WRITTEN TESTIMONY OF THE DEPARTMENT OF THE ATTORNEY GENERAL THIRTY-FIRST LEGISLATURE, 2021



ON THE FOLLOWING MEASURE: H.B. NO. 1296, RELATING TO STATE FUNDS.

BEFORE THE:

HOUSE COMMITTEES ON HEALTH, HUMAN SERVICES, AND HOMELESSNESS AND ON HIGHER EDUCATION AND TECHNOLOGY

DATE:	Thursday, February 18, 2021	TIME: 11:15 a.m.	
LOCATION: State Capitol, Room 329, Via Videoconference			
TESTIFIER(S): Clare E. Connors, Attorney Richard W. Stacey, Deputy		

Chairs Yamane and Takayama and Members of the Committees:

The Department of the Attorney General (Department) strongly opposes the bill because it will unravel enforcement and compliance elements required by the Tobacco Master Settlement Agreement (MSA) and in turn jeopardize the millions of dollars received by the State pursuant to the MSA. We offer the following comments.

The bill would repeal the Tobacco Enforcement Special Fund, section 28-15, Hawaii Revised Statutes (HRS), and remove <u>all funding</u> currently used by the Tobacco Enforcement Unit of the Department to diligently engage in tobacco enforcement as required by the MSA. The bill also amends section 245-26, HRS, by striking subsection (a)(2), which provides tobacco tax stamp money to the Department for tobacco enforcement; deletes section 245-41(c), HRS, which allows fines resulting from Department investigations to go to the Department or to be shared with other enforcement entities; and repeals the Tobacco Settlement Special Fund, section 328L-2, HRS, and the Tobacco Prevention and Control Trust Fund, section 328L-5, HRS. Any unencumbered balances remaining in these three funds as of July 1, 2021, would lapse to the state general fund. Further, the bill would remove funds appropriated from the tobacco settlement moneys (section 328L-2, HRS) to fund the emergency and budget reserve fund.

The tobacco enforcement special fund was created in 2001 via section 28-15,

Testimony of the Department of the Attorney General Thirty-First Legislature, 2021 Page 2 of 4

HRS, after Hawaii became a signatory to the MSA. Section 28-15 specifies that the moneys in the fund are to be used "for administering, operating, monitoring, and ensuring compliance with and enforcement" of the MSA, as well as chapter 675, HRS (the Tobacco Liability Act), chapter 486P, HRS (Tobacco Products Reporting), chapter 245 (Cigarette Tax and Tobacco Tax Law), and other statutes or programs relating to the enumerated chapters. The Department's tobacco enforcement unit, created shortly after the MSA was signed, is a team of investigators, attorneys and staff funded by the tobacco enforcement special fund and tasked with enforcement of the MSA and Hawaii laws related to the MSA as set forth in section 28-15(b), HRS.

Potential Separation of Powers Violation

Eliminating the Tobacco Enforcement Special Fund, as well as the provisions that enable funding for the Department's tobacco enforcement, and transferring the cigarette tax stamp regulatory fee for general purposes may be deemed a violation of the separation of powers doctrine pursuant to <u>Hawaii Insurers Council v. Lingle</u>, 120 Hawai'i 51, 201 P.3d 564 (2008). The court in <u>Lingle</u> deemed unlawful the legislative transformation of "legitimate regulatory fees into general tax revenue" when the special fund, which was comprised of fees, was moved into the general fund. <u>Id.</u>, at 72, 201 P.3d at 585. The court distinguished a regulatory fee from a tax by emphasizing "the revenue's ultimate use, asking whether . . . [the fee] provides a general benefit to the public, of a sort often financed by a general tax, or whether it provides more narrow benefits to regulated companies or defrays the agency's costs of regulation." <u>Id.</u>, at 69, 201 P.3d at 582 (citation omitted).

A significant portion of the Tobacco Enforcement Special Fund is funded by the cigarette tax stamp regulatory fee, as provided in section 245-26, HRS. The Tobacco Enforcement Special Fund, in turn, shall be used for administering, operating, monitoring, and ensuring compliance with and enforcement of:

- (1) The Master Settlement Agreement as defined in chapter 675 and any other statutes or programs relating to that agreement;
- (2) Chapter 675;
- (3) Tobacco prevention programs;
- (4) The cigarette tax stamp as defined in chapter 245 and any other statutes or programs relating to that chapter;

Testimony of the Department of the Attorney General Thirty-First Legislature, 2021 Page 3 of 4

- (5) Chapter 245;
- (6) Chapter 486P and any other statutes or programs relating to that chapter; and
- (7) Any other requirement deemed necessary to carry out the purposes of the fund.

Section 28-15(b), HRS. The moneys from the cigarette tax stamp regulatory fee are used for inspections, investigation, and criminal prosecution of violations of chapter 245, HRS, related to the taxing of cigarettes and other tobacco products, and civil enforcement of chapter 486P, HRS, and chapter 675, HRS.

Accordingly, the cigarette tax stamp regulatory fee is a legitimate fee because it is a permissible exercise of the police power to regulate particular businesses or activities, in this case cigarette and other tobacco product businesses. <u>Id.</u>, at 65, 201 P.3d at 578 (citation omitted).

If the Tobacco Enforcement Special Fund and the provisions enabling funding of the Department's tobacco enforcement are eliminated, the monies collected from the cigarette tax stamp regulatory fee will not be used to regulate cigarette/tobacco businesses and therefore may no longer be considered a regulatory fee pursuant to <u>Hawaii Insurers Council v. Lingle</u>. If these "fees" are redirected to the general fund or other funds that serve general purposes as if they were general tax revenues, this act may be deemed a violation of the separation of powers doctrine.

Potential Loss of Millions in MSA Funds

Elimination of the Tobacco Enforcement Special Fund may jeopardize Hawaii's receipt of MSA funds because without funds, the State will not be able to diligently enforce the Tobacco Liability Act (chapter 675, HRS) and, consequently, to comply with the terms of the MSA. Persistent, diligent enforcement of the MSA is essential to the State's continued receipt of MSA moneys. Failure to do so may result in Hawaii losing a significant portion of its annual MSA payment. The tobacco industry has rigorously challenged the states' diligent enforcement of the MSA as evidenced by it successful challenge to Pennsylvania's diligent compliance. In 2013, Pennsylvania was one of six states found to be non-diligent in the most recent completed MSA arbitration and lost

Testimony of the Department of the Attorney General Thirty-First Legislature, 2021 Page 4 of 4

over \$116 million of its expected annual MSA payment. Hawaii's risk would also be in the millions of dollars if found to be non-diligent.

Current Tobacco Enforcement is Robust

The total revenues received by the State due to aggressive tobacco enforcement in fiscal year 2019-2020 totaled \$ 137,753,683 (\$ 102,444,639 in cigarette tax stamp collections and \$ 35,309,044 in MSA payments). We believe this represents a significant return on the moneys invested in the program. Therefore, the undermining of this robust program via the diversion of funds provided for in this bill detracts from the public benefit gained from successful regulation of cigarette and tobacco businesses.

We respectfully request that this bill be deferred. Thank you for the opportunity to present this testimony.

DAVID Y. IGE GOVERNOR OF HAWAII



ELIZABETH A. CHAR, M.D. DIRECTOR OF HEALTH

STATE OF HAWAII DEPARTMENT OF HEALTH P. O. Box 3378 Honolulu, HI 96801-3378 doh.testimony@doh.hawaii.gov

Testimony in OPPOSITION to H.B. 1296 RELATING TO STATE FUNDS

REPRESENTATIVE RYAN I. YAMANE, CHAIR HOUSE COMMITTEE ON HEALTH, HUMAN SERVICES AND HOMELESSNESS

REPRESENTATIVE GREGG TAKAYAMA, CHAIR HOUSE COMMITTEE ON HIGHER EDUCATION AND TECHNOLOGY

Hearing Date: 2/18/2021

Room Number: Videoconference

Fiscal Implications: This measure impacts the priorities of the Department of Health (DOH)
 identified in the Governor's Executive Budget Request and Legislative Package.

3 **Department Testimony:** The Department strongly opposes this measure with comments.

4 House Bill (H.B.) 1296 would dismantle the comprehensive tobacco prevention and quit smoking services for youth and adults during the COVID-19 pandemic by repealing the tobacco 5 6 enforcement special fund, tobacco settlement special fund and the tobacco prevention and 7 control fund. The effect of the proposed measure would end the free services through the Hawaii 8 Tobacco Quitline for youth, pregnant women and adults who smoke and vape. This measure would also end the county level cessation and youth prevention services provided through 9 10 non-profit organizations available without charge on every island. Tobacco use has been linked to diseases in nearly every organ, and nicotine is one of the most addictive substances, and year 11 12 over year, many keiki and adults in Hawaii are enticed to start and keep using tobacco.

The source of the funds targeted in H.B. 1296 for repeal is from the tobacco master settlement agreement (MSA) that Hawaii joined to recover billions of dollars in healthcare costs associated with treating smoking related illness. When Hawaii settled the lawsuit against tobacco companies with 51 other states, one important reason was to achieve for their citizens,

"... significant funding for the advancement of public health."¹ The MSA included provisions 1 2 to protect youth from combustible cigarettes, and many states including Hawaii began funding tobacco prevention programs. Unlike many states, Hawaii policy makers since 2000 have 3 maintained the public health objective to use the MSA portion for the tobacco prevention and 4 control trust fund portion to help residents quit smoking and to prevent youth from starting. 5 6 These programs and the individuals dedicated to protecting youth and help people quit smoking are saving lives, improving health outcomes, and have saved the state \$1 billion dollars in total 7 health care costs.² 8

9 Despite the declines in the use of combustible cigarette use, each year 1,400 adults in 10 Hawaii will die prematurely, and 1,000 keiki will lose at least one parent from smoking-caused death.^{3,4} Hawaii annually spends \$526 million in direct annual health care expenditures and 11 experiences \$387.3 million in worker productivity lost due to smoking.⁵ Meanwhile the tobacco 12 industry continues to spend billions of dollars in advertising, \$9.06 billion in 2018 alone, and our 13 keiki continue to be enticed and become addicted.⁶ Where the traditional advertising of 14 combustible cigarettes was visible to parents, the keiki now receive advertising directly for 15 e-cigarettes and vaping devices through their smart phones from online youth social influencers 16 and social and digital media platforms.⁷ From 2015 to 2019, youth e-cigarette use in Hawaii 17 increased from 25.1% to 30.6%. High school students who use e-cigarette frequently increased 18

<u>State Department of Health</u>, Chronic Disease Prevention and Health Promotion Division.

https://www.cdc.gov/tobacco/data_statistics/fact_sheets/tobacco_industry/marketing/index.htm

 ¹ National Association of Attorneys General, The Master Settlement Agreement . Retrieved 2-12-2021: <u>https://li23g1as25g1r8so11ozniw-wpengine.netdna-ssl.com/wp-content/uploads/2020/09/MSA.pdf</u>
 ² Holmes JR, Ching LK, Cheng D, Johnson L, Yap L, Starr RR and Irvin L. 2018. <u>Tobacco Landscape. Honolulu: Hawaii</u>

³ Lortet-Tieulent J, Goding Sauer A, Siegel RL, et al. State-Level Cancer Mortality Attributable to Cigarette Smoking in the United States. JAMA Intern Med. 2016;176(12):1792–1798. doi:10.1001/jamainternmed.2016.6530

⁴ Leistikow BN, Martin DC, Milano CE. Estimates of smoking-attributable deaths at ages 15-54, motherless or fatherless youths, and resulting Social Security costs in the United States in 1994. Prev Med. 2000 May;30(5):353-60. doi: 10.1006/pmed.2000.0657. PMID: 10845743.

