STAND. COM. REP. NO. 3381

Honolulu, Hawaii

FEB 2 8 2020

RE: S.B. No. 2301 S.D. 2

Honorable Ronald D. Kouchi President of the Senate Thirtieth State Legislature Regular Session of 2020 State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2301, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LITTER CONTROL,"

begs leave to report as follows:

The purpose and intent of this measure is to abate cigarette litter in the State.

More specifically, this measure:

- (1) Establishes a cigarette litter abatement special fund, which shall be used to cover the costs of collecting and removing cigarette litter and providing outreach and education to curb improper cigarette litter disposal;
- (2) Establishes a cigarette litter abatement excise tax of an unspecified amount, the revenues of which are to be deposited into the cigarette litter abatement special fund; and
- (3) Appropriates moneys to the cigarette litter abatement special fund.

Your Committee received written comments in support of this measure from the Coalition for a Tobacco-Free Hawaii and seven individuals.

Your Committee received written comments in opposition to this measure from the Hawaii Smokers Alliance and numerous individuals.

Your Committee received written comments on this measure from the Department of Budget and Finance, Department of Health, Department of Taxation, and Tax Foundation of Hawaii.

Your Committee finds that cigarettes are the most littered item on earth, with more than forty-five trillion cigarettes littered each year. Your Committee also finds that littered cigarette butts pose an environmental hazard, can contaminate water, and are harmful to wildlife. Your Committee further finds that cities annually spend between \$3,000,000 and \$16,000,000 to clean up cigarette litter.

Your Committee has amended this measure by:

- (1) Deleting the provisions establishing a cigarette litter abatement excise tax;
- (2) Increasing to an unspecified amount the existing cigarette excise tax and allocating the increase in tax revenues to the cigarette litter abatement special fund;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2301, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2301, S.D. 2.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

DONOVAN M. DELA CRUZ, Chair

The Senate Thirtieth Legislature State of Hawai'i

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral:		I .	Date: 2/25/20	
5B 2301, SDI	AEN/CPH, WAM			4125/20	
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended X Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WF	R) Nay	Excused
DELA CRUZ, Donovan M. (C)		Х			
KEITH-AGARAN, Gilbert S.C. (VC)		X			
ENGLISH, J. Kalani		X			
HARIMOTO, Breene					X
INOUYE, Lorraine R.					×
KAHELE, Kaiali'i					X
KANUHA, Dru Mamo	-	×			
KIDANI, Michelle N.		Х			
MORIWAKI, Sharon Y.		X			
RIVIERE, Gil			X		
SHIMABUKURO, Maile S.L.		X			
TANIGUCHI, Brian T.		X			
FEVELLA, Kurt		X			
TOTAL		9	1		3
Recommendation: X Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes