and families. Removing sugary drinks from children's menus can send a signal that they are not appropriate everyday beverages for children and help to establish a healthier next generation. We urge you to support SB 2056, SD2 and help to lead our state in becoming healthier.

Respectfully submitted, Wersman

Donald B. Weisman

Hawaii Government Relations/Communications Director







Date: March 12, 2018

To: The Honorable John M. Mizuno, Chair

The Honorable Bertrand Kobayashi, Vice Chair

Members of the House Committee on Health & Human Services

From: Jessica Yamauchi, Executive Director, Hawai'i Public Health Institute

Re: STRONG SUPPORT for SB2654 SD2, Relating to Chapter 245, Hawaii Revised Statutes

Hrg: March 14, 2018 at 8:40 am at Capitol Room 329

Thank you for the opportunity to submit testimony in **STRONG SUPPORT** of SB 2654 SD2 which restricts the shipment of tobacco products to anyone other than a licensee, includes e-liquids in the definition of tobacco products, thereby establishing a tax on e-liquids and requires wholesalers and retailers to obtain a tobacco permit and license.

The Coalition for a Tobacco-Free Hawai'i (Coalition) is a program of the Hawai'i Public Health Institute (HIPHI) that is dedicated to reducing tobacco use through education, policy, and advocacy. With more than two decades of history in Hawai'i, the Coalition has led several campaigns on enacting smoke-free environments, including being the first state in the nation to prohibit the sale of tobacco and electronic smoking devices to purchasers under 21 years of age.

# 1. Electronic smoking devices and all of its components and parts, including e-liquid are tobacco products.

- As defined in Hawaii Revised Statues §328J-1: "Electronic smoking device" means any electronic
  product that can be used to aerosolize and deliver nicotine or other substances to the person
  inhaling from the device, including but not limited to an electronic cigarette, electronic cigar,
  electronic cigarillo, electronic pipe, hookah pipe, or hookah pen, and any cartridge or other
  component of the device or related product, whether or not sold separately.
- As defined federally by the FDA<sup>I</sup> in 2016: "FDA now regulates the manufacture, import, packaging, labeling, advertising, promotion, sale, and distribution of Electronic Nicotine Delivery Systems (ENDS), including components and parts of ENDS but excluding accessories. Examples of components and parts of ENDS include: E-liquids, A glass or plastic vial container of e-liquid, Cartridges, Atomizers, Certain batteries, Cartomizers and clearomizers, Digital display or lights to adjust settings, Tank systems, Drip tips, Flavorings for ENDS, and Programmable software."

# 2. A tax should be established on all e-liquids, whether or not they contain nicotine for public health concerns.

There is no public health reason to exempt nicotine-free e-liquids from any tax. In a 2015 study
 of more than 58 million e-cigarette units found that 99% of these contained nicotine, whether or

- not they were labeled as zero nicotine or nicotine-free. This is evidence that we cannot rely on self-reported information on nicotine content alone. Placing a tax on all e-liquids will also allow the Department of Taxation to administer the tax using the current systems without the burden of having to test whether or not e-liquids are in fact nicotine-free.
- Electronic smoking devices (ESDs) are the only tobacco product without a tobacco tax. In a pollii conducted by Ward Research Inc. for the Coalition in November 2018, 81% of registered Hawai'i voters were in support of taxing e-cigarettes at the same rate as cigarettes or other tobacco products. Because ESDs are not subject to current State tobacco tax laws, they are seen as lower-priced tobacco alternatives with virtually no restrictions that can be appealing to the youth.

# 3. ESD and vaping among youth in Hawaii are at an all-time high with up to 50.7% in Maui County and 42.3% statewide.

According to the 2017 Hawai'i Youth Risk Behavior Survey –

Tobacco and Vapor Product Use in Hawaii – High School and Middle School										
	State		Hav	waii	Honolulu Kauai		Maui			
	HS	MS	HS	MS	HS	MS	HS	MS	HS	MS
Ever tried using										
electronic vapor	42.3%	27%	49.6%	35.8%	39%	23.8%	45.3%	30.0%	50.7%	32.1%
products										
First tried using an										
electronic vapor	9.0%	N/A	10.7%	N/A	8.0%	N/A	11.2%	N/A	11.2%	N/A
product before age 13	9.0%	IN/A	10.770	IN/A	8.070	IN/A	11.2/0	IN/A	11.2/0	IN/A
years										
Used an electronic										
vapor product in the	25.5%	15.7%	34.1%	23.0%	22.0%	13.4%	31.3%	18.5%	32.3%	18.3%
past 30 days										

- Because they remain unregulated, e-cigarette companies have aggressively marketed their products by glamorizing their use, using celebrities and young adults as endorsers, and making false health claims.
- A 2016 report by the Surgeon General concluded that e-cigarettes are dangerous and a health threat to youth and young adults<sup>iv</sup>.

#### 4. Hawai'i has one of the lowest tobacco license and retailer fees in the nation.

• The license fee for wholesalers and dealers is only \$2.50 a year, while retail tobacco permit fees cost only \$20 a year. Nationally, license fees in 38 states range from \$200 to \$1500. Permit fees in 32 states range from \$20 to \$1,000. The Coalition supports increasing the wholesaler and dealer license fee to \$250.00 and the retail tobacco permit fee to \$50.00. In comparison with other fees, the annual wholesale liquor license for the City and County of Honolulu is \$2,640.

### 5. ESD are currently not required to obtain a tobacco permit or license in order to sell these products.

 Currently, there is no database that tracks who is selling ESDs in the state, making it difficult for state agencies to educate merchants and enforce our Tobacco 21 law, which includes prohibiting the sale of ESDs to anyone under the age of 21. Without permitting and licensing, store density and distribution of these products will only continue to grow.

### 6. This measure corrects the loophole in our minimum age selling and tax laws.

Online ESD sellers simply ask users to click a button to verify their age – a process that is both
ineffective and inadequate. This measure helps to correct this loophole by requiring that ESD
products be shipped to a registered and licensed seller allowing the State to enforce current
tobacco selling and taxation laws.

# 7. The Coalition further recommends that a portion of the revenue collected from ESD and e-liquid taxes be dedicated to tobacco prevention and quit programs.

• The same statewide poll found that 89% of registered Hawaii voters overwhelmingly agree that it is important for the State to earmark some of the revenue to programs aimed at preventing tobacco use among kids and to helping smokers quit. Currently no revenue from cigarette or OTP taxes is appropriated for tobacco prevention and cessation. When the price of tobacco increases, more people seek help to quit and we need to ensure programs are available and accessible by the public to help them quit.

The U.S. Surgeon General issued an immediate call to action for all local and state government to enact policies that address the harmful impact of e-cigarettes. Hawai'i has already made enormous progress on tobacco control and we ask the legislature to take the necessary steps to reduce the negative health impact made by e-cigarettes and other emerging tobacco products.

Thank you for the opportunity to testify. We strongly support SB2654 SD2 and respectfully ask you to pass this measure out of committee.

Mahalo,

Jessica Yamauchi, MA Executive Director, HIPHI

<sup>&</sup>lt;sup>i</sup> U.S. Food & Drug Administration, "Vapors, E-Cigarettes, and other Electronic Nicotine Delivery Systems (ENDS)." from https://www.fda.gov/TobaccoProducts/Labeling/ProductsIngredientsComponents/ucm456610.htm#regulation

Kristy L. Marynak, Doris G. Gammon, Todd Rogers, Ellen M. Coats, Tushar Singh, Brian A. King, "Sales of Nicotine-Containing Electronic Cigarette Products: United States, 2015", American Journal of Public Health 107, no. 5 (May 1, 2017): pp. 702-705. via <a href="http://ajph.aphapublications.org/doi/abs/10.2105/AJPH.2017.303660?url\_ver=Z39.88-2003&rfr\_id=ori%3Arid%3Acrossref.org&rfr\_dat=cr\_pub%3Dpubmed&">http://ajph.aphapublications.org/doi/abs/10.2105/AJPH.2017.303660?url\_ver=Z39.88-2003&rfr\_id=ori%3Arid%3Acrossref.org&rfr\_dat=cr\_pub%3Dpubmed&</a>

This study by Ward Research, Inc. summarizes findings from a phone survey among n=804 Hawaii registered voters (maximum sampling error +/-3.3%), conducted between October 24 and November 16, 2017.

<sup>&</sup>lt;sup>™</sup> U.S. Department of Health and Human Services. *E-Cigarette Use Among Youth and Young Adults, a Report from the Surgeon General* (2017). from <a href="https://e-cigarettes.surgeongeneral.gov/documents/2016\_SGR\_Exec\_Summ\_508.pdf">https://e-cigarettes.surgeongeneral.gov/documents/2016\_SGR\_Exec\_Summ\_508.pdf</a>

Strong Support of SB2654 SD2, Relating to Chapter 245, Hawaii Revised Statutes

The Honorable John Mizuno, Chair
The Honorable Bertrand Kobayashi, Vice Chair
Members of the House Committee on Health and Human Services

Hrg: March 14, 2018 at 8:40am at Capitol Room 329

I strongly support SB2654 SD2 which would regulate disposable electronic smoking devices (ESDs) and eliquids as tobacco products through taxation, online shipment restrictions, and licensing and permitting.