⁵ Campaign for Tobacco-Free Kids, "The Toll of Tobacco in Hawaii." January 19, 2021.

⁶ Centers for Disease Control and Prevention, Tobacco Industry Marketing. Retrieved 2-13-21:

⁷ O'Brien EK, Hoffman L, Navarro MA, Ganz O. Social media use by leading US e-cigarette, cigarette, smokeless tobacco, cigar and hookah brands. Tob Control. 2020 Dec;29(e1):e87-e97. doi: 10.1136/tobaccocontrol-2019-055406. Epub 2020 Mar 26. PMID: 32217772.

from 3.6% in 2015 to 10.4% in 2019, and these figures corroborate the escalating concerns heard
from the DOH from pediatricians and community organizations calling about youth who are
heavily addicted to nicotine.⁸

The repeal of Chapter 328L-2, and -5, HRS would break the nexus between the annual 4 5 MSA payments and the people of Hawaii, whose health continue to be impacted by tobacco. 6 The action to transfer the tobacco prevention and control trust fund to the general funds would end the work not finished, to prevent youth from becoming addicted to nicotine, and to help 7 8 youth, pregnant women, and adults to quit. Native Hawaiians, Pacific Islanders, and Pacific 9 Islanders have been disproportionately impacted by COVID-19 infections, hospitalizations, 10 death, and life disruptions during the pandemic – and these are also the communities the trust fund serves. During the pandemic the Department has continued its work with the Hawaii 11 12 Community Foundation, that invests and manages these dollars. Together we have kept to an aggressive timeline to launch the comprehensive youth prevention education program and 13 strengthening the Hawaii Tobacco Quitline services to meet the needs of addicted keiki. The 14 work is not yet done. 15

What will be the legacy of this pandemic? If it is to be the building of resilient communities, the Department strongly recommends the fidelity to original intent of Act 304 in 1899 that established the tobacco settlement special funds, tobacco enforcement special funds to enforce the MSA, and the tobacco prevention and control trust fund for the comprehensive tobacco prevention and control program in Hawaii.

- 21 Thank you for the opportunity to testify on this measure.
- 22 Offered Amendments: None

⁸ Hawaii State Department of Health and Education, Hawaii Health Data Warehouse, Youth Risk Behavior Survey, 2015 to 2019. Hawaii-IBIS <u>http://ibis.hhdw.org/ibisph-view</u>. Accessed on 2-14-21.



UNIVERSITY OF HAWAI'I SYSTEM

Legislative Testimony

Testimony Presented Before the House Committee on Health, Human Services, & Homelessness and the House Committee on Higher Education & Technology February 18, 2021 at 11:15 a.m. by Kalbert K. Young Vice President for Budget and Finance/Chief Financial Officer University of Hawai'i System

HB 1296 - RELATING TO STATE FUNDS

Chairs Yamane and Takayama, Vice Chairs Tam and DeCoite, and members of the Committees:

Thank you for the opportunity to present testimony today. The University of Hawai'i (UH) **opposes** House Bill (HB) 1296, Relating to State Funds, and **provides comments** that the committee should very seriously consider the implications. UH's comments are particularly focused on two sections. First, Section 6 which eliminates the Hawai'i tobacco settlement special fund and the percentage allocation of tobacco settlement moneys to the University Revenue undertakings fund. Second, Section 8 which appropriates general funds into the University Revenue-Undertakings Fund.

HB 1296, Section 6, repeals the Hawai'i tobacco settlement special fund. In doing so, the bill eliminates the provision which provides for appropriation of 26% of tobacco settlement revenues to the university revenue undertakings fund. The tobacco settlement revenues are specifically appropriated to the purpose of paying debt service on bonds issued for construction of the John A. Burns School of Medicine (JABSOM) facility in Kaka'ako. Any revenues above annual debt service costs can also assist JABSOM with operational expenses.

The outstanding bonds were sold in 2006 and the tobacco settlement revenues were a primary revenue pledge to bond buyers. Currently, there remain more than \$117.22 million in bonds outstanding. HB 1296 would eliminate that source of funding and could trigger a bond covenant default to investors.

Relatedly, Section 8, of the bill purports to appropriate an undetermined amount of funds to the university revenue-undertakings fund. Without knowing the Legislature's intention for this appropriation, I would point out that the UH's annual debt service payments alone are between \$9.4 million and \$10.04 million each year. The bonds have as much as ten (10) years remaining until full maturity, with a total debt service

remaining on the bonds of \$123.57 million. The par value of the outstanding bonds are approximately \$117.22 million.

Terminating the statutory provision of tobacco settlement revenues would have serious bond implications to UH and the State of Hawai'i. For these reasons, the UH opposes this bill.

Thank you for this opportunity to testify.

DAVID Y. IGE GOVERNOR



CRAIG K. HIRAI DIRECTOR

ROBERT YU DEPUTY DIRECTOR

STATE OF HAWAI'I DEPARTMENT OF BUDGET AND FINANCE P.O. BOX 150 HONOLULU, HAWAI'I 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION FINANCIAL ADMINISTRATION DIVISION OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

EMPLOYEES' RETIREMENT SYSTEM HAWAI'I EMPLOYER-UNION HEALTH BENEFITS TRUST FUND OFFICE OF THE PUBLIC DEFENDER

WRITTEN ONLY

TESTIMONY BY CRAIG K. HIRAI DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE TO THE HOUSE COMMITTEES ON HEALTH, HUMAN SERVICES, & HOMELESSNESS AND HIGHER EDUCATION & TECHNOLOGY ON HOUSE BILL NO. 1296

February 18, 2021 11:15 a.m. Via Videoconference

RELATING TO STATE FUNDS

The Department of Budget and Finance (B&F) opposes House Bill (H.B.)

No. 1296.

H.B. No. 1296 proposes to:

- Change the distribution of the tobacco stamp fee by diverting the entire fee to the Department of Taxation's Cigarette Tax Stamp Administrative Special Fund and eliminating distribution to the Department of the Attorney General's (AG) Tobacco Enforcement Special Fund (TESF).
- Abolish the Hawai'i Tobacco Settlement Special Fund and eliminate the current process of distributing moneys received from the tobacco settlement moneys, including funds that are currently deposited into the Emergency and Budget Reserve Fund (EBRF).
- Abolish and eliminate fines, fees, and moneys currently deposited into the TESF and lapse any unencumbered balances to the credit of the general fund.

- Abolish and eliminate fines, fees, and other moneys currently deposited into the Hawai'i Tobacco Settlement Special Fund and lapse any unencumbered balances to the credit of the general fund.
- Abolish the Hawai'i Tobacco Prevention and Control Trust Fund and lapse any unencumbered balances to the credit of the general fund.
- Make an undetermined general fund appropriation to the University Revenue-Undertakings Fund.

As the department responsible for administering the State's official reserve fund, B&F strongly opposes the elimination of the deposit of moneys received from the tobacco settlement moneys to the EBRF. The tobacco settlement moneys represent the largest regular source of revenues currently being deposited into the EBRF. For FY 20, the State received a total of \$35.3 million in the tobacco settlement moneys, of which \$4.9 million was deposited into the EBRF. It is also noted that due to the ongoing economic impact of the COVID-19 pandemic, the Legislature transferred much of the balance of the EBRF to the general fund at the end of FY 20. As of June 30, 2020, the ending balance for the EBRF was \$58,880,670, which is down from the previous fiscal year's ending balance of \$378,237,160 on June 30, 2019. In light of last fiscal year's depletion of the EBRF, it does not appear fiscally prudent to eliminate one of its largest revenue sources.

It is B&F's understanding that the Department of Health (DOH) and AG also stand in opposition of H.B. No. 1296. DOH opposes as they currently manage the distribution of the tobacco settlement moneys and manage the Tobacco Prevention and Control Trust Fund, which is used to pay for tobacco cessation services and youth vaping prevention campaigns. Their efforts help save on healthcare costs by promoting cessation and averting initiation.

-2-

The AG currently administers the Tobacco Enforcement Unit (TEU), which is funded by the TESF. It is B&F's understanding that elimination of the TESF would eliminate the operations of TEU and consequently, Hawai'i would fall out of compliance as a participating state in the Tobacco Master Settlement Agreement. As a result, it is estimated that Hawai'i could lose a substantial portion of about \$30 million plus in the tobacco settlement moneys that the State has been receiving each year.

B&F defers to DOH, the AG, or other agencies regarding specific impacts H.B. No. 1296 would have on their operations.

Thank you for your consideration of our comments.

HB-1296 Submitted on: 2/12/2021 11:28:29 AM Testimony for HHH on 2/18/2021 11:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Cori Takesue	Lanai Community Health Center	Oppose	No

Comments:

Lanai Community Health Center has been able to provide its patients and community members with tobacco cessation treatment services as well as prevention education through grant funding we receive from the Trust Fund. We have received this funding over the last five years and previously for a couple of years in the past to help provide our patients with free nicotine replacement therapies and quit smoking medications to assist with quitting smoking. This funding has helped many of our patients take important steps to improving their health and overall quality of life as they have made commitments to be tobacco-free. This funding has also helped us to provide prevention education through heath education classes in the school, through social media, and through community events where we have been able to educate community members about the harmful effects of smoking (both cigarettes and ESD use) on their overall health, which in turn serves to promote prevention of youth or other community members from starting tobacco use.

Tobacco use is still the leading cause of preventable death and disease, claiming <u>1,400</u> <u>lives each year and creating \$526 million in annual healthcare costs in Hawai'i</u>. Ecigarette use among youth has reached epidemic levels and erased decades of progress. Continued investment in tobacco prevention and control is needed to reverse this alarming trend and protect public health.