E-cigarette use or vaping among youth and young adults has become a national public health concern. E-cigarettes are now the most popularly used tobacco product among youth and young adults, surpassing cigarettes. While smoking rates in Hawai'i have decreased through the years, ESD use has rapidly increased, threatening significant public health gains made over the last decade. This is particularly concerning because e-cigarettes provide a new way to deliver the addictive drug nicotine. No matter how it is delivered, nicotine exposure can lead to addiction and harm the developing brain. Studies are also finding that ESDs can lead to smoking cigarettes for new users, including kids.

Without regulation, e-cigarette manufacturers will continue to aggressively market their products by using young adults and celebrities as endorsers, glamorizing its use, promoting deep discounts, and offering popular local e-liquid flavors such as Kona coffee, Maui mango, and pineapple.

Now that the FDA has deemed ESDs as tobacco products, I urge the legislature to regulate and tax disposable e-cigarettes and e-liquid the same way as other tobacco products. ESDs are the only tobacco product without a tobacco tax and increasing the price is a proven strategy that discourages access to these products. In addition, a portion of these revenues should be dedicated to tobacco prevention and quit programs.

This bill will also require a permitting and licensing which will allow the state to know who is selling ecigarettes in Hawai'i and work with these merchants to educate and enforce current tobacco laws.

I strongly support SB2654 SD2 and ask you to pass this out of committee.

- 1. Marilyn Gagen
- 2. Mark Levin
- 3. Barbara Nosaka
- 4. Kim Swartz
- 5. Jennifer Hausler
- 6. Lisa Kehl
- 7. Michelle Kwock
- 8. Shay Chan Hodges
- 9. Debbie
- Drummondo 10. Stephanie Moir

- 11. Tyler Ralston
- 12. Patricia Fleck
- 13. Christopher La
  - Chica
- 14. Curtis Palmer
- 15. Maria Moreno-
  - Chow
- 16. Kathleen Corpuz
- 17. Mealani Rahmer
- 18. Lorrie Santos
- 19. Elizabeth Tam
- 20. Ronald Kuriki

- 21. Michelle Gray
- 22. Mae Kyono
- 23. Helen Barrow
- 24. Normand Dufresne
- 25. Allie Hall
- 26. Maren Anka
- 27. Carol Ignacio
- 28. Pualei Kaohelaulii
- 29. Randall Kam
- 30. Ellie Kelley-Miyashiro
- 31. Michael Kellar
- 32. Dennis Barger
- 33. Stephen Harris
- 34. Cori Takesue
- 35. Tenaya Jackman
- 36. Kendra Medeiros
- 37. Jenna Lee
- 38. Alan Trinh
- 39. Diana M Shaw
- 40. Charity Kaiwi
- 41. Scott Stensrud
- 42. Keawe Kaholokula
- 43. Michele Last Name
- 44. Thessalonica Sandi
- 45. Crystal Ono
- 46. Deidra Donato
- 47. Joann Yukimura

### Testimony:

Date: February 21, 2018

To: Rep. John M. Mizuno, Chair

Rep. Bertrand Kobayashi, Vice Chair

Members of the House Committee on Health and Human Services

Re: Strong Support of SB2654, SD2 Relating to Chapter 245, Hawaii Revised Statutes

Hrg: March 14, 2018 at 8:40 AM at Capitol Conference Room 329

I <u>strongly support</u> SB2654-SD2, which would regulate e-liquids and electronic smoking devices (ESDs) as tobacco products through taxation, shipment, and licensing and permitting.

I support this bill <u>because of our findings from research with Hawaii adolescents and adults</u> conducted over the past 4 years. These studies have shown that e-cigarette use is quite prevalent among Hawaii middle and high school students; in recent years over 40% of high school students have used e-cigarettes. Even at younger ages, the prevalence among middle school students can be 15-20% of the school population.

In addition to showing that e-cigarette use is prevalent among Hawaii school students, our studies have shown that e-cigarette use is linked to several adverse outcomes. Notably, <u>using e-cigarettes is related to initiation of cigarette smoking among previous nonsmokers</u>, hence is contributing to adverse outcomes. Our findings from Hawaii have been reported in national and international scientific journals such as JAMA Pediatrics and have been confirmed in several different US sites as well as in Britain, Canada, Finland, and Mexico.

Our research has also shown that e-cigarette use is related to a higher likelihood of <a href="symptoms of respiratory disease">symptoms of respiratory disease</a> (asthma and COPD) among Hawaii adolescents and adults. This has recently been reported in the scientific journal Preventive Medicine; our findings on asthma have now been confirmed in two Hawaii studies and two mainland studies. Recent studies have also reported that e-cigarette use is related to higher likelihood of <a href="symptoms of cardiovascular disease">symptoms of cardiovascular disease</a> including chest pain and myocardial infarction (PLoS ONE 2017, Tingting Yao, first author and SRNT 2018, Talal Alzahrani, first author). Thus there is evidence that e-cigarette use may be linked to adverse health consequences as well as adverse behavioral consequences.

I must note that recent testimony to the Senate Committee on Commerce, Consumer Protection, and Health has made several assertions that are counter to scientific evidence. For example the testimony by Cory Smith of Volcano on February 7<sup>th</sup> maintains that e-cigarettes emit no smoke. This is counter to a number of laboratory studies showing that e-cigarette vapor contains high levels of ultrafine particles, the same toxic agent linked to disease risk from air pollution. This testimony also cites a sentence from a 2015 report by Public Health England claiming that e-cigarettes are "95% safer than cigarettes." This conclusion has been widely criticized because it was not based on scientific evidence but rather on the opinion of a few people, who admitted there was no scientific evidence for it. The assertion is counter to the recent conclusions of comprehensive reports by the US Surgeon General (published in 2016) and the US National

Academy of Sciences (published in 2018) as well as scientific reviews recently published in American Journal of Physiology: Lung, Cell, and Molecular Physiology (Lauren Chun, first author) and Current Allergy and Asthma Reports (Ilona Jaspers, corresponding author). Both papers summarize evidence from laboratory studies showing e-cigarette vapor linked to adverse pulmonary consequences at the cellular and immunological level. Also, a recent paper in Pediatrics (Mark Rubinstein, first author) reported that levels of several toxic volatile organic chemicals that are carcinogenic are elevated in the urine of adolescent e-cigarette users.

Mr. Smith misquotes the Public Health England report as saying that vapor products are shown to be 95% less toxic than cigarettes. In fact the 2018 update report has abandoned their original assertion and now simply states that saying this is "a good way to communicate" about the risk of e-cigarettes before going on to admit "this does not mean that e-cigarettes are safe" (p. 20). Another misleading assertion is that a large number of smokers are reducing their risk by completely substituting e-cigarettes for combustible cigarettes. In fact, papers in the February 2018 issue of American Journal of Preventive Medicine clearly show that use of e-cigarettes inhibits smoking cessation (Margarete Kulik, first author) and that the great majority of cigarette smokers do not switch to e-cigarettes but remain dual users (Gabriella Anic, first author), conclusions supported by a number of other studies documented in the 2018 issue of the Annual Review of Public Health (Stanton Glantz, first author). Finally, the testimony uses the faulty "cherry picking" logic often used to justify e-cigarettes by noting that CDC reports show youth use of tobacco products currently at a low level. This is true but the decline in US youth tobacco use began in 1998, 10 years before e-cigarettes were marketed in the US, and thus cannot logically be linked to e-cigarette use. Rather the decline has been linked to regulations that increase the price and decrease the availability of cigarettes.

We have observed that e-cigarettes are aggressively marketed to Hawaii youth in television, print media, radio, and point-of-sale advertising venues. Without regulation, e-cigarette manufacturers will continue to aggressively market their products by using young adults and celebrities as endorsers, glamorizing its use, promoting deep discounts, and offering popular local e-liquid flavors such as Kona coffee, Maui mango, and pineapple.

Because of the adverse consequences known to be related to e-cigarette use, I urge the legislature to regulate and tax e-cigarettes the same way as other tobacco products. ESDs are the only tobacco product without a tobacco tax and increasing the price is a proven strategy that discourages access to these products. In addition, a portion of these revenues should be dedicated to tobacco prevention and quit programs. This bill will also require a permitting and licensing which will allow the state to know who is selling e-cigarettes in Hawaii and work with these merchants to educate them and enforce current tobacco laws.

I strongly support SB2654, SD2 and ask you to pass this.

Yours sincerely,

Thomas A. Wills, Ph.D. Director, Cancer Prevention in the Pacific Program University of Hawaii Cancer Center Date: March 13, 2018



To: The Honorable John Mizuno, Chair

The Honorable Bertrand Kobayashi, Vice Chair

Members of the House Committee on Health and Human Services

Re: Strong Support of SB2654 SD2, Relating to Chapter 245, Hawaii Revised Statutes

Hrg: March 14, 2018 at 8:40am at Capitol Room 329

Thank you for the opportunity to submit testimony in SUPPORT of SB2654 SD2, which would regulate e-liquids and electronic smoking devices (ESDs) as tobacco products through taxation, shipment, and licensing and permitting.

The Student Health Advisory Council has played a pivotal role in the development and implementation of health policies and tobacco education on the UH System campuses. In 2015, the Student Health Advisory Council actively supported the passing of Legislative Act 122, which prohibits the sale of all tobacco products to anyone under the age of 21. We remain deeply committed to the mission of improving the public health environment and reducing the use of tobacco products, including electronic smoking devices, among the adolescent and young adult population.

This bill will also require permitting and licensing, which will allow the state to be aware of who is selling ESDs in Hawaii and work with these merchants to educate and enforce current tobacco laws. This regulation is necessary to enforce current laws, such as Legislative Act 122 and prevent anyone under the age of 21 of accessing ESDs.

In 2016 ESDs were included in the FDA deeming rule, but they are currently the only tobacco product without a tobacco tax. ESDs are heavily marketed to youth and increasing price is a proven strategy that discourages access to these products, especially among youth.

We strongly support and urge the passing of SB2654 SD2.

Mahalo on behalf of the Student Health Advisory Council,

Stormy Dodge and Raychelle Valiente



March 12, 2018

To: Rep. John M. Mizuno, Chair

Rep. Bertrand Kobayashi, Vice Chair

Rep. Della Au Belatti Rep. Andria P.L. Tupola Rep. Lei R. Learmont

Re: Strong Support for SB2654 SD2

Hrg: March 14, 2018 at 8:40am at Capitol Room 329

The Hawaii Public Health Association is a group of over 600 community members, public health professionals and organizations statewide dedicated to improving public health. HPHA also serves as a voice for public health professionals and as a repository for information about public health in the Pacific.

HPHA strongly supports SB2654 SD2 which would regulate disposable electronic smoking devices (ESDs) and e-liquids as tobacco products through taxation, shipment restrictions, and licensing and permitting.

E-cigarette use or vaping among youth and young adults has become a national public health concern. E-cigarettes are now the most popularly used tobacco product among youth and young adults, surpassing cigarettes. While smoking rates in Hawaii have decreased through the years, ESD use has rapidly increased, threatening significant public health gains made over the last decade. This is particularly concerning because e-cigarettes provide a new way to deliver the addictive drug nicotine. No matter how it is delivered, nicotine exposure can lead to addiction and harm the developing brain. Studies are also finding that ESDs can lead to smoking cigarettes for new users, including kids.

Without regulation, e-cigarette manufacturers will continue to aggressively market their products by using young adults and celebrities as endorsers, glamorizing its use, promoting deep discounts, and offering popular local e-liquid flavors such as Kona coffee, Maui mango, and pineapple.

Now that the FDA has deemed ESDs as tobacco products, I urge the legislature to regulate and tax disposable e-cigarettes and e-liquid the same way as other tobacco products. ESDs are the only tobacco product without a tobacco tax and increasing the price is a proven strategy that discourages access to these products. In addition, a portion of these revenues should be dedicated to tobacco prevention and quit programs.

This bill will also require a permitting and licensing which will allow the state to know who is selling ecigarettes in Hawai'i and work with these merchants to educate and enforce current tobacco laws.

Thank you for the opportunity to provide testimony on important health issues affecting people in Hawai'i.

Respectfully submitted,

Holly Kessler, Executive Director Hawai'i Public Health Association

# SB-2654-SD-2

Submitted on: 3/12/2018 5:21:05 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Submitted By Organization		Present at Hearing
Valerie Chang	Hawaii COPD Coalition	Support	No

#### Comments:

I strongly support SB2654 SD2 which would regulate disposable electronic smoking devices (ESDs) and e-liquids as tobacco products through taxation, online shipment restrictions, and licensing and permitting.

My name is Valerie Chang. I am Executive Director of the Hawaii COPD Coalition. Our organization provides services and support to Hawaii's people affected by Chronic Obstructive Pulmonary Disease, more commonly known as emphysema and chronic bronchitis. COPD is now the third leading cause of death in the US and second leading cause of disability. Over 46,015 people in Hawaii have already been diagnosed with COPD and it is estimated that at least 46,015 more people may suffer from COPD but remain undiagnosed. Many of these COPD patients were seduced by tobacco when they were very young and unable to quit the addiction for decades, causing irreparable harm. There are over \$55.9 million in COPD hospital charges in Hawaii each year.

E-cigarette use or vaping among youth and young adults has become a national public health concern. E-cigarettes are now the most popularly used tobacco product among youth and young adults, surpassing cigarettes. While smoking rates in Hawai'i have decreased through the years, ESD use has rapidly increased, threatening significant public health gains made over the last decade. This is particularly concerning because e-cigarettes provide a new way to deliver the addictive drug nicotine. No matter how it is delivered, nicotine exposure can lead to addiction and harm the developing brain. Studies are also finding that ESDs can lead to smoking cigarettes for new users, including kids.

Without regulation, e-cigarette manufacturers will continue to aggressively market their products by using young adults and celebrities as endorsers, glamorizing its use, promoting deep discounts, and offering popular local e-liquid flavors such as Kona coffee, Maui mango, and pineapple.

Now that the FDA has deemed ESDs as tobacco products, I urge the legislature to regulate and tax disposable e-cigarettes and e-liquid the same way as other tobacco products. ESDs are the only tobacco product without a tobacco tax and increasing the price is a proven strategy that discourages access to these products. In addition, a portion of these revenues should be dedicated to tobacco prevention and quit programs.

This bill will also require a permitting and licensing which will allow the state to know who is selling e-cigarettes in Hawai'i and work with these merchants to educate and enforce current tobacco laws.

I strongly support SB2654 SD2 and ask you to pass this out of committee.

Date: March 12, 2018

To: The Honorable John Mizuno, Chair

The Honorable Bertrand Kobayashi, Vice Chair

Members of the House Committee on Health and Human Services

Re: **SUPPORT for SB2654 SD2**, Relating to Chapter 245, Hawai'i Revised

Statutes

Hrg: March 14, 2018 at 8:40am at Capitol Room 329

Respected Members of the House Committee on Health and Human Services,

I am writing in strong **SUPPORT of SB2654 SD2** that would regulate disposable electronic smoking devices (ESDs) and e-liquids as tobacco products through taxation, shipment restrictions, and licensing and permitting.

Use of ESDs among youth and young adults has become a national public health concern. ESDs are now the most popularly used tobacco product among youth and young adults, surpassing cigarettes. While cigarette smoking rates in Hawai'i have decreased through the years, ESD vaping has rapidly increased, threatening significant public health gains made over the last decade. This is particularly concerning because ESDs provide a new way to deliver the addictive drug nicotine.

No matter how it is delivered, nicotine exposure can lead to addiction and harm the developing brain. Studies are also finding that ESDs can lead to smoking cigarettes for new users, including kids.

In addition, research in humans now clearly demonstrates that inhaling the aerosol (vapor) from ESDs causes damage to the respiratory and cardiovascular systems *even when e-liquids contain no nicotine*.

Without regulation, ESD manufacturers will continue to aggressively market their products by using young adults and celebrities as endorsers, glamorizing their use, promoting deep discounts, and offering popular local e-liquid flavors such as Kona coffee, Maui mango, and pineapple.

Now that the FDA has deemed ESDs as tobacco products, I urge the legislature to regulate and tax disposable ESDs and e-liquid the same way as other tobacco products. ESDs are the only tobacco product without a tobacco tax and increasing the price is a proven strategy to reduce use. In addition, a portion of these revenues should be dedicated to tobacco prevention and quit programs.

This legislation will also require permitting and licensing allowing the state to know who is selling e-cigarettes in Hawai'i and work with these merchants to educate and enforce current tobacco laws.

I strongly **support SB2654 SD2** and respectfully ask you to pass this bill out of committee.

Many thanks for your consideration,

Forrest Batz, PharmD Keaau, HI

# SB-2654-SD-2

Submitted on: 3/12/2018 12:32:01 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing	
C. Azelski	Individual	Support	No	

### Comments:

<u>SB2654 SD2</u> would regulate ESDs by applying a tax on disposable ESDs and e-liquids and by requiring retailers and wholesalers to be permitted and licensed. ESDs were deemed as tobacco products by the FDA in 2016, but they remain unregulated in Hawai'i and are the only tobacco product without a tobacco tax in the state. This bill would also limit online sales to licensed sellers. I support this measure.

## kobayashi2 - Kevin

From:

Jack Schweigert < jackschweigert@hotmail.com>

Sent:

Tuesday, March 13, 2018 2:44 PM

To:

hhstestimony

**Subject:** 

SB2407 SD1 - Support

House Committee on Health and Human Services HEARING DATE: 14 March 2018, 8:40AM

Dear Chair Mizuno, Vice Chair Kobayashi, Committee Members:

I support the addition of "opioid use and substance use disorders, or withdrawal symptoms resulting from the treatment of these conditions" to the list of conditions that can be treated with medical cannabis. Hawai'i needs to be creative and compassionate in dealing with the opioid epidemic. This bill signals to both health care professional and patients that there are other options to treat pain than prescription opioids and that the symptoms of any addiction might be tempered by medical cannabis.

Mahalo for the opportunity to testify.

Aloha, Jack

\_\_\_\_\_

The Law Office of Jack Schweigert 550 Halekauwila Street, Room 309

Honolulu, HI 96813

Telephone: (808) 533-7491 Facsimile: (808) 533-7490

Website: www.jackschweigert.com

Confidentiality Notice: This e-mail message, including any attachments, is for the sole use of the intended recipient(s) and may contain confidential and/or privileged information. Any review, use, disclosure, or distribution by unintended recipients is prohibited. If you are not the intended recipient, please contact the sender by reply e-mail and destroy all copies of the original message.