As a representative of Lanai Community Health Center's tobacco cessation program, I OPPOSE this bill, as it jeopardizes decades of progress in tobacco prevention and control efforts at a time it is needed the most and it also limits access to effective treatment options (NRTs, quit smoking medications) our Lanai community members as they may not be able to afford on their own.

<u>HB-1296</u> Submitted on: 2/12/2021 2:52:20 PM Testimony for HHH on 2/18/2021 11:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Elizabeth Makarra	Waikiki Health	Oppose	No

Comments:

Waikiki Health is a federally Qualified Community Health Center (FQHC) and has been serving the community for more than 53 years. For more than 10 years, Waikiki Health has been helping smokers create and reach their guit goals, thanks to the funding from the Hawai'i Tobacco Prevention and Control Trust Fund, administered and managed by the Hawaii Community Foundation. Our Tobacco Cessation program served 464 smoking and vaping patients between July 2019 and June 30 2020; 309 patients between July 2018 and June 30 2019; and. 356 July 2017 and June 30 2019. We employ three certified Tobacco Treatment Specialists, with accreditation through the Mayo Clinic and the National Certification of Tobacco Treatment Specialists (NCTTP.) We focus on serving the priority populations of Native Hawaiian's, LGBTQ, those with Mental Illness and those with Low Economic Status (Low SES,) and, we also offer comprehensive smoking cessation to those who are pregnant or nursing through the Baby and Me Tobacco Free Program at our PATH Clinic. Our Tobacco Cessation Program is integrated with our Primary Care and Behavioral Health departments and offers a integral healthcare to members of our island community who need it most. Our smoking patients rely on the good work of our Tobacco Treatment Specialists to move toward their healthcare goals and our program to become non-smokers and this program is more important than ever to help those at higher risk to COVID-19. The Tobacco Enforcement Special Fund, Hawaii Tobacco Settlement Special Fund, Hawaii Tobacco Prevention and Control Trust Fund is crucial to offering integrated healthcare in our community and we urge you to adamantly oppose HB 1296. Thank you.



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asashawaii.org

Committee on Health, Human Services and Homelessness Rep. Ryan I. Yamane, Chair Rep. Adrian K. Tam, Vice Chair

Thursday, February 18, 2021 11:15AM Conference Room 329

Re: In opposition of House Bill 1296 Relating to State Funds

Dear Chair Yamane, Vice Chair Tam and members of the committee,

After-School All-Stars Hawaii opposes House Bill 1296 which would repeal the tobacco prevention and control trust fund.

For over 20 years, Hawaii's Tobacco Prevention and Control Trust Fund has reduced the burden of tobacco in our state, saving both lives and healthcare costs. Since its inception, the state has achieved significant declines in smoking rates for both adults and youth smoking rates.

Despite this progress, the toll of tobacco is substantial, and there is still work to be done. Tobacco use is still the leading cause of preventable death and disease, claiming 1,400 lives each year and creating \$526 million in annual healthcare costs in Hawai'i. E-cigarette use among youth has reached epidemic levels and erased decades of progress. Continued investment in tobacco prevention and control is needed to reverse this alarming trend and protect public health.

This fund has enabled After-School All-Stars Hawaii to provide vital education to middle school students in relation to the toll that tobacco and e-cigarettes can have on their health and well-being. Even during COVID, just under 500 students took part in a project that assisted them to make good choices in relation to tobacco and tobacco related products. When our schools return in person we are confident with the support of this fund, we can deliver this message to an additional 2000 students.

In conclusion, the After-School All-Stars Hawaii opposes HB1296 and respectfully urges the this bill <u>not</u> be passed so that students in Hawai'i can continue to be educated about the dangers of tobacco and tobacco related products. Thank you for the opportunity to testify.

Sincerely,

Paula Fitzell President/CEO After-School All-Stars Hawaii

<u>HB-1296</u> Submitted on: 2/15/2021 1:56:17 PM Testimony for HHH on 2/18/2021 11:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Bryan Mih	Kapiolani Smokefree Families	Oppose	No

Comments:

Dear Representatives,

As a pediatrician and medical director of the Kapi'olani Smokefree Families Program, I strongly oppose this bill. This is a shortsighted bill that risks the health of our keiki and their families.

The Kapi'olani Smokefree Families Program is funded through the Tobacco Prevention & Control Trust Fund via the Hawaii Community Foundation. The funds we receive are put to very good use and to the benefit newborns, children, adolescents, and their families by combatting the many health problems caused by nicotine and tobacco products. We are the only pediatric hospital-based cessation program in the state. One of the most likely times for parents or family members to consider quitting nicotine or tobacco is when people find out about a pregnancy, at the birth of a newborn, or when a child in the hospital. By being readily available in the hospital, the Kapi'olani Smokefree Families Program provides important support and intervention at crucial and impactful times.

Since 2000, Hawai'i has saved over \$1 billion dollars in healthcare costs through significant reductions in smoking among youth, adults, and pregnant women. For every \$1 spent on tobacco prevention, Hawai'i saves \$6.64 in direct healthcare costs.

Mahalo for your consideration and for opposing this bill.

Sincerely,

Bryan Mih, MD, MPH, FAAP

Pediatrician

Date:	February 18, 2021
To:	The Honorable Ryan Yamane, Chair The Honorable Adrian Tam, Vice Chair Members of the Committee on Health, Human Services, & Homelessness
	The Honorable Gregg Takayama, Chair The Honorable Lynn DeCoite, Vice Chair Members of the Committee on Higher Education & Technology
From:	Members of the University of Hawai'i Student Health Advisory Council
Re:	Strong Opposition for HB1296, Relating to State Funds
Hearing:	Thursday, February 18, 2021, at 11:15 am at Capitol Room 329

Thank you for the opportunity to submit testimony in OPPOSITION of HB1296, which repeals the Hawai'i Tobacco Prevention and Control Trust Fund. For over twenty years, Hawai'i's Tobacco Prevention and Control Trust Fund has reduced tobacco use rates in our state, which has saved both lives and extensive health care costs. Since its inception, Hawai'i has achieved significant declines in smoking rates amongst youth and young adults as a result of this trust fund.

Over the years, the Student Health Advisory Council has aligned themselves with the mission of the Trust Fund and played a pivotal role in the development and implementation of health policies and tobacco education on the UH System campuses. We remain deeply committed to the mission of reducing the use of tobacco products, including electronic smoking devices, among adolescents and young adults.

We, therefore, urge you to oppose this measure. For the sake of our general public health, Hawai'i should not jeopardize decades of progress in tobacco prevention and control efforts at a time when our youth need this education and support the most.

Mahalo,

Student Health Advisory Council

HB-1296 Submitted on: 2/16/2021 5:21:20 PM Testimony for HHH on 2/18/2021 11:15:00 AM

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

Comments:

This is a good bill. We encourage the legislature to finally make lobbyist rings such as Hawaii Public Health Institute and Coalition for a Tobacco Free Hawaii actual get off their lazy butts and seek purely private donations. If there's "so much community support" that should be no problem for them. A good example of how a lobbyist group doesn't need State funds is the NRA. They have lots of money and don't get free hand outs from the State, they charge membership dues. Also lets not forget, the tobacco settlement was supposed to pay for smokers health care, not private lobbyist groups and their high living lifestyles.

I encourage lawmakers to pull the 990 tax forms for these groups and you will quickly see that most of their money doesn't go directly to their few paid employees but instead to huge travel bills and nebulous "programs" provided by their friends where hundreds of thousands of dollars disappears from public view each year with little or nothing to show for it. These groups are also known to bank large amounts of money just in case.

<u>HB-1296</u>

Submitted on: 2/16/2021 6:45:26 PM Testimony for HHH on 2/18/2021 11:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lisa Dau	Keiki Injury Prevention Coalition	Oppose	No

Comments:

Thursday, February 18, 2021, at 11:15 AM

Committee on HEALTH, HUMAN SERVICES, AND HOMELESSNESS

Rep. Ryan Yamane, Chair

Rep. Adrian Tam, Vice Chair

Committee on HIGHER EDUCATION AND TECHNOLOGY

Rep. Gregg Takayama, Chair

Rep. Lynn DeCoite, Vice Chair

From: Lisa Dau, RN

Coordinator, Keiki Injury Prevention Coalition (KIPC)

For: Testimony in Opposition of HB 1296

RELATING TO STATE FUNDS

My name is Lisa Dau, and I am the Coordinator of Keiki Injury Prevention Coalition (KIPC), and we oppose HB1296. The Hawaii Tobacco Prevention and Control Trust Fund was created to prevent youth from starting to use tobacco and help people quit tobacco. Since 2000, Hawaii has saved billions of dollars in healthcare costs by reducing smoking among youths and adults. Tobacco prevention and control funding are important to saving lives and healthcare costs.

Thank you,

Lisa Dau, RN



To: Rep. Ryan I. Yamane, Chair Rep. Adrian K. Tam, Vice Chair Committee on Health, Human Services, and Homelessness

> Rep. Gregg Takayama, Chair Rep. Lynn DeCoite, Vice Chair Committee on Higher Education and Technology

RE: Strong Opposition to HB 1296, Relating to State Funds

Hrg: February 18, 2021 at 11:15 AM via Videoconference

The Hawaii COPD Coalition is in **strong opposition to HB 1296**, which repeals the Hawaii Tobacco Prevention and Control Trust Fund and transfers the balances to the general fund.

I am Executive Director of the Hawaii COPD Coalition and serve over 45,000 Hawaii adults diagnosed with COPD in Hawaii (with an estimated equal number still undiagnosed). Chronic Obstructive Pulmonary Disease or COPD is an umbrella of diseases which include emphysema, chronic bronchitis and chronic asthma. Since 2007, I have worked in Hawaii, nationally and internationally with countless people who have had their lungs and lives horribly affected by tobacco and nicotine. Many of these people have become disabled and unable to perform jobs and hobbies they enjoyed, spending a lot more time and resources with healthcare providers than they or any of us would like.

The funds in the Hawaii Tobacco Prevention and Control Trust Fund are used for many important purposes in our state, including funding the medical school and tobacco prevention and education. Tobacco is one of the main preventable chronic health problems of the world. Tobacco and electronic smoking devices continue to be a major health threat in Hawaii and funds from the Tobacco Prevention and Control Trust Fund are crucial in helping to fund programs to minimize the harm tobacco does to our youth and our state.

Tobacco prevention and cessation programs are important to reduce the burden of tobacco in our state. Thank you for the opportunity to provide testimony in opposition to HB 1296.

Mahalo,

Valerie Chang

Valerie Chang Executive Director



Testimony to the House Joint Committee on Health, Human Services, & Homelessness, and Higher Education & Technology Thursday, February 18, 2021; 11:15 a.m. State Capitol, Conference Room 329 Via Videoconference

RE: HOUSE BILL NO. 1296, RELATING TO STATE FUNDS.

Chair Yamane, Chair Takayama, and Members of the Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA respectfully **OPPOSES** House Bill No. 1296, RELATING TO STATE FUNDS.

As received by your Committee, House Bill No. 1296, would repeal the Tobacco Enforcement Special Fund, the Hawaii Tobacco Settlement Special Fund, and the Hawaii Tobacco Prevention and Control Trust Fund (Trust Fund) and transfer all balances to the General Fund on July 1, 2021.

The bill would also appropriate an unspecified amount of General Funds for Fiscal Year 2021-2022, and the same amount for fiscal year 2022-2023, to be deposited into the University Revenue Undertaxing Fund.

By way of background, the HPCA represents Hawaii Federally-Qualified Health Centers (FQHCs). FQHCs provide desperately needed medical services at the frontlines in rural and underserved communities. Long considered champions for creating a more sustainable, integrated, and wellness-oriented system of health, FQHCs provide a more efficient, more effective and more comprehensive system of healthcare.

The special funds in this bill provide critically important resources for a vast array of public health programs, including tobacco cessation and youth vaping prevention programs. Many of our FQHCs provide these kinds of programs through the support of the Trust Fund. Elimination of these dedicated funds will seriously undermine sustainability of these programs.

Testimony on House Bill No. 1296 Thursday, February 18, 2021; 11:15 a.m. Page 2

We are also especially concerned about the repeal of the Hawaii Tobacco Settlement Special Fund and whether the repeal of this fund will impact the State's ability to receive tobacco settlement funds in the future.

For these reasons, we respectfully ask that this measure be filed.

Thank you for the opportunity to testify. Should you have any questions, please do not hesitate to contact Public Affairs and Policy Director Erik K. Abe at 536-8442, or eabe@hawaiipca.net.



Date: February 17, 2021

To:

Kilikina Mahi, MBA Chair KM Consulting LLC

HIPHI Board

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JoAnn Tsark, MPH Secretary John A. Burns School of Medicine, Native Hawaiian Research Office

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Rachel Novotny, PhD, RDN, LD University of Hawai'i at Mānoa, College of Tropical Agriculture and Human Resources

May Okihiro, MD, MS John A. Burns School of Medicine, Department of Pediatrics

Misty Pacheco, DrPH University of Hawai'i at Hilo, Department of Kinesiology and Exercise Sciences

Garret Sugai Kaiser Permanente Representative Ryan I. Yamane, Chair Representative Adrian K. Tam, Vice Chair Members of the Health, Human Services, and Homelessness Committee

Representative Gregg Takayama, Chair Representative Lynn DeCoite, Vice Chair Members of the Higher Education and Technology Committee

Re: Strong Opposition to HB 1296, Relating to State Funds

Hrg: February 18, 2021 at 11:15 AM via Videoconference

The Coalition for a Tobacco-Free Hawai'i (Coalition), a program of the Hawai'i Public Health Instituteⁱ offers testimony in **strong opposition to HB 1296**, which would repeal several special funds, including the Tobacco Prevention and Control Trust Fund (Trust Fund), and transfer the balances to the general fund.

The Coalition works to reduce tobacco use through education, policy and advocacy. Our program consists of over 100 member organizations and 4,000 advocates that work to create a healthy Hawai'i through comprehensive tobacco prevention and control efforts.

While the Coalition recognizes the serious budget deficits the state is facing as a result of the COVID-19 pandemic, the long-term costs and harms of repealing the Trust Fund and the services it provides will greatly outweigh any short-term benefits.

Tobacco prevention and control programs save lives and money.

Tobacco use remains the leading preventable cause of death in our state and in the country. 1,400 people die from tobacco use or exposure in Hawai'i each yearⁱⁱ. Tobacco use causes \$170 billion in health care costs in the US each yearⁱⁱⁱ, including \$526 million in the state of Hawai'i^{iv}.

A 2018 report by the Hawai'i State Department of Health calculated that tobacco prevention and control policies and programs have saved the state over \$1 billion in healthcare costs over the last twenty years^v. They also found that tobacco prevention and control had a strong return on

investment: for every \$1.00 spent on tobacco prevention, Hawai'i saved about \$6.64 in direct healthcare costs. These savings were largely achieved through significant reductions in smoking rates among youth, adults, and pregnant women. Between 2009 and 2018, cessation providers funded through the Trust fund have helped approximately 12,000 people quit using tobacco products^{vi}. Beyond the healthcare costs savings, these numbers represent thousands of lives and years of life saved.

The need for tobacco prevention and control continues as the industry finds new, innovative ways to hook our keiki onto nicotine.

The rise of e-cigarettes among youth has undone decades of progress and has highlighted the ongoing need for tobacco prevention and control programs. In 2019, 1 in 3 (30.6%) public high school students and more than 1 in 6 (18%) public middle school students in Hawai'i reported that they use e-cigarettes^{vii}. Adding to the concern is the growing link between tobacco use and COVID-19 - in May 2020, Stanford University published a landmark study that found teens and young adults that use e-cigarettes had a five to seven times greater chance of being diagnosed with COVID-19 than those that did not use e-cigarettes^{viii}. Even without the global pandemic, youth e-cigarette use is a public health concern. E-cigarettes often contain nicotine, which is addictive and harmful particularly to adolescents, whose brains are still developing. And Hawaii's teens are addicted – the percentage of frequent and daily high school users has doubled from 2017 to 2019^{ix}. Knowing how difficult it is to quit nicotine, cessation services tailored to youth are especially important in light of the youth vaping epidemic.

The Trust Fund provides a dedicated, stable source of funding for CDC-recommended strategies to reduce tobacco use^x.

The Tobacco Prevention and Control Trust Fund, which is administered by the Hawai'i Community Foundation, provides important tobacco prevention and control programs on all islands except Niihau. Through the programs it funds, the Trust Fund prevents a new generation of smokers and helps current smokers quit. The Trust Fund actively works to reduce disparities in tobacco use, prioritizing programs that serve populations most burdened by tobacco, including Native Hawaiians, people with low socio-economic status, people with behavioral health conditions, LGBT, and pregnant women.

Considering that 90% of smokers start before the age of 18^{xi}, education programs are important to prevent youth from ever trying tobacco products and protect them from a lifetime of addiction. The rise in e-cigarette use among Hawai'i youth demonstrates the continued need for prevention and education programs, even as cigarette use declines.

Because tobacco is highly addictive, cessation services offer critical support, counseling, and free nicotine replacement therapies to help adults and youth successfully quit. These services are provided through community organizations and health centers, as well as the Hawai'i Tobacco Quitline.

Funding for tobacco prevention and control programs pales in comparison to tobacco industry spending.

The CDC recommends that Hawai'i spend \$13.7 million each year to fund an effective, comprehensive tobacco prevention and control program, however, Hawai'i currently funds at 58% of the recommended amount^{xii}. In comparison, the tobacco industry spends \$26.1 million on marketing in Hawai'i - triple the amount Hawai'i spends on prevention^{xiii}.

The only source of funding for the Trust Fund is Master Settlement Agreement (MSA) annual payments.

No revenue from the cigarette tax or other tobacco product tax is allocated to tobacco prevention and control. The 1998 MSA was a result of 46 states suing the four largest tobacco companies in the United States to recover billions of dollars in costs associated with treating smoking-related illness. The settlement resulted in annual payments, in perpetuity, to the states that could be used to cover current and future costs of tobacco-related illnesses. Created in 2001 to reduce cigarette smoking and tobacco use among youth and adults through education, prevention, and cessation, the Trust Fund currently receives 12.5% of Hawaii's annual payments^{xiv}.

The Coalition recognizes the difficult financial position the state is in, but repealing the Trust Fund will have drastic impacts on the health of our communities and healthcare costs. Tobacco prevention and control has already saved the state over \$1 billion in healthcare costs, in addition to the priceless lives and life years saved, and is meant to continue the work in perpetuity. Losing the Trust Fund and the programs it supports would increase the burden of tobacco in our communities, and as such <u>the Coalition strongly opposes HB 1296 and respectfully asks the committee to preserve the Hawai'i Tobacco Prevention and Control Fund</u>. We appreciate the opportunity to provide testimony on this importation issue.

Mahalo,

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Jessica Yamauchi, MA Executive Director

^{iv} Campaign for Tobacco-Free Kids, The Toll of Tobacco in Hawaii. <u>http://www.tobaccofreekids.org/facts_issues/toll_us/hawaii</u>

ⁱ 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.

The Hawai'i Public Health Institute is a hub for building healthy communities, providing issue-based advocacy, education, and technical assistance through partnerships with government, academia, foundations, business, and community-based organizations.

ⁱⁱ Campaign for Tobacco-Free Kids, The Toll of Tobacco in Hawaii. <u>http://www.tobaccofreekids.org/facts_issues/toll_us/hawaii</u>

^{III} Campaign for Tobacco-Free Kids , Toll of Tobacco in the USA <u>http://www.tobaccofreekids.org/research/factsheets/pdf/0072.pdf</u>

^v Holmes JR, Ching LK, Cheng D, Johnson L, Yap L, Starr RR and Irvin L. 2018. Tobacco Landscape. Honolulu: Hawai'i State Department of Health, Chronic Disease Prevention and Health Promotion Division.

^{vi} Professional Data Analysts. Hawaiʻi Cessation Grants Program, Total number served: 2009 cohort2016 cohort to date. 2018.

vii 2019 Youth Risk Behavior Surveillance System (YRBSS). Available at:<u>www.cdc.gov/yrbs</u>. Accessed on 02/03/2021.

viii Gaiha SM, Cheng J, Halpern-Felsher B. Association Between Youth Smoking, Electronic Cigarette Use, and COVID-19. Journal of Adolescent Health. 2020;67(4):519-23.

^{ix} Youth Risk Behavior Surveillance System (YRBSS), 2017-2019. Available at: www.cdc.gov/yrbs. Accessed on 02/07/2021.

^x 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.