× ==

Virus-free. www avast com

## kobayashi2 - Kevin

From:

Dave Kisor <panther\_dave@yahoo.com>

Sent:

Tuesday, March 13, 2018 2:24 PM

To:

hhstestimony

Subject:

SB2407 SD1 - Support

Aloha House Committee on Health and Human Services

HEARING DATE: 14 March 2018, 8:40AM Dear Chair Mizuno, Vice Chair Kobayashi, Committee Members: I support the addition of "opioid use and substance use disorders, or withdrawal symptoms resulting from the treatment of these conditions" to the list of conditions that can be treated with medical cannabis. Hawai'i needs to be creative and compassionate in dealing with the opioid epidemic. This bill signals to both health care professional and patients that there are other options to treat pain than prescription opioids and that the symptoms of any addiction might be tempered by medical cannabis. Mahalo for the opportunity to testify. I have yet to try the oils. I use Curaphen for a pain killer, as it doesn't work on the same region of the brain as opiods and it works rather well. The pharmaceutical corporations would rather we not use anything they do not produce.

Had I been in any level of command during the Afghan debacle, I would have had the poppy fields napalmed.

### Aloha.

Dave Kisor, 40% disabled Veteran USN/USNR, Geographer, retired USFS fire research technician

Cats & computers. Bring them into your home and your life is no longer your own.

Don't get upset when things don't work, but rather be amazed when they do!

# SB-2654-SD-2

Submitted on: 3/13/2018 4:25:10 AM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Submitted By Organization		Present at Hearing
Melodie Aduja	OCC Legislative Priorities Committee, Democratic Party of Hawai'i	Support	No

Comments:

PRESENTATION OF

THE
COMMITTEE ON LEGISLATIVE
PRIORITIES
HAWAII

**OAHU COUNTY** 

**DEMOCRATIC PARTY OF** 

THE COMMITTEE ON HEALTH & HUMAN SERVICES

THE HOUSE OF REPRESENTATIVES

TWENTY-NINTH LEGISLATURE

**REGULAR SESSION OF 2018** 

Wednesday, March 14, 2018

8:40 a.m.

Hawaii State Capitol, Conference Room 329

RE: **Testimony in Support** of **SB2654 SD2**, RELATING TO CHAPTER 245, HAWAII REVISED STATUTES

To the Honorable John M. Mizuno, Chair; the Honorable Bertrand Kobayashi, Vice-Chair and the Members of the Committee on Health & Human Services:

Good morning, my name is Melodie Aduja. I serve as Chair of the Oahu County Legislative Priorities Committee of the Democratic Party of Hawaii. Thank you for the opportunity to provide written testimony on **SB2654 SD2**, relating to the Unlawful Shipment and Transport of Tobacco Products; Electronic Smoking Devices; E-liquid; Tax; Permit; and License.

The OCC Legislative Priorities Committee is in favor of **SB2654 SD2** and support its passage.

**SB2654 SD2** is in accord with the Platform of the Democratic Party of Hawai'i ("DPH"), 2016, as it makes it unlawful the shipment of tobacco products, and transport of tobacco products ordered or purchased through a remote sale, to anyone other than a licensee. Includes e-liquid within the definition of "tobacco products", as used in the cigarette tax and tobacco tax law, thereby making all provisions of the cigarette tax and tobacco tax law that relate to tobacco products applicable to e-liquid as well; and increases the license fee for wholesalers or dealers and the retail tobacco permit fee.

Specifically, the DPH Platform provides that "[w]e support the development of long-term care financing solutions, better pay and working conditions for all health care providers, parity of mental and physical health coverage, and appropriate regulation of health care delivery systems. We also support the development of empirically validated prevention programs targeted at major public health issues." (Platform of the DPH, P. 7, Lines 361-369, (2016)).

We support community health initiatives that provide opportunities for the overall health of communities through strategic projects and programs focusing on increased interaction and physical activities among all age groups, as well as on better nutrition. (Platform of the DPH, P. 7, Lines 378-380, (2016)).

Given that **SB2654 SD2** makes it unlawful the shipment of tobacco products, and transport of tobacco products ordered or purchased through a remote sale, to anyone other than a licensee. Includes e-liquid within the definition of "tobacco products", as used in the cigarette tax and tobacco tax law, thereby making all provisions of the cigarette tax and tobacco tax law that relate to tobacco products applicable to e-liquid as well; and increases the license fee for wholesalers or dealers and the retail tobacco permit fee, it is the position of the OCC Legislative Committee to support this measure.

Thank you very much for your kind consideration.
Sincerely yours,
/s/ Melodie Aduja
Melodie Aduja, Chair, OCC Legislative Priorities Committee
Email: legislativepriorities@gmail.com, Text/Tel.: (808) 258-8889



March 14, 2018

#### RE: SUPPORT SB 2654 SD2 Relating to Chapter 245 Hawaii Revised Statutes

Dear Chair Mizuno, & Members of the Committee on Health & Human Services:

At Blue Zones Project we are working to make Hawaii a happier, healthier place to live, work and play. We support SB2654 SD2, which will help to achieve better health for many of our residents, especially our youth. In Hawaii alone, smoking causes 1,400 adult deaths every year, costing \$256 million. Limiting the use of tobacco would be the most effective way to prevent a number of chronic disease and other harmful health consequences.

Although Hawaii and California have the strictest laws in the nation that prohibit the sale of tobacco to individuals under the age of 21, our children are still able to easily purchase cigarettes and other tobacco products via the Internet. This legislation will close that loophole by only allowing the shipment of cigarettes and OTPs to licensed retailers, where a person would then be able to pick up the product ordered online.

Hawaii continues to see a steep rise in the use of electronic smoking devices especially among youth. One in four Hawaii youth have used ESDs, higher than the national average. The unregulated industry of online sales allows yet another avenue for youth to easily obtain these products. There is very little regulation of these online purchases to ensure that the customer is 21 years old in accordance with our state law. The unregulated ESD industry continues to aggressively target children through a variety of online campaigns offering deep discounts and candy flavored tobacco products.

This bill addresses the definition of "e-liquid" creating consistency through the HRS, making it clear to both the public and retailers that e-liquid is a tobacco product. SB2654 SD2 will enable e-liquids to be taxed at the same rate of cigarettes; nicotine in either form poses serious health risks. This tax will help to address the growing population of youth who utilize e-liquids because of lower costs.

Beyond taxing, this bill requires the permitting and licensing for the sale of e-cigarettes. Currently this industry is unregulated enabling the sale in places that are traditionally high traffic for youth and placed in prominent, visible places. Through regulation there can be a targeted effort to provide education to retailers around our current tobacco laws.

We are grateful to the Committee for hearing SB2654 SD2and hope that you will strongly consider passing this bill to support the decrease of illegal access and sales of tobacco products. Mahalo for your support in creating a better, healthier Hawaii.

With aloha,

Geggy Mierzwa

Peggy Mierzwa Statewide Policy Lead Blue Zones Project—Hawaii

Brought to Hawaii by



An Independent Licensee of the Blue Cross and Blue Shield Association



Wednesday, March 14<sup>th</sup>, 2018 at 8:40am Conference Room 329

## **House Committee on Health & Human Services**

To: Representative John M. Mizuno, Chair

Representative Bertrand Kobayashi, Vice Chair

From: Bryan Mih, MD, MPH, FAAP

Medical Director, Kapi'olani Smokefree Families

Board Certified. Pediatrics

Certified Tobacco Treatment Specialist

Executive Board Member, American Academy of Pediatrics' Section on Tobacco

Control

Re: Testimony in Support of SB 2654 SD 2, Relating to Chapter 245, Hawai'i

**Revised Statutes** 

My name is Dr. Bryan Mih and I am Medical Director of Kapi'olani Smokefree Families. the smoking cessation program at Kapi'olani Medical Center for Women & Children. Kapi'olani Medical Center for Women & Children is Hawai'i's only maternity, newborn and pediatric specialty hospital. It is well recognized as Hawaii's leader in the care of women, infants and children. With 243 beds, the not-for-profit hospital delivers more than 6,000 babies a year, and is also a medical teaching and research facility. Specialty services for patients throughout Hawai'i and the Pacific region include intensive care for infants and children, 24-hour emergency pediatric and adult care, critical care air transport and high-risk perinatal care. Over 1,600 employees and more than 650 physicians provide specialty care at Kapi'olani. The hospital is home to the Kapi'olani Women's Center and the Women's Cancer Center, and offers numerous community programs and services, such as specialty pediatric clinics and the Sex Abuse Treatment Center. Kapi'olani is an affiliate of Hawai'i Pacific Health, one of the state's largest health care providers and a not-for-profit health care system with over 70 locations statewide including medical centers, clinics, physicians and other caregivers serving Hawai'i and the Pacific Region with high quality, compassionate care. In addition to Kapi'olani, Hawai'i Pacific Health includes Pali Momi Medical Center, Straub Medical Center and Wilcox Medical Center.

I write in strong support of SB 2654 SD 2 which makes unlawful the shipment of tobacco products to anyone other than a licensee; includes e-liquid within the definition of "tobacco products," as used in the cigarette tax and tobacco tax law, thereby making all provisions

of the cigarette tax and tobacco tax law that relate to tobacco products applicable to eliquid as well; and increases the license fee for wholesalers or dealers and the retail tobacco permit fee.

This measure will help to ensure that any consumer who wishes to purchase tobacco products must first present valid identification to verify that they are of appropriate age. Electronic smoking devices (ESDs) have surpassed cigarettes in popularity amongst teens. Ordering ESDs and associated products online is one easy way for underage consumers to circumvent our State's age-based regulation of tobacco. Prohibiting the remote sale and shipment of cigarettes, tobacco products, and ESDs, will improve the enforceability of our Tobacco age laws and ultimately help fewer teens to form dependence on tobacco and electronic smoking products.

There is currently no State tobacco tax attached to e-liquid. Tobacco products other than cigarettes are currently taxed at a lower rate than cigarettes, even though their use carries similar health risks. Increasing taxes on tobacco products and tightening up the prevention of access to e-cigarettes by youth are effective ways to reduce electronic smoking device use among youth and young adults.

Thank you for your consideration of this testimony in support of SB 2654 SD 2.

# SB-2654-SD-2

Submitted on: 3/12/2018 9:21:41 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
PHC HNL	Pioneering Healthier Communities of Honolulu	Support	No

#### Comments:

The Pioneering Healthier Communities Initiative brings together local, diverse leaders to discuss and support strategies, policies and programs that we can accomplish together to build healthier communities in our island home. The members of PHC are involved in helping children and families to become healthier through schools, afterschool programs, healthcare and more.

E-cigarette use, especially among today's youth, has skyrocketed. Drive by any local Hawaii middle or high school before or after school and you will witness the large number of youth using these devices. But e-cigarettes are far from healthy. They contain chemicals, such as nicotine and diacetyl, that are known to have serious health consequences.

E-cigarette manufacturers are aggressively marketing their products to kids, teens, and young adults. Products are glamorized through the use of celebrities, discounts, and flavorings such as cotton candy, and Maui mango.

Legislation to increase tobacco product price points are a proven strategy to decrease use and adverse health impacts. We urge the legislature to the same to regulate and tax disposable e-cigarette and e-liquid. We feel it's important that a portion of the revenue generated by such a tax should be dedicated to tobacco prevention and quit programs.

This bill will also require a permitting and licensing which will allow the state to know who is selling e-cigarettes in Hawai'i and work with these merchants to educate and enforce current tobacco laws.

We strongly support SB2654 SD2 and ask you to pass this out of committee.

Thank you very much for allowing us to testify:

May Okihiro

Michael Broderick

Daniel Leung

Tina Tamai

Diane Tabangay

Jennifer Dang

Paula Adams

Stacy Evensen

Barbra Pleadwell

Ray L'Heureux

Michael Libertini



<u>SB-2654-SD-2</u> Submitted on: 3/13/2018 4:43:08 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Wilson Datario	Individual	Support	No

Comments:



Strong Support of SB2654 SD2, Relating to Chapter 245, Hawaii Revised Statutes

To the House Committee on Health and Human Services,

The Honorable John Mizuno, Chair The Honorable Bertrand Kobayashi, Vice Chair Members of the House Committee on Health and Human Services

Hrg: March 14, 2018 at 8:40am at Capitol Room 329

As a member of the Breathe Aloha Club at the UH Manoa, we are committed to promoting healthy lifestyle among college students, faculty and staff.

We strongly support SB2654 SD2 which would regulate disposable electronic smoking devices (ESDs) and e-liquids as tobacco products through taxation, online shipment restrictions, and licensing and permitting.

E-cigarette use or vaping among youth and young adults has become a national public health concern. E-cigarettes are now the most popularly used tobacco product among youth and young adults, surpassing cigarettes. While smoking rates in Hawai'i have decreased through the years, ESD use has rapidly increased, threatening significant public health gains made over the last decade. This is particularly concerning because e-cigarettes provide a new way to deliver the addictive drug nicotine. No matter how it is delivered, nicotine exposure can lead to addiction and harm the developing brain. Studies are also finding that ESDs can lead to smoking cigarettes for new users, including kids.

Without regulation, e-cigarette manufacturers will continue to aggressively market their products by using young adults and celebrities as endorsers, glamorizing its use, promoting deep discounts, and offering popular local e-liquid flavors such as Kona coffee, Maui mango, and pineapple.

Now that the FDA has deemed ESDs as tobacco products, I urge the legislature to regulate and tax disposable e-cigarettes and e-liquid the same way as other tobacco products. ESDs are the only tobacco product without a tobacco tax and increasing the price is a proven strategy that discourages access to these products. In addition, a portion of these revenues should be dedicated to tobacco prevention and quit programs.

This bill will also require a permitting and licensing which will allow the state to know who is selling e-cigarettes in Hawai'i and work with these merchants to educate and enforce current tobacco laws.

We strongly support SB2654 SD2 and ask you to pass this out of committee.

Sincerely,

Rachelann Purcell Taliloa

Breathe Aloha Club at UH Manoa



# TESTIMONY OF TINA YAMAKI PRESIDENT RETAIL MERCHANTS OF HAWAII March 14, 2018

Re: SB 2654 SD2 RELATING TO CHAPTER 245, HAWAII REVISED STATUTES.

Good morning Chair Mizuno and members of the House Committee on Health and Human Services. I am Tina Yamaki, President of the Retail Merchants of Hawaii and I appreciate this opportunity to testify.

The Retail Merchants of Hawaii (RMH) is a statewide not-for-profit trade organization committed to supporting the retail industry and business in general in Hawaii. The retail industry is one of the largest employers in the state, employing 25% of the labor force.

The Retail Merchants of Hawaii opposes SB 2654 SD2 that makes it unlawful to ship tobacco products to anyone other than a licensee, and as well as increasing the license fee for wholesalers or dealers and the retail tobacco permit fee.

Many retailers statewide are already operating on a thin margin and face stiff competition from not only other brick and mortar retailers but online sales as well. By increasing the taxation and fees on these products, small businesses will stand to be hurt as they would have to increase their upfront cost of stocking electronic smoking devices and cigarettes. Many of the businesses that sell electronic cigarettes and e-liquid are small, locally owned shops that will be hit hard by the tax increase. There is only so much the retailer can pass on to the customer before no longer being price competitive. This higher cost of doing business may also force some stores to close, leaving people out of work.

We ask that this committee hold this measure.

Again mahalo for this opportunity to testify.

Submitted on: 3/12/2018 4:06:40 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Chad Wheeling	Individual	Oppose	Yes

Comments:

SUBJECT: I am writing in STRONG Opposition to SB2304 SD2

Dear House Health Committee,

I am writing you in VERY strong opposition to Bill SB2304 SD2

This bill would unfairly strip businesses who currently have licenses due to no fault of their own. This type of regulation is unfair and needs to be stopped to prevent legal, law-abiding businesses from losing their licensee to make a living.

While the goal of preventing youth smoking is more than admirable. But, I think this bill goes too far, and is trying to solve a problem that does not exist. Youth smoking raises have continued to fall over the past decade, and this coupled with last years raise of the legal age to 21 should be considered when considering a measure that would put many vendors out of business.

Tobacco products are already taxed at a very high rate, and these revenues are used by the State for programs that make all of our livers better - schools, streets, health care and smoking cessation programs. As we all know the State is in a tough financial situation, and this bill as written would significantly reduce tax revenues for the State.

I hope you will see that this bill needs to be reconsidered, and deferred until further research has been done on the negatively impacts to small business owners and the State's tax situation.

Thank you for considering this testimony and I hope you will defer this bill

Aloha, Chad



March 12, 2018

To: The Honorable Representative John M. Mizuno, Chair The Honorable Representative Bertrand Kobayashi, Vice Chair Members, House Committee on Health & Human Services

From: Cory Smith, VOLCANO eCigs®
CEO and Owner

**RE:** SB 2654 SD2 – oppose.

Thank you for the opportunity to submit testimony.

VOLCANO eCigs<sup>®</sup> is the largest wholesaler and retailer of vapor products and vaping accessories in the State of Hawaii. We currently own and operate 13 locations statewide and employ over 80 full-time workers to support sales of our products not only here in Hawaii, but to all 50 states as well as over 30 International countries. We stand in opposition to SB 2654 SD2 for the following:

- Vapor products contain NO tobacco, and often times contain NO nicotine, and ultimately emit NO smoke. Nonetheless, SB 2654 SD2 aims to unfairly classify all vapor products as "Tobacco Products" and deceptively refers to them as "Electronic Smoking Devices" as a way to deceive the public and to create a false perception that vapor products are the same as tobacco products in an effort to bring vapor products into the same regulatory framework as traditional tobacco cigarettes for the purposes of taxation. This will adversely effect the vapor industry in Hawaii resulting in unintended economic and health consequences as detailed below.
- SB 2654 SD2's justification states that the use of vapor products, specifically "E-Liquid", carries similar health risks to that of tobacco. However, recent studies have also shown vapor products to be as much as 95% less toxic than traditional Cigarettes.
  - https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/4571
     02/Ecigarettes an evidence update A report commissioned by Public Health E ngland FINAL.pdf
  - https://www.gov.uk/government/news/phe-publishes-independent-expert-ecigarettes-evidence-review
- Furthermore, a recent study by the National Academy of Sciences, Engineering, and
  Medicine stated: "there is conclusive evidence that completely substituting e-cigarettes
  for combustible tobacco cigarettes reduces users' exposure to numerous toxicants and
  carcinogens present in combustible tobacco cigarettes." The findings add to the already



weighty body of evidence showing vaping to be far less hazardous than smoking.