^{xi} U.S. Department of Health and Human Services. The Health Consequences of Smoking - 50 Years of Progress. A Report of the Surgeon General. Atlanta, GA: 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

xⁱⁱ Broken Promises to Our Children" report, Campaign for Tobacco Free Kids, https://www.tobaccofreekids.org/what-wedo/us/statereport

xⁱⁱⁱ Campaign for Tobacco-Free Kids, The Toll of Tobacco in Hawaii. <u>http://www.tobaccofreekids.org/facts_issues/toll_us/hawaii</u>

xiv Hawaii Revised Statute §328L-2



Thursday, February 18, 2021; 11:15 am Via Video Conference

House Committee on Health, Human Services & Homelessness

To: Representative Ryan Yamane, Chair Representative Adrian Tam

House Committee on Higher Education & Technology

To: Representative Gregg Takayama, Chair Representative Lynn DeCoite, Vice Chair

From: Laura Bonilla, RN Executive Director – Pediatric and Women's Services

My name is Laura Bonilla, and I serve as the Executive Director of Pediatric and Women's Services at Kapi'olani Medical Center for Women and Children (Kapi`olani) is an affiliate of Hawaii Pacific Health. Kapi'olani Medical Center is the state's only maternity, newborn and pediatric specialty hospital. It is also a tertiary care, 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 care, air transport, maternal-fetal medicine and high-risk perinatal care.

Kapi'olani writes in opposition to HB 1296 which proposes to repeal the tobacco enforcement special fund, the Hawai'i tobacco settlement special fund, and the Hawai'i tobacco prevention and control trust fund and transfer the unencumbered balances to the general fund.

As the only pediatric hospital in the state, we are concerned that eliminating the Hawai'i tobacco prevention and control trust fund (Trust Fund) may lead to a reduction in quality health care and services provided to this vulnerable population of mothers, infants and children. We are committed to reducing the burden of smoking in the communities we serve, including pregnant mothers, infants and children we provide services to. We have seen the effect smoking and even secondhand smoke have on expectant mothers and their children. Smoking is the number one preventable cause of death. Quitting tobacco is one of the best things a patient can do to improve their health and decrease their risk of hospital readmissions.

The money we receive from the Trust Fund is used to provide cessation services to Hawai'i Pacific Health patients or any interested community members who want to quit using tobacco. The evidence-based services provided by Certified Tobacco Treatment Specialists include cessation counseling and nicotine replacement therapies (nicotine patches, gum, and/or lozenges) provided at no cost to the program participants. This funding also allows for easy access to cessation services by removing financial barriers that might otherwise keep tobacco users from seeking treatment, such as the cost of nicotine replacement therapies or copays for counseling. More than 80% of program participants come from a group that suffers disproportionally from tobacco, such as those that are low-income, homeless, uninsured, or have mental health or substance use issues. These populations also tend to be more heavily addicted and require intensive tobacco product use and has created more exposure to secondhand smoke from people being confined indoors.

In addition to providing intensive intervention, Tobacco Treatment Specialists funded by the Trust Fund are able to dedicate time to providing outreach and education to increase the number of patients and community members that make a quit attempt. We focus on reaching out to the parents and caretakers of pediatric patients which is important in the prevention of secondhand or thirdhand smoke exposure. If funding ceases, we will lose the opportunity to engage patients during critical times in their health care, such as during hospital admissions where they may be highly motivated to make a change to quit using tobacco. While tobacco use may be addressed by members of the health care team, many tobacco users require intensive ongoing treatment through the counseling provided by tobacco treatment specialists.

While we are sensitive to the challenging budget circumstances the State is confronting, we are compelled to write in opposition to HB 1296 which would adversely impact the programs supported by the Trust Fund and effectively diminish the success achieved in reducing the burden of smoking. Tobacco prevention and control funding is critical to saving lives and healthcare costs in the state.

Thank you for the opportunity to testify.



To: Rep. Ryan I. Yamane, Chair Rep. Adrian K. Tam, Vice Chair Committee on Health, Human Services, and Homelessness

> Rep. Gregg Takayama, Chair Rep. Lynn DeCoite, Vice Chair Committee on Higher Education and Technology

RE: Strong Opposition to HB 1296, Relating to State Funds

Hrg: February 18, 2021 at 11:15 AM via Videoconference

The Campaign for Tobacco-Free Kids is in **strong opposition to HB 1296**, which repeals the Hawaii Tobacco Prevention and Control Trust Fund and transfers the balances to the general fund.

The Campaign for Tobacco-Free Kids' goal is to protect children and save lives from the #1 cause of preventable death: tobacco use. We envision a future free of death and disease caused by tobacco and support policies that will help us achieve those goals. Key to achieving that goal is a strong and robust tobacco prevention and education program like the one funded by the tobacco trust fund.

Studies have clearly shown that funding these programs is a critical component in fighting tobacco related disease and mitigating the costs associated with it. Smoking costs that state's Medicaid program \$141.7 million and leads to a loss of \$387.3 million in lost productivity and wages.¹ Funding programs that focus on tobacco prevention and education are proven to lower smoking rates, and mitigate the financial impact smoking has on a state.

Tobacco control programs play a crucial role in the prevention of many chronic conditions such as cancer, heart disease, and respiratory illness. Comprehensive tobacco prevention and cessation programs prevent kids from starting to smoke, help adult smokers quit, educate the public, the media and policymakers about policies that reduce tobacco use, address disparities, and serve as a counter to the ever-present tobacco industry.

The empirical evidence regarding the effectiveness of comprehensive tobacco prevention and cessation programs is vast and growing. There is more evidence than ever before that tobacco prevention and cessation programs work to reduce smoking, save lives and save money. The

2014 Surgeon General Report, The Health Consequences of Smoking – 50 Years of Progress, calls for a number of specific actions, including: "Fully funding comprehensive statewide tobacco control programs at CDC recommended levels."² The report also notes that, "States that have made larger investments in comprehensive tobacco control programs have seen larger declines in cigarettes sales than the nation as a whole, and the prevalence of smoking among adults and youth has declined faster, as spending for tobacco control programs has increased." Importantly, the Report finds that long term investment is critical. It states, "Experience also shows that the longer the states invest in comprehensive tobacco control programs, the greater and faster the impact."

In addition, the Community Preventive Services Task Force, an independent expert advisory committee created by CDC, found "strong evidence" that comprehensive tobacco control programs reduce the prevalence of tobacco use among adults and young people, reduce tobacco product consumption, increase quitting, and contribute to reductions in tobacco-related diseases and deaths. The evidence also indicates that comprehensive tobacco control programs are cost-effective, and savings from averted healthcare costs exceed intervention costs.³

In 2007, the Institute of Medicine and the President's Cancer Panel issued landmark reports that concluded there is overwhelming evidence that comprehensive state tobacco control programs substantially reduce tobacco use and recommended that every state fund such programs at CDC recommended levels.⁴ In addition, the 2012 annual report to the nation on cancer found that death rates from lung cancer have dropped among women and attributed this decline to "strong, long-running, comprehensive tobacco control programs."⁵

Data from numerous states that have implemented programs consistent with CDC guidelines show significant reductions in youth and adult smoking. The most powerful evidence, however, comes from national studies that look across states and control for as many of the relevant confounding factors as possible. These rigorous studies consistently show effects of tobacco prevention and cessation programs.

At the time of the settlement, Senator Daniel Akaka said "I can't think of any more appropriate topic of concern at every level of government than the reduction of smoking in this society. This process of suing the tobacco companies, this process that led to the settlements, is not about getting some money for new highways or new types of programs at the State level. It started with the realization that smoking is the most dangerous public health problem in this country and we have to take concerted steps to do that. The suits resulted in a settlement, financially, but it won't result in the effective eradication, elimination, or reduction of smoking unless we apply those proceeds to smoking cessation programs and other public health initiatives that are critical to the health and welfare of this country."

Experiences from across the country make it clear that when states cut program funding progress in reducing tobacco use erodes, and the state suffers from higher levels of smoking and more smoking-caused deaths, disease, and costs.

We understand the unprecedented deficit in the current HI state budget and the need to make cuts across the board, but cutting the trust fund will exacerbate future budget problems. Tobacco prevention and cessation programs are important to reduce the burden of tobacco in our state and the costs associated with it. Thank you for the opportunity to provide testimony in opposition to HB 1296.

Mahalo,

Linday Junt

Lindsey Freitas, MPA, Advocacy Director Campaign for Tobacco-Free Kids Ifreitas@tobaccofreekids.org

¹ CDC, Best Practices for Comprehensive Tobacco Control Programs, 2014.

² HHS, The Health Consequences of Smoking: 50 Years of Progress. A Report of the Surgeon General, Atlanta, GA: 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. http://www.surgeongeneral.gov/library/reports/50-years-of-progress/index.html 3 The Guide to Community-Preventive Services, "Reducing tobacco use and secondhand smoke exposure: comprehensive tobacco control programs," http://www.thecommunityguide.org/tobacco/comprehensive.html.

⁴ Institute of Medicine, Ending the Tobacco Problem: A Blueprint for the Nation, National Academy of Sciences, 2007; President's Cancer Panel, Promoting Healthy Lifestyles: Policy, Program and Personal Recommendations for Reducing Cancer Risk, 2006-2007 Annual Report; See also, Institute of Medicine, State Programs Can Reduce Tobacco Use, National Academy of Sciences, 2000; HHS, Reducing Tobacco Use: A Report of the Surgeon General, 2000.

⁵ Eheman, C., et. al., "Annual Report to the Nation on the Status of Cancer, 1975-2008, Featuring Cancers Associated with Excess Weight and Lack of Sufficient Physical Activity," *Cancer*, March, 2012.



Wellness & Lifestyle Medicine

To: Rep. Ryan I. Yamane, Chair Rep. Adrian K. Tam, Vice Chair Committee on Health, Human Services, and Homelessness

> Rep. Gregg Takayama, Chair Rep. Lynn DeCoite, Vice Chair Committee on Higher Education and Technology

RE: Strong Opposition to HB 1296, Relating to State Funds

Hrg: February 18, 2021 at 11:15 AM via Videoconference

Adventist Health Castle is in **strong opposition to HB 1296**, which repeals the Hawaii Tobacco Prevention and Control Trust Fund and transfers the balances to the general fund.

Castle's "Live Well Tobacco Free Program" is a comprehensive tobacco treatment program that has been funded by the Hawaii Tobacco Prevention and Control Trust Fund over the past twelve years. This free program has greatly impacted the well-being and quality of life for participants and their ohana, especially in east and north Oahu and throughout the state. It continues to successfully help tobacco users from priority populations quit tobacco use, including those with serious behavioral health diagnoses, and pregnant mothers. It reaches strong proportions of highly addicted tobacco users while providing participants with grant-funded medication—a critical component which assists individuals to have the confidence to become tobacco-free and remain tobacco-free.