- o <a href="http://www.washingtonexaminer.com/landmark-e-cigarette-report-explodes-myth-that-vaping-is-as-toxic-as-smoking/article/2646804">http://www.washingtonexaminer.com/landmark-e-cigarette-report-explodes-myth-that-vaping-is-as-toxic-as-smoking/article/2646804</a>
- http://nationalacademies.org/hmd/reports/2018/public-health-consequences-of-e-cigarettes.aspx?utm\_source=Hootsuite&utm\_medium=Dashboard&utm\_campaign=SentviaHootsuite
- SB 2654 SD2 exempts traditional Nicotine Replacement Therapy (NRT) products that contain nicotine even though vapor products have been shown to be a much more effective tool for helping people quit smoking and have been demonstrated to have a similar risk profile as NRT's.
  - o http://onlinelibrary.wiley.com/doi/10.1111/add.12623/abstract
  - o http://m.circ.ahajournals.org/content/130/Suppl 2/A14945.short
- The most Recent CDC report has shown e-cigarettes have supplanted all other traditional
  nicotine replacement therapies and are now the most commonly used product by tobacco
  users to quit using traditional tobacco cigarettes. Access to these products should be
  improved not restricted further if it is the states goal to further reduce smoking rates.
  - <a href="http://www.journalnow.com/business/business\_news/local/cdc-report-shows-more-smokers-try-to-quit-with-e/article\_a33383f3-5300-5178-9f14-28b52884c45c.html">http://www.journalnow.com/business/business\_news/local/cdc-report-shows-more-smokers-try-to-quit-with-e/article\_a33383f3-5300-5178-9f14-28b52884c45c.html</a>
- Recent studies have actually shown that the substantial increase in e-cigarette use among US
  adult smokers was associated with a statistically significant increase in the smoking
  cessation rate at the population level.
  - o http://www.bmj.com/content/358/bmj.j3262
- SB 2654 SD2 states in its justification that the bill is needed to curb youth usage. However, it fails to reference the most recent CDC report and data that shows youth use of tobacco products are at the lowest levels ever and continue to fall. Also, youth use of vapor products has been reported to be in decline since 2015 and recent studies have shown that the majority of youth who have reported using e-cigarettes are not using e-liquids that contain nicotine further suggesting that youth who do use e-cigarettes are doing so to replace the use of traditional tobacco cigarettes.
  - o https://www.cdc.gov/media/releases/2017/p0615-youth-tobacco.html
  - o https://www.psc.isr.umich.edu/events/archive/feature-detail/1833
- SB 2654 SD2 would not successfully remove vapor products from the Internet. It would simply restrict local based businesses from competing with businesses from the 49



other states who would not be subject to this regulation and would result in massive job and revenue loses in the state.

- Age restriction technologies are already available and can be used to prevent youth access to these products. The alcohol industry has been successful with existing technologies and something as simple as age verification or signature verification through any major shipping provider could be a workable solution that has been completely overlooked in this bill.
- Internet sales provide access to vapor products for many local customers who live in remote locations. By restricting local Internet retailers, those purchases would simply be sent to mainland-based suppliers.
- Most troubling is the fact that by subjecting vapor products to this proposed tax, the additional costs to consumers will likely result in the state seeing less tax revenue, and even worse, former smokers returning to tobacco use. The tax will result in current vapor users purchasing from online vendors who would not be subject to state taxes. Local manufacturers, wholesalers and retailers would be put at a massive competitive disadvantage and most retail customers would send their money out-of-state effectively lowering the tax revenue already being generated by sales of vapor products here in the state. We would be unable to compete in other out-of-state and international markets with competitors who are not subjected to the same tax, which would put our local operations in severe jeopardy meaning an immediate loss of jobs and existing revenues. This bill would also effectively reduce access to a modified risk product that has been a public health win and would simply prop up and protect the proven deadly tobacco market.

It is our belief that this unjustified regulation and tax will not serve the best interests in the state of Hawaii. Thank you for your time and consideration. If you have any questions, please feel free to contact me directly.

Sincerely,
Cory N. Smith
CEO & Owner
VOLCANO Fine Electronic Cigarettes®
1003 Bishop Street #1260
Honolulu, HI 96813
cory@volcanoecigs.com

<u>SB-2654-SD-2</u> Submitted on: 3/12/2018 12:23:31 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Devin Wolery	PCG Enterprises LLC	Oppose	No

Submitted on: 3/12/2018 12:52:26 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing	
Vin Kim	Eciggity	Oppose	No	1

### Comments:

SB2654 would not stop any remote sales from Hawaii it would simply put online retailers in Hawaii out of business entirely and not able to compete against mainland websites who will ship to Hawaii anyway. There are also customers who live in remote areas of Hawaii not near a vape shop who use vapor products as smoking session products who would be significantly impacted by this especially because the bill stats it would make those who buy online C Class Felons. This bill also falsely classifies vapor products as tobacco products which is misleading and not accurate representation of the products as they contain no tobacco at all.

Also please check out the updated American Cancer Society's stance on ecigarettes products. Here are some excerpts:

### Scientific Summary:

"Based on currently available evidence, using current generation e-cigarettes is less harmful than smoking cigarettes, but the health effects of long-term use are not known."

### Clinical Recommendations:

"The ACS recommends that clinicians support all attempts to quit the use of combustible tobacco and work with smokers to eventually stop using any tobacco product, including e-cigarettes."

"These individuals should be encouraged to switch to the least harmful form of tobacco product possible; switching to the exclusive use of e-cigarettes is preferable to continuing to smoke combustible products."

<u>SB-2654-SD-2</u> Submitted on: 3/12/2018 2:20:22 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
ellen benton	Irie Hawaii Smoke Shop	Oppose	No

Submitted on: 3/12/2018 4:03:56 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Mariner Revell	Irie Hawaii stores	Oppose	No

### Comments:

I oppose this bill. If passed this bill will encourage black market sales due to the crippling tax added and force people to revert to tobacco cigarettes. This bill is also bad for local small businesses who will loose also. The American Cancer Society has reciently changed their stance on Ecigs. Please see the new comments made by the American Cancer Society here https://www.cancer.org/healthy/stay-away-fromtobacco/e-cigarette-position-statement.html

I have testified in person on this bill before and mentioned that my father grand father grand mother and uncle all died from smoking. I help people switch to ecigs every day and save lives every day. Come to any vape shop and ask your people how ecigs are helping them don't rely on Internet research. Talk to a toxicologist like Dr Michael Wild in Kamuela ask a expert !!!!!!Ecigs help people quit and saves lives please do not risk the lives of our Ohana! Please do not support this bill thank you.



To: Representative John M. Mizuno, Chair, and Members of the House Committee on

Health & Human Services

Date: Wednesday, March 14, 2018

Time: 8:40 a.m.

Place: Conference Room 329, State Capitol

From: Les Drent

for the Hawaii Cigar Association (HCA)

Re: SB2654, SD2, Relating to Chapter 245, Hawaii Revised Statutes

Dear Representative John M. Mizuno, Chair, and Members of the House Committee on Health & Human Services.

The Hawaii Cigar Association (HCA) stands in strong opposition to SB2654, SD2, a bill which makes unlawful the shipment of tobacco products, and transport of tobacco products ordered or purchased through a remote sale, to anyone other than a licensee. Includes e-liquid within the definition of "tobacco products", as used in the cigarette tax and tobacco tax law, thereby making all provisions of the cigarette tax and tobacco tax law that relate to tobacco products applicable to e-liquid as well. Increases the license fee for wholesalers or dealers and the retail tobacco permit fee.

The HCA is committed to protecting the freedom of legal-age adults to enjoy cigars. This mail order prohibition would not stop remote sales but would simply encourage more black market sales. This measure is harmful and unfair to legal-age local consumers and law-abiding local businesses. All major shipping companies already have age restriction technologies available and can be used to prevent youth access to tobacco products. Large cigars are rarely--if ever--possessed or consumed by minors and therefore pose negligible risk to them. Children are not attracted to cigars, and their cost--between \$5 and \$30 apiece on average--prices them beyond the reach of most minors. The HCA stands united with the Legislature in ensuring that Hawai'i's youth be discouraged from using tobacco of any kind, including cigars.

Sincerely,

Les Drent

for the Hawaii Cigar Association



To: Representative John M. Mizuno, Chair, and Members of the House Committee on

Health & Human Services

Date: Wednesday, March 14, 2018

Time: 8:40 a.m.

Place: Conference Room 329, State Capitol

From: Les Drent

for the Kauai Cigar Company

Re: SB2654, SD2, Relating to Chapter 245, Hawaii Revised Statutes

Dear Representative John M. Mizuno, Chair, and Members of the House Committee on Health & Human Services,

The Kauai Cigar Company, its employees, and industry partners stand in strong opposition to SB2654, SD2, a bill which makes unlawful the shipment of tobacco products, and transport of tobacco products ordered or purchased through a remote sale, to anyone other than a licensee. Includes e-liquid within the definition of "tobacco products", as used in the cigarette tax and tobacco tax law, thereby making all provisions of the cigarette tax and tobacco tax law that relate to tobacco products applicable to e-liquid as well. Increases the license fee for wholesalers or dealers and the retail tobacco permit fee.