Even through the challenges of providing excellent care through the current pandemic, our program has been able to expand access to the entire state through our free, remote, virtual services for effective individual counseling, group classes and support. In light of the research that shows young adult and teen e-cigarette users had a <u>five to seven times greater chance of being diagnosed with COVID-19</u> when compared to those that did not use e-cigarettes, our program continues to educate our community and provide hope with a proven strategy for tobacco cessation to increase immunity and reduce risks in the fight against COVID-19.

Tobacco prevention and cessation programs are important to reduce the burden of tobacco in our state. Thank you for your ongoing support and the opportunity to provide testimony in opposition to HB 1296.

Mahalo nui loa,

Allie Hall, RN, BSN, MPH, NCTTP Program Coordinator, Tobacco Control Tobacco Treatment Specialist



February 17, 2021

House Committee on Health, Human Services, & Homelessness House Committee on Higher Education & Technology Hearing: 11:15 a.m., February 18, 2021 Hawaii State Capitol Room 329

Re: OPPOSITION to HB 1296, Relating to State Funds

Aloha Chairs Yamane and Takayama, Vice-Chairs Tam and DeCoite, and members of the committees:

The Hawai'i Community Foundation (HCF) administers the Hawai'i Tobacco Prevention and Control Trust Fund ("Trust Fund") under contract with the Department of Health. The Hawai'i Community Foundation strongly opposes HB 1296, which repeals the statutes that created and funded the Trust Fund and transfers unencumbered balances to the general fund.

Through the Trust Fund, HCF has funded a range of community grants and contracts to support tobacco prevention and control activities statewide for 20 years. Our goal is to help improve the health and wellbeing of Hawaii's people by reducing death and disease caused by tobacco consumption. Our administration of the Trust Fund includes three key activities:

- We manage statewide community grant programs supporting non-profit organizations on the six main islands to provide community-based tobacco cessation and youth prevention services;
- We administer vendor contracts for important statewide community services like the Hawai'i Tobacco Quitline to reduce tobacco consumption among youth and adults;
- We provide financial management and investment oversight of the Trust Fund.

All Trust Fund grant programs, contracts, and investment policies are managed by HCF staff. Alongside the efforts of the Department of Health and many other organizations, the Trust Fund has helped to achieve significant results for Hawai'i. For example, our state has one of the lowest smoking rates in the nation.¹ Tobacco control efforts have realized savings of over \$1 billion in healthcare costs.² The Trust Fund's current efforts include the following:

¹ Hawai'i: 12.3% of adults in 2019. National median: 16.0% in 2019. Source: Centers for Disease Control and Prevention (<u>https://www.cdc.gov/</u>), Behavior Risk Factor Surveillance System, Prevalence Data and Analysis Tools, BRFSS Prevalence & Trends Data.

² Hawai'i State Department of Health, "Hawai'i Tobacco Landscape", <u>https://health.hawaii.gov/tobacco/files/2018/03/tobaccopolicy.pdf</u>

- Number of cessation and youth prevention grants by island:

Hawaiʻi Island – 8	Maui - 4	Moloka'i - 2
Lāna'i — 2	Oʻahu — 11	Kaua'i - 3

- Tobacco users served by current cessation grantees since 2019: <u>3,587</u>
- Youth prevention grant program participants in 2020: <u>~1,600</u>
- Staff employed by grantees to support tobacco cessation and prevention: ~ 33.5 FTE
- Hawai'i Tobacco Quitline enrolled participants in 2020: 1,523

We know that long term major challenges remain. The greatest concern right now is the youth vaping epidemic. Hawai'i has one of the highest rates in the nation among middle and high school youth.³ When the scale of the problem became apparent several years ago, HCF quickly pivoted and created new statewide youth prevention and education programs to teach our keiki about the dangers of using these devices. Currently, HCF is funding two major initiatives to encourage youth not to start vaping: a community grants program using an evidence-based curriculum and a communications contract to provide youth-centered messages over social media and other outlets throughout the state.

By funding and overseeing this work for 20 years since the Trust Fund was created, HCF has gained substantial knowledge about what it takes at the grassroots level to reduce tobacco consumption in our communities. We are deeply connected to the organizations and programs engaged in this effort, giving us rapid access to current information. We have the grant-making experience to quickly adapt to ever-changing trends in tobacco products and consumption patterns. The Trust Fund provides a crucial, dependable source of funding to support tobacco control and prevention. Without it, Hawai'i risks reversing years of progress in reducing the leading preventable cause of chronic disease and death among our people.

Thank you for the opportunity to testify on this measure.

³ Hawaii Health Data Warehouse Indicator Based Information System, DOH, Hawai'i Youth Risk Behavior Survey, <u>http://ibis.hhdw.org/ibisph-view/query/selection/yrbs/ YRBSSelection.html</u>

John A. Burns School of Medicine





Office of the Dean

Testimony Presented Before the House Committee on Health, Human Services, & Homelessness and the House Committee on Higher Education & Technology Thursday February 18, 2021 at 11:15 a.m by Jerris Hedges, MD, Dean and Lee Buenconsejo-Lum, MD, FAAFP Associate Dean for Academic Affairs & DIO, UH JABSOM John A. Burns School of Medicine University of Hawai'i at Mānoa

HB1296 – RELATING TO STATE FUNDS

Chairs Yamane and Takayama, Vice Chairs Tam and DeCoite, and members of the Committees:

Thank you for the opportunity to present testimony today. The John A. Burns school of medicine (JABSOM) **opposes** House Bill No. 1296, Relating to State Funds. JABSOM's testimony relates to the elimination of the tobacco settlement funds that are allocated to JABSOM.

The state has long recognized the importance of JABSOM contributing to the health and wellbeing of the people of Hawai'i in regards to the health consequences of tobacco use. Consequently, the legislature directed a percentage of the Tobacco Settlement Special Fund to be applied to finance the cost of construction of a university health and wellness center, including a new medical school facility. For this reason, 26% of the Hawaii Tobacco Settlement Special Fund was appropriated into the Revenue-Undertakings Fund for the sole purpose of paying debt service for JABSOM's facility in Kaka'ako. HB1296 would eliminate that source of funding and UH would default on the bonds that financed the construction of the JABSOM Kaka'ako campus.

In order to avoid defaulting on the bonds, UH and JABSOM would have to divert funds from other programs, threatening the viability of those programs. Both UH and JABSOM already face a reduction in state revenue. While we are taking steps to minimize the impact such a reduction would have on our programs, loss of the revenue from the tobacco settlement fund would have devastating implications. Loss of the
Tobacco Settlement Funds would cost JABSOM and the University \$10 million annually, a cost that neither JABSOM nor the University can absorb.

As the only medical school in Hawai'i, JABSOM plays a pivotal role in educating and training future physicians for the state, particularly primary care physicians. The lack of funding from the Tobacco Settlement Funds would lead to cutting back on training opportunities meant to encourage more local medical students to practice in the areas of greatest need, such as the Neighbor Islands and in primary care. Over the years, JABSOM has proven that medical students who receive their medical education and complete their residency programs in Hawai'i largely remain in Hawai'i to practice. Faced with a physician shortage of over 1000 physicians in the state when compared to other Mainland jurisdictions, enabling JABSOM to continue to grow local doctors for Hawai'i is crucial to the health and wellbeing of our communities.

Physicians are at the forefront of the battle against smoking as they advise their patients to stop smoking and other tobacco use regularly. The investment that the State makes in the medical school helps not only deliver the tobacco cessation message and thus potentially prevent new chronic diseases made worse by tobacco use, but also helps provide the physicians who directly care for those injured by tobacco use.

Patients are more than 30% more likely to take the tobacco cessation advice of their physicians than other advocates.

The payback to the State for its investment is in helping to ensure there are practitioners in Hawai'i who can care for tobacco-related disease and deliver/reinforce tobacco cessation messages that last for the lifetime of each student's professional career, and touch the lives of tens of thousands of Hawai'i's citizens each year.

<u>Citizens of Hawai'i will suffer the consequences of tobacco use for years after</u> <u>quitting, and no amount of prevention messaging will substitute for the care that</u> <u>our physicians will provide to those with tobacco-related illness.</u>

The investment of the Tobacco Settlement Funds in the medical school is one of the best health bargains the State has today. JABSOM is training more students than ever before. We expanded our class size to help meet the worsening doctor shortage---and the tobacco monies allowed us to do that. Our third-year medical students now have the option of doing part of their training in Hilo, West Hawai'i and North Hawai'i, Maui and Kaua'i. First-year and fourth-year medical students have the opportunity for elective rotations on the islands of Hawai'i, Maui, Kaua'i and Moloka'i. These are bold steps taken to realize the dream of former Governor Burns to allow Hawai'i's children to become some of Hawai'i's most valuable citizens, i.e., those who commit their lives to improve the health of others.

While we are sensitive to the fiscal needs facing the state, for the above reasons, we respectfully oppose HB 1296. Thank you for this opportunity to testify.



American Cancer Society Cancer Action Network 2370 Nu'uanu Avenue Honolulu, HI 96817 www.fightcancer.org

Committee on Health, Human Services, & Homelessness Representative Ryan Yamane, Chair Representative Adrian Tam, Vice Chair

Committee on Higher Education & Technology Representative Gregg Takayama, Chair Representative Lynn DeCoite, Vice Chair

Hearing: February 18, 2021

ACS CAN STRONGLY OPPOSES HB1296: Relating to State Funds

Cynthia Au, Grassroots Manager – Hawaii Pacific American Cancer Society Cancer Action Network

The American Cancer Society Cancer Action Network (ACS CAN), the nonprofit, non-partisan advocacy affiliate of the American Cancer Society, advocates for public policies that reduce death and suffering from cancer including policies targeted at improving the health of our state by reducing tobacco use. ACS CAN recognizes that COVID-19 is serious and impacting all of our lives. At this critical moment with people focused on protecting their respiratory health, we must do everything in our power to keep our communities healthy and safe—which means building strong public health infrastructure including investing in comprehensive tobacco control programs. Long after this pandemic passes, people deserve to live full, healthy lives free from the ills of tobacco use. ACS CAN **STRONGLY OPPOSES** HB1296, which would eliminate funding for all tobacco control programs in Hawaii.

The Problem: Tobacco Use and the Toll of Tobacco in Hawaii

Tobacco is an addictive and deadly product and tobacco use remains the nation's number one cause of preventable death. According to the U.S. Surgeon General, smoking is a known cause of cancer of the oropharynx, larynx, lung/trachea/bronchus, stomach, liver, pancreas, kidney, cervix, bladder, colon, and acute myeloid leukemia.ⁱ In fact, smoking is responsible for an estimated 24.6% of cancer deaths in Hawaii.ⁱⁱ Additionally, smokeless tobacco use can cause cancer of the mouth, esophagus, and pancreas.

Smoking harms nearly every organ in the body and increases the risk for many types of cancer, heart attack, stroke, chronic obstructive pulmonary disease (COPD), emphysema, chronic bronchitis and other diseases.ⁱⁱⁱ People who smoke or who used to smoke are at increased risk for severe illness from COVID-

 $https://www.cdc.gov/tobacco/data_statistics/fact_sheets/health_effects/effects_cig_smoking/$

ⁱ U.S. Department of Health and Human Services. The Health Consequences of Smoking—50 Years of Progress: A Report of the Surgeon General. 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.

American Cancer Society Cancer Action Network. <u>State-Specific Smoking-Related Cancer Cases and Deaths</u>, 2017.
Centers for Disease Control and Prevention (CDC). Health Effects of Cigarette Smoking. Updated April 28, 2020.

19. Smoking is also a proven risk factor for cancer, COPD and heart disease, which also put people at increased risk for severe illness from COVID-19. Regardless of any association with COVID-19, the adverse health effects of smoking are well-documented and irrefutable.

Evidence suggests cigarettes are being manufactured and marketed in ways that make them more deadly than ever. The Surgeon General has determined that individuals who smoke cigarettes today have a much higher risk for lung cancer and COPD than did people who smoked in 1964, despite smoking fewer cigarettes.^{iv} If you add the deaths from all diseases attributable to smoking, the number of annual deaths climbs to 1,400 lives lost to smoking each year in Hawaii.^v In fact, if nothing is done to reduce smoking rates in our state, 21,000 kids under 18 currently alive in Hawaii will ultimately die prematurely from smoking.^{vi}

Unfortunately, after years of decline, we've seen sharp increases in youth tobacco use nationwide in recent years, largely due to skyrocketing rates of e-cigarette use. At the same time, progress on previously declining youth use of other tobacco products, including cigarettes and cigars, stalled. Unfortunately, many young people who use tobacco do not identify the type they use as a tobacco product or do not identify the tobacco product as harmful.^{vii} Furthermore, studies have found that e-cigarette use increases the risk of youth and young adults using cigarettes.^{viii, ix, x}

It should be noted that the damage tobacco inflicts upon our state is not limited to death and disease. Annual health care costs from smoking exceed \$526 million in Hawaii including \$141 million Hawaii's Medicaid program spends each year to treat smoking-related diseases.^{xi} Smoking-caused productivity losses cost Hawaii an additional \$387.3 million annually.^{xii} Given the projected budget deficit in Hawaii, it is vital that evidence-based programs are in place to reduce tobacco use and reduce taxpayer-funded healthcare costs. Increasing the state cigarette tax by \$1 per pack with a parallel tax on all other tobacco products would provide a substantial source of revenue for the state while further reducing tobacco use.

Reducing Health Disparities Related to Tobacco Use

Due to historical and ongoing patterns of tobacco industry marketing to targeted populations, tobacco use and tobacco-related disease tend to disproportionately impact some groups more than others. Here in Hawaii, the tobacco industry has targeted youth and Pacific Islanders. These differences are in large part due to the tobacco industry's targeted marketing through advertising, price discounting and other strategies.^{xiii} Well-funded, evidence-based tobacco control programs can counter the tobacco

^{iv} HHS, 2014.

^v CDC, Best Practices for Comprehensive Tobacco Control Programs, 2014.

^{vi} Campaign for Tobacco-Free Kids. The Toll of Tobacco in Hawaii. Updated October 20, 2020.

vⁱⁱ Agaku I, Odani S, Vardavas C, Neff L. Self-Identified Tobacco Use and Harm Perceptions Among US Youth. Pediatrics. 2018 Apr, 141
(4).

viii U.S. Department of Health and Human Services. E-Cigarette Use Among Youth and Young Adults. A Report of the Surgeon General. Atlanta, GA: 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, 2016.

^{ix} National Academies of Sciences, Engineering, and Medicine. 2018. Public health consequences of e-cigarettes. Washington, DC: The National Academies Press.

^x Berry KM, Fetterman JL, Benjamin EJ, et al. Association of Electronic Cigarette Use With Subsequent Initiation of Tobacco Cigarettes in US Youths. JAMA Netw Open. 2019;2(2):e187794.

^{xi} Campaign for Tobacco-Free Kids. The Toll of Tobacco in Hawaii. Updated October 20, 2020.

^{xii} Campaign for Tobacco-Free Kids. The Toll of Tobacco in Hawaii. Updated October 20, 2020.

xⁱⁱⁱ The Truth Initiative, Campaign for Tobacco-Free Kids, American Heart Association and American Stroke Association, American Cancer Society Cancer Action Network, American Lung Association, Americans for Nonsmokers' Rights, and Robert Wood Johnson Foundation.

industry's targeting while providing resources to support those trying to quit and other health programs that directly benefit populations with higher tobacco use and deaths due to tobacco, and ultimately reduce health disparities.

Historical Efforts and Evidence in Support of Comprehensive Tobacco Control in Hawaii In the over 50 years since the first Surgeon General's report on tobacco use was published, scientists and policymakers have learned a lot about what works to reduce tobacco use.

The Centers for Disease Control and Prevention (CDC) evidence-based recommendations for a comprehensive tobacco control program provides states with the needed framework to educate people on the dangers of tobacco use as well as connect people who are already addicted to tobacco to resources to help them quit. Comprehensive tobacco control programs establish smoke-free policies and social norms, promote tobacco cessation and support those trying to quit, prevent initiation of tobacco use among prospective new users including youth and reduce tobacco-related health disparities among disparate populations.^{xiv} When appropriately funded in accordance with CDC recommendations, comprehensive tobacco control programs are able to reduce tobacco use.^{xv}

The 2014 Surgeon General's report on tobacco concluded that comprehensive statewide and community tobacco control programs are effective in preventing and reducing tobacco use by keeping young people from becoming addicted and helping individuals who use tobacco to quit.^{xvi}

In 1998, Hawaii and 45 other states sued tobacco companies and won, resulting in the Master Settlement Agreement (MSA). The MSA included payments to the settling states to cover current and future costs of treating tobacco-related illnesses. A portion (12.5%) of the settlement funds are allocated to the Hawaii Tobacco Prevention and Control Trust Fund. The Trust Fund's purpose is to reduce cigarette smoking and tobacco use among youth and adults.

This bill proposes to repeal the tobacco enforcement special fund, the Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund, eliminating funding for tobacco control in our state.

In Hawaii, the comprehensive tobacco control program is currently funded at \$7.9 million^{xvii} which is 58% of what the CDC recommends for an effective program in Hawaii based on state-specific factors.^{xviii} To reduce the devastating health impact of cancer and other tobacco-related disease, we need to invest in programs that prevent kids from starting to use tobacco and help others who are already addicted to quit. Despite much progress, the current rates of tobacco use remain unacceptable, and more than two-thirds (68%) of people who currently smoke indicate they would still like to quit.^{xix} Simply stated, these are people who need our help, their lives are depending on it.

Tobacco Prevention & Cessation Programs in Hawaii are Vital to Protect Youth

Due to skyrocketing rates of youth tobacco use in recent years, the decades of progress that has been

A report entitled Broken Promises to Our Children: A State-By-State Look at the 1998 State Tobacco Settlement 22 Years Later. January, 2021. Available on-line at: https://www.tobaccofreekids.org/what-we-do/us/statereport.

^{xiv} CDC, 2014.

^{xv} CDC, 2014.

^{xvi} HHS, 2014.

^{xvii} The Truth Initiative, et al (2021).

^{xviii} CDC, 2014.

xix U.S. Centers for Disease Control and Prevention. Quitting smoking among adults – United States 2000-2015. Morbidity and Mortality Weekly Report, January 6, 2017: 65(52); 1457–1464.

made in reducing tobacco use rates in youth is now in jeopardy. Here in Hawaii approximately one third of high school students use tobacco products, including 5.3% who smoke cigarettes, and 30.6% who use electronic cigarettes.^{xx} Action is needed to reverse these trends. As the tobacco industry is evolving, the need for funding for tobacco prevention programs has never been greater.

Increased counter marketing that can protect kids from tobacco industry appeals is a critical aspect of state comprehensive state tobacco control programs.^{xxi} This type of media effort is needed to counteract the \$26.1 million per year that tobacco companies are spending to market cigarettes and smokeless tobacco alone in Hawaii not including their other deadly and addictive products.^{xxii} Funding is needed to negate the influence Big Tobacco's marketing has on youth.

According to projections developed by the Campaign for Tobacco-Free Kids, the proposal to Hawaii cut's already underfunded program by 100% would mean 1,900 more Hawaii kids growing up to be adults who smoke and increase future healthcare expenditures by \$39.9 million.

It's imperative that programs are funded to protect the next generation from a lifetime of addiction. Maintaining funding for Hawaii's tobacco prevention and cessation program is crucial to prevent kids from starting to use tobacco and help people already addicted to tobacco quit.

Maintaining tobacco control program funding for which we ask your support here today is backed by extensive science, evidence, and success stories from other states. Research shows that the more states spend on comprehensive tobacco control programs, the greater the reductions in smoking. The longer states invest in such programs, the greater and quicker the impact. For example, one study found that Washington state saved more than \$5.00 in just tobacco-related hospitalization costs for every \$1.00 spent during the first 10 years of its program.^{xxiii} Following the CDC funding recommendations for a comprehensive tobacco control program provides states with the needed framework to educate people on the dangers of tobacco use as well as connect people who are already addicted to tobacco to resources to help them quit.

Thanks to the decades of program implementation, surveillance, and evaluation, we now know what works best to prevent and reduce smoking and tobacco use. Extensive research shows enacting comprehensive smoke-free laws, regularly and significantly increasing tobacco taxes and adequately funding tobacco prevention and cessation programs work together to effectively reduce tobacco use and save lives. While Hawaii is facing unprecedented public health challenges, it is critical that programs to prevent kids from starting to use tobacco and help adults quit are preserved. No matter when someone quits tobacco, there are large and immediate benefits—perhaps these benefits are as important now as ever. For some people who use tobacco products, the COVID-19 crisis might provide motivation to quit; for others, trying to quit during a time of stress might be even harder. Hawaii should do everything we can to help those who choose to quit to succeed.

xx Campaign for Tobacco-Free Kids

^{xxi} CDC, 2014.

^{xxii} The Truth Initiative, et al (2021).

^{xxiii} Dilley, Julia A., et al., "Program, Policy and Price Interventions for Tobacco Control: Quantifying the Return on Investment of a State Tobacco Control Program," *American Journal of Public Health*, Published online ahead of print December 15, 2011. See also, Washington State Department of Health, Tobacco Prevention and Control Program, Progress Report, March 2011. Washington State Department of Health, Tobacco Prevention and Control Program, News Release, "Thousands of lives saved due to tobacco prevention and control program," November 17, 2010, <u>http://www.doh.wa.gov/Publicat/2010_news/10-183.htm</u>.