This mail order prohibition would not stop remote sales but would simply encourage more black market sales. This measure is harmful and unfair to legal-age local consumers and law-abiding local businesses. All major shipping companies already have age restriction technologies available and can be used to prevent youth access to tobacco products.

Instead on banning mail order sales, please consider SB2843, SD1, a bill that places a tax cap of 50¢ on large cigars which would help Hawai'i cigar retailers compete with mail-order businesses that sell premium cigars within Hawai'i.

Sincerely,

Les Drent Farmer/President

<u>SB-2654-SD-2</u> Submitted on: 3/12/2018 12:49:51 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Teddy Kim	Individual	Oppose	No

<u>SB-2654-SD-2</u> Submitted on: 3/12/2018 12:54:43 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing	
Rafael Montero	Individual	Oppose	No	

<u>SB-2654-SD-2</u> Submitted on: 3/12/2018 1:36:55 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
ASHLEY MATTOS	Individual	Oppose	No

### Comments:

I oppose this bill because there will be so many people without jobs if this bill passes through. Living here in Hawaii is hard enough just by living pay check to pay check.

<u>SB-2654-SD-2</u> Submitted on: 3/12/2018 2:16:28 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing	
Garrick Aylesworth	Individual	Oppose	No	

<u>SB-2654-SD-2</u> Submitted on: 3/12/2018 2:18:37 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jinna Kim	Individual	Oppose	No

# Comments:

Unbelievable, I do not understand how restricting vapor product is going to help Hawaii.

Submitted on: 3/12/2018 3:06:00 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Edward Hoenig	Individual	Oppose	No

### Comments:

I strongly oppose SB2654. The State is trying to take away a valuable harm reduction tool that has helped me personally not smoke for over two years. The FDA has yet to determine how they are going to handle vaping products and yet the State of Hawaii is making determinations based on some uncited 2015 study. The science is overwhelmingly on the side of vapor products being a safer alternative than combustible tobacco. The Royal College of Medicine in the UK has gone as far as saying that vapor products are 95% safer than smoking cigarettes. Reducing access to significantly less harmful alternatives by the methods stated in SB2654 is absolutely a move in the wrong direction and will conclusively show that any member that votes for it is more interested in raising taxes than promoting healthier alternatives.

I smoked cigarettes for over 20 years and tried various methods for quitting. I tried patches, gums, prescription drugs and none of them worked. I tried vaping and within a matter of weeks, I was no longer smoking cigarettes. I have been able to reduce my nicotine intake as well. The assertion in SB2654 that nicotine is harmful is dubious at best. The science doesn't back up the claim. While it is addictive, the numerous other chemicals contained in cigarette smoke are what cause the damage.

I am so thoroughly disappointed that the State of Hawaii is attempting to deny access to tools that have helped and potentially could help thousands of people get off tobacco. Please stop this bill and instead promote safer, less harmful vapor products.

Submitted on: 3/12/2018 3:17:28 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing	
alayna revell	Individual	Oppose	No	

### Comments:

I am testifying in behalf of Mariner Revell, owner of Irie Hawaii stores and Puff Factory on the Big Island of Hawaii.

Mariner has been in business for several years. As his sister, I watched his business grow and flourish. He started with one location and added several other locations around the Big Island. He has given many people an opportunity to work and make a living. Many employees have young families and are able to provide for their children by working for Mariner Revell.

Mariner has made a plethora of donations to the community. He has helped schools, sports organizations, children with life threatening illnesses and many other individuals. He has been most generous with our tight knit community here on the Big Island.

I oppose to this bill as it will hurt small businesses owners like Mariner Revell. Not only will he have to close the majority of his stores, but it will create hardship for his employees who depend on their jobs to provide for themesleves and their families.

I have seen many people quit smoking from using electronic cigarettes sold in the Irie hawaii stores. Instead of focusing on the negative impacts of small businesses, the positive impacts should be notated and respected.

How can the state pass a bill that shuts down small businesses with owners who support the community in various ways? The state should be supporting small businesses, not doing things to create hardship for hard working citizens. As many businesses close due to not being able to compete with big box stores and online sales, the state should support small business owners 100%. Please do not pass this bill. Please support small business owners like Mariner Revell and let him continue to support our community as a successful small business owner.

Thank you for your tome and consideration.

Sincerely,

Alayna Revell

<u>SB-2654-SD-2</u> Submitted on: 3/12/2018 3:29:12 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Dean Kroh	Individual	Oppose	No

<u>SB-2654-SD-2</u> Submitted on: 3/12/2018 4:00:20 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
shane kinoshita	Individual	Oppose	No

# Comments:

Why are you making it so hard for the small business owner to make money and provide jobs for families. This is so sad

Submitted on: 3/12/2018 4:52:50 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Christine Gumbs	Individual	Oppose	No

Comments:

Aloha Hearing Committee,

I oppose SB2654 SD2 on behalf of individual Mariner Revell.

As a parent and member of the Hilo community, the safety of my children is of the upmost importance to me. I appreciate that this bill is meant to make our island a safer place as smoking products is known to hurt, cause diseases, and can lead to death. We can all agree on this. I myself am not a smoker. Unfortunately what the bill also does is hurt local business owners. Small business in Hilo is so important for our economy and helps gives jobs. Jobs are especially in short demand. Studies also show that financial well-being is tied to the health of our families and communities. We see this in schools and our community every day. So many problems we face today can move towards resolution if individuals had the financial means to do so.

Mr. Revell in particular has done many wonderful things for our community, building his business, giving jobs, donating his time and money to local charities and schools. I commend his efforts and am happy to testify in his behalf.

Please oppose and reconsider this bill in a way that makes our community safer and financially stronger together.

Mahalo,

Christine G.

To whom It may concern,

I oppose bill **SB2654 SD2**. I've been a heavy smoker of traditional tobacco cigarettes for over a decade and only quit the last 3 years after being introduced to the lifesaving technology which we know now as electronic cigarettes or e-cigarettes. I am no longer out of breath doing minor chores, getting up in the morning coughing, feeling sick and tired. All this due to switching over to e-cigarettes and have been tobacco cigarette free since.

This bill imposes on what we Americans believe in, which is freedom of choice and consumer rights to options. It's easy for a non-smoker to tell us to "just quit" but as a smoker myself it's easier said than done. The best route would be to have options for a healthier & better alternative. A report published by Public Health England (PHE), an agency sponsored by the UK's Department for Health, has concluded that e-cigarettes are 95 percent less harmful than traditional smokes. Also! there's no actual "Tobacco" in e-cigarettes!

Yet our U.S. Government continues to deny and ignore these facts and studies due to potential loss in tobacco tax revenues which each State including Hawaii receives. It's like our Government is more concerned about money than American lives which they can potential save by having an open mindedness to this new life saving technology.

On top of imposing on our rights as Americans, this bill is detrimental to small businesses here in Hawaii. Small businesses will "Go Out of Business" if this bill is pass, there is no doubt in my mind. Thousands will be out of jobs, unable to support their family and will struggle to survive in a high cost living situation here in Hawaii which many Hawaii residents faces each day. It will force small businesses to move to the mainland which is the total opposite of what we've been trying to do here in Hawaii which is to create more jobs and opportunities.

I implore you to re-review these bills relating to e-cigarettes, look pass all the politics/political gains and see the negative impact it will have on many residents here in Hawaii.

Sincerely, Vince Tran

Resident of Honolulu, Hawaii

Submitted on: 3/12/2018 5:13:01 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
alex kamau	Individual	Oppose	No

### Comments:

Banning sales of tobacco within 500 feet of schools or parks is ridiculous and I am against this passage. I feel you are discriminating and I feel penalized for being a smoker which is my right as a taxpayer and Hawaii resident.

Submitted on: 3/12/2018 5:25:52 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Shizuka Kimura	Individual	Oppose	No

### Comments:

The bill banning tobacco sales within 500 feet of parks and schools is ludicrous. Any adult should be able to purchase tobacco at any establishment no matter where it is located. I definitely do not support this bill.

<u>SB-2654-SD-2</u> Submitted on: 3/12/2018 5:42:19 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lawrence Jones	Individual	Oppose	No

### Comments:

As adult citizens we should have the right to purchase tobacco at any location. I am against the bill restricting tobacco sales within 500 feet of parks and schools. Politicians should use your time more wisely!

<u>SB-2654-SD-2</u> Submitted on: 3/12/2018 5:55:07 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Aukai Kamau	Individual	Oppose	No

# Comments:

Passing a bill to ban the sales of tobacco within 500 feet of parks/schools is discriminating against all smokers. I am against this bills passage.

<u>SB-2654-SD-2</u> Submitted on: 3/12/2018 6:05:11 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Alika Medeiros	Individual	Oppose	No

<u>SB-2654-SD-2</u> Submitted on: 3/12/2018 6:08:03 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing	
Chelsey Hanselman	Individual	Oppose	No	

Comments:

I oppose this bill.

Thank you!

<u>SB-2654-SD-2</u> Submitted on: 3/12/2018 6:24:30 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Miller	Individual	Oppose	No

Submitted on: 3/12/2018 7:01:11 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing	
Justin Araki-Kwee	Individual	Oppose	No	

### Comments:

Limiting the sales of tobacco near schools and parks will not decrease the influence of such items on adolescents. If the goal is to achieve such an outcome than the education must begin with the leaders of the youth, specifically parents and teachers. Often times it is these individuals that influence the habits of the youth, not the store owners of tobacco products. I ask that you re-consider this proposal, being mindful of where the true source of the problem lies

<u>SB-2654-SD-2</u> Submitted on: 3/12/2018 7:23:51 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Theresa Burian	Individual	Oppose	No

# Comments:

SB2654 SD2 will have a horrible impact on small businesses. Please reconsider and vote against SB2654 SD2.

<u>SB-2654-SD-2</u> Submitted on: 3/12/2018 8:33:35 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing	
krissy halemanu	Individual	Oppose	No	

### Comments:

Mariner and his business has helped many organizations and made countless donations. I was lucky enough to work with him after he hurricane hit us.

Submitted on: 3/12/2018 10:39:15 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing	
Kim A. Robello	Individual	Oppose	No	

### Comments:

### Aloha Friends,

I strongly oppose SB2654 on behalf of folks who have smoked traditional cigarettes for years and find it difficult to quit. E-cigarettes and Liquid Vaping products have provided an outlet for these folks to break the habit of traditional smoking by weaning to lower nicotine content E-Cigarette an Vaping Liquids which provide the pleasure of smoking but with considerabally less toxicity then traditional cigarettes.

It seems hypocritical of the folks who opposed traditional cigarette smoking to support a tax that would increase the cost of E-Cigaretts and Vaping Liquids which provide a viable and less toxic alternative to traditional smoking.

We should encourage the transition to E-Cigarette and Liquid Vaping from tradional smoking as it allows smokers to wean down the daily intake of nicotine by choosing Vape Liquids or E-Cigarettes with lower or no nicotine which eventually could lead to leaving smoking altogether or at the very least be in control of what you injest and at what levels.

Isn't this the American way of making your own choice free from unfair conditions, taxation, and legislation of the behavior of an individual against their own free will. Let Adults make informed choices based on facts clearly in front of them rather then forcing them in a direction they do not want to go.

Mahalo for allowing me to provide this testimony and personal opinion.

Submitted on: 3/12/2018 11:34:03 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Edgar Alfonso	Individual	Oppose	No

### Comments:

I am a 24 yr Navy veteran whos been a smoker for over 15 years. I have trued quiting via gum patches and pills but nothing works for me. 2 years before retiring i found the ecig community and decided to try it. The reason i made the decision is because i notice my overall pulmonary and allergic conditions has worsen over the years and never improved even i was smoking menthol lights for about 1/2 a pack a week. During times that we are underway i smoke 1-2 packs a day. When i first started i used the ecig with 16 mg of nicotine and that was 2011. Now i am using e liquid that has 1.5 mg of nicotine and hopefully be at zero in the next year. This bill will affect many converting smokers to revert back to cigarette. I understand the minors who gets hold of this devises/ e-liquids but the industry is doing its best tomprotect thrm this no different from minirs who smokes and gets hold of tobacco or other drugs. This is a thriving industry that can generate invome to the state much like the tobacco company but it seems that no one is restricting it now and and all the attention is focus to ecigs/liquids. I hope that someother measures can be develope dwithout the political redtape involving fundings that can be gained. This is an adult product same as tobacco/cigarettes lets place the responsibility to them, industry, and govt to working together not making it ILLEGAL and here i see that marijuana and tobacco are LEGAL. This bill is not a Solution. Thank you.

<u>SB-2654-SD-2</u> Submitted on: 3/12/2018 11:37:59 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kainen	Individual	Oppose	No

# Comments:

It is not tobacco and should not be taxed or regulated as such

<u>SB-2654-SD-2</u> Submitted on: 3/13/2018 7:11:27 AM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Doug Cobile	Individual	Oppose	No

Comments:

I oppose sb2654 sd2.

<u>SB-2654-SD-2</u> Submitted on: 3/13/2018 8:34:03 AM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing	
Nina Bauguess	Individual	Oppose	No	

# Comments:

I respectfully oppose SB2654 SD2. Please reconsider the negative impact this bill will have on the community. Mahalo.

Submitted on: 3/13/2018 10:12:21 AM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Bill Medeiros	Individual	Oppose	No

### Comments:

This measure infringes a citizen's right to purchase legal products from lawfully operating businesses. People in Hawaii, particularly in rural areas, have relied on mail order to obtain products not readily available from local businesses. Whether it is ordering from the Sears Roebuck catalog back in days of the Territory or ordering from the internet today, people have a right to purchase legal products via mail order. The rights of the citizens of this state should not be sacrificed, no matter how well intentioned the action may be. This country went through this a hundred years ago during Prohibition. Good intentions can create bad laws.

Therefore, I oppose this measure.



Submitted on: 3/13/2018 4:34:17 PM

Testimony for HHS on 3/14/2018 8:40:00 AM



Submitted By	Organization	Testifier Position	Present at Hearing
Michael Zehner	Hawaii Smokers Alliance	Oppose	No

Comments:

Dear House Health Committee,

We are in strong opposition to Bill SB2304 SD2

This bill would unfairly strip businesses who currently have licenses due to no fault of their own. This type of regulation is unfair and needs to be stopped to prevent legal, law-abiding businesses from losing their licensee to make a living.

While the goal of preventing youth smoking is more than admirable. But, I think this bill goes too far, and is trying to solve a problem that does not exist. Youth smoking raises have continued to fall over the past decade, and this coupled with last years raise of the legal age to 21 should be considered when considering a measure that would put many vendors out of business.

Tobacco products are already taxed at a very high rate, and these revenues are used by the State for programs that make all of our livers better - schools, streets, health care and smoking cessation programs. As we all know the State is in a tough financial situation, and this bill as written would significantly reduce tax revenues for the State.

I hope you will see that this bill needs to be reconsidered, and deferred until further research has been done on the negatively impacts to small business owners and the State's tax situation.

Thank you for considering this testimony and I hope you will defer this bill

Aloha, Hawaii Smokers Alliance



<u>SB-2654-SD-2</u> Submitted on: 3/13/2018 4:49:02 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Mark Owens	Individual	Oppose	No



<u>SB-2654-SD-2</u> Submitted on: 3/13/2018 5:11:45 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
April Pacheco	Individual	Oppose	No



Submitted on: 3/13/2018 5:39:48 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Clayton Silva	Individual	Oppose	No

Comments:

Dear House Health Committee,

I am writing you in strong opposition to Bill SB2304 SD2

This bill would unfairly strip businesses who currently have licenses due to no fault of their own. This type of regulation is unfair and needs to be stopped to prevent legal, law-abiding businesses from losing their licensee to make a living.

While the goal of preventing youth smoking is more than admirable. But, I think this bill goes too far, and is trying to solve a problem that does not exist. Youth smoking raises have continued to fall over the past decade, and this coupled with last years raise of the legal age to 21 should be considered when considering a measure that would put many vendors out of business.

Tobacco products are already taxed at a very high rate, and these revenues are used by the State for programs that make all of our livers better - schools, streets, health care and smoking cessation programs. As we all know the State is in a tough financial situation, and this bill as written would significantly reduce tax revenues for the State.

I hope you will see that this bill needs to be reconsidered, and deferred until further research has been done on the negatively impacts to small business owners and the State's tax situation.

Thank you for considering this testimony and I hope you will defer this bill

Aloha, Clayton Silva



<u>SB-2654-SD-2</u> Submitted on: 3/13/2018 5:45:24 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Sean Higa	Individual	Oppose	No



<u>SB-2654-SD-2</u> Submitted on: 3/13/2018 5:54:33 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Cindy Nettles	Individual	Oppose	No



Submitted on: 3/13/2018 6:36:23 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kathy Kim	Individual	Oppose	No

Comments:

Dear House Health Committee,

I am writing you in strong opposition to Bill SB2304 SD2

This bill would unfairly strip businesses who currently have licenses due to no fault of their own. This type of regulation is unfair and needs to be stopped to prevent legal, law-abiding businesses from losing their licensee to make a living.

While the goal of preventing youth smoking is more than admirable. But, I think this bill goes too far, and is trying to solve a problem that does not exist. Youth smoking raises have continued to fall over the past decade, and this coupled with last years raise of the legal age to 21 should be considered when considering a measure that would put many vendors out of business.

Tobacco products are already taxed at a very high rate, and these revenues are used by the State for programs that make all of our livers better - schools, streets, health care and smoking cessation programs. As we all know the State is in a tough financial situation, and this bill as written would significantly reduce tax revenues for the State.

I hope you will see that this bill needs to be reconsidered, and deferred until further research has been done on the negatively impacts to small business owners and the State's tax situation.

Thank you for considering this testimony and I hope you will defer this bill

Aloha, Kathy K.



<u>SB-2654-SD-2</u> Submitted on: 3/14/2018 6:33:04 AM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Brian Santiago	Individual	Oppose	No

# Comments:

Vape products help people quit. No need for this bill.