If we are serious about fighting the death and disease caused by tobacco, holding HB1296 is a critical step. Thank you for the opportunity to testify today about the state tobacco control programs, and we urge you to oppose eliminating tobacco control programs to protect respiratory health.

Aloha House Health, Human Services, & Homelessness & Committee on Higher Education & Technology,

Attached is a compilation of testimony for Thursday, February 18, 2021; 11:15 p.m.; State Capitol, Conference Room 329 in **OPPOSITION** of **HB1296: Relating to State Funds** for the following individuals:

Tyler Kamisato, UH Undergraduate in Public Health Studies - Mililani, 96789 Ellie Ventula-Honda, Citizen - Honolulu, 96825 Beverly Wong, Citizen - Halawa, 96818 Chandra Quinlan, Citizen - Waipio Gentry (Waipahu), 96797 Frank V. Guillermo - Waipahu, 96797 Jenny Hausler, Citizen - Pearl City, 96782 Kellen King, Citizen - Ewa Beach, 96706 LokeLani Chong - UH Nursing Student Hilo, 96720 Lauren Simpson-Gomez, UH Student - Honolulu, HI 96822 Lynn Wilson, Citizen - Honomu, 96728 Madeline Bush, UH Nursing Student - Hilo, 96720

Date: February 16, 2021

To: The Honorable Representative Ryan Yamane, Chair The Honorable Representative Adrian Tam, Vice Chair Members of the House Committee on Health

> The Honorable Representative Gregg Takayama, Chair The Honorable Representative Lynn DeCoite, Vice Chair Members of the House Committee on Higher Education & Technology

Re: Strong Opposition of HB1296: RELATING TO STATE FUNDS

Hrg: Thursday, February 18, 2021 at 11:15am at Capitol Room 329

Aloha, my name is Tyler Kamisato from Mililani, HI, 96789. Thank you for the opportunity to submit testimony in **strong opposition** to HB1296 relating to defunding tobacco enforcement, Hawaii tobacco special settlement fund, and Hawaii tobacco prevention and control trust fund. Hawaii has made significant progress towards tobacco control and having the committee pass this bill would have Hawaii take several years worth of work back.

I volunteer with the American Cancer Society Cancer Action Network and have personally seen my friends under the influence of some of my own peers to try and start vaping using electronic cigarettes (e-cigarettes). All of her friends (who were under the age of 21 at the time) were using these tobacco devices because it was "cool." When they saw that she wasn't using one, they kept peer pressuring her to just "try it." After taking several hits from her friend's devices, she became addicted to nicotine and started using my own device. She's only 19 but with the help of her older friends, she's able to get her hands on e-cigarettes. I see what nicotine does to her almost everyday. At work, she has to take smoke breaks when it's not busy because her body needs the nicotine or well she'll start to have headaches, mood swings, ravings etc. She tells me that after using e-cigarettes, she gets really bad coughs and her throat hurts from time to time. Also, she feels a little "sluggish" here and there. She knows the risks but still chooses to participate in this act. E-cigarettes have negatively impacted her life and her life has only just begun.

The Hawaii Tobacco Prevention and Control Trust Fund was created for the purpose of preventing youth from starting to use tobacco and help people quit. Being able to have prevention education for youth across the state is actually a very vital step towards cessation. School-based tobacco prevention education programs that focus on skills training approaches have proven successful in the past by reducing the onset of smoking, according to numerous independent studies. A summary of these findings demonstrates positive outcomes across programs that vary in scope, format, and delivery method. To be most effective, school-based programs need to target the youth before they initiate tobacco use or drop out of school. Due to the considerable number of students that begin using tobacco products before the age of 15, it is imperative that school-based programs continue throughout high school. In Hawaii,

- An estimated 1,400 deaths are caused by smoking each year.
- 12.30% of adults and 5.3% of high school students smoke cigarettes and approximately one third of high school students use tobacco products.
- Over 24.6 percent of cancer deaths in Hawaii are caused by smoking.
- 30.6% of high school students currently use e-cigarettes

Investing in tobacco control programs, including having access to prevention education, is needed to reverse these alarming new trends. The need for funding tobacco prevention programs has never been greater. It's imperative that programs are funded to protect the next generation from a lifetime of addiction.

I understand that the state is trying to find money in order to fund the state budget however, please take into consideration the years of work Hawaii has gone through in order to be where we are now. I strongly recommend that you consider the setbacks of defunding tobacco prevention and control programs for the future of our ohana living in Hawaii. I urge you to hold this bill. Thank you again for the opportunity to testify.

Sincerely, Tyler Kamisato Mililani, 96789

- Date: February 15, 2021
- To: The Honorable Representative Ryan Yamane, Chair The Honorable Representative Adrian Tam, Vice Chair Members of the House Committee on Health

Re: Strong Opposition of HB1296: RELATING TO STATE FUNDS

Hrg: Thursday, February 18, 2021 at 11:15am at Capitol Room 329

Position: Strong Opposition

Good morning Chairs, Vice Chairs, and joint committee members. My name is Ellie Ventula-Honda, from Honolulu, 96825. Thank you so much for the opportunity to submit testimony in STRONG OPPOSITION to HB1296. I urge for the preservation of the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund.

I volunteer with the American Cancer Society Cancer Action Network and it saddens me that funds for programs that have been proven to protect kids from the challenges of addiction to tobacco and especially to help the adults to quit is in consideration of being eliminated. My loving parents were cigarette smokers, which made a profound impact on my breathing. I developed asthma and many respiratory issues. My father passed away from lung cancer, and my mother was diagnosed with colon cancer, at which time; both parents were in their 60's. Today, I continue to struggle with respiratory problems and can't stand the smell of cigarettes' when I pass people who are smoking in public. I watch young children walking the mall with cigarettes and other smoking devices as they emulate the adults doing the same thing. Many are too young to even drive. Why do you even want to consider stopping the funding for prevention programs and why can't we just stop the selling of these deadly items as a whole? Consider the right actions to take for the children, perhaps your loved ones and for the people of Hawaii. Please continue the must needed funding for the state's tobacco prevention and cessation programs. Please make the right decision, do what's right...

Fully funding evidence-based tobacco prevention and cessation programs, along with regular and significant tobacco tax increases and comprehensive smoke-free laws can reduce tobacco use. While Hawaii is facing unprecedented public health challenges, it is critical that programs to prevent kids from starting to use tobacco and help adults quit are preserved. I understand that the state is trying to find money to fund the state budget. Please consider the impact and cost it would be defunding tobacco prevention and control programs on the future of Hawaii.

I urge you to hold this bill.

Mahalo for the opportunity to submit testimony.

Date: February 15, 2021

To: The Honorable Representative Ryan Yamane, Chair The Honorable Representative Adrian Tam, Vice Chair Members of the House Committee on Health

> The Honorable Representative Gregg Takayama, Chair The Honorable Representative Lynn DeCoite, Vice Chair Members of the House Committee on Higher Education & Technology

- Re: Strong Opposition of HB1296: RELATING TO STATE FUNDS
- Hrg: Thursday, February 18, 2021 at 11:15am at Capitol Room 329

Position: Strong Opposition

Good morning Chairs, Vice Chairs, and joint committee members. My name is J. Fowler, from Honolulu, 96814. Thank you so much for the opportunity to submit testimony in STRONG OPPOSITION to HB1296. I urge for the preservation of the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund.

For as long as I remember my mom has smoked. She has smoked for over 30 years. Had the tobacco prevention programs been in place at a time when she started, I believe her life would be very different than what it is today. Please do not take away funding for programs that can help people to quit.

I understand that the state is trying to find money to fund the state budget. Please consider the impact and cost it would be defunding tobacco prevention and control programs on the future of Hawaii.

I urge you to hold this bill.

Mahalo for the opportunity to submit testimony.

- Date: February 15, 2021
- To: The Honorable Representative Ryan Yamane, Chair The Honorable Representative Adrian Tam, Vice Chair Members of the House Committee on Health

- Re: Strong Opposition of HB1296: RELATING TO STATE FUNDS
- Hrg: Thursday, February 18, 2021 at 11:15am at Capitol Room 329

Position: Strong Opposition

Good morning Chairs, Vice Chairs, and joint committee members. My name is Beverly Wong, from Halawa, 96818. Thank you so much for the opportunity to submit testimony in STRONG OPPOSITION to HB1296. I urge for the preservation of the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund.

My father was a chain smoker and the results of this addiction his health was affected and family members were affected by colon cancer, prostate cancer and skin cancer problems. I strongly feel that we must stop the use of tobacco so that families will not experience the suffering and loss of loved ones.

People who smoke or who used to smoke are at increased risk for severe illness from COVID-19. Smoking is also a proven risk factor for cancer, chronic obstructive pulmonary disease (COPD) and heart disease, which also put people at increased risk for severe illness from COVID-19. Regardless of any association with COVID-19, the adverse health effects of smoking are well-documented and irrefutable. Now is a better time than ever to quit.

Health Impact of Tobacco Use in Hawaii

Smoking harms nearly every organ of the body and the use of tobacco products remains the nation's number one cause of preventable death. Tobacco use is responsible for nearly 1 in 5 deaths nationwide.ⁱ In Hawaii:

- An estimated 1,400 deaths are caused by smoking each year.ⁱⁱ
- 12.30% of adults and 5.3% of high school students smoke cigarettes.^{iii,iv}
- Over 24.6 % of cancer deaths in Hawaii are caused by smoking.^v
- 30.6% of high school students currently use e-cigarettes

Tobacco Control Programs help our state save money

In 1998, Hawaii and 45 other states sued tobacco companies and won, resulting in the Master Settlement Agreement (MSA). The MSA included payments to the settling states to cover current and future costs of treating tobacco-related illnesses. A portion (12.5%) of the settlement funds are allocated to the Hawaii Tobacco Prevention and Control Trust Fund. For over 20 years, Hawaii's Tobacco Prevention and Control Trust Fund has reduced the burden of tobacco in our state, saving both lives and healthcare costs. Since its inception, the state has achieved significant declines in smoking rates for both adults and youth smoking rates. Despite this progress, the toll of tobacco is substantial, and there is still work to be done. In recent years we've seen skyrocketing rates of youth tobacco use, driven by the ecigarette epidemic.

Smoking is estimated to cost Hawaii \$526 million in direct health care costs, including \$141 million in Medicaid costs annually.^{vi} Given the projected budget deficit, it is vital that evidence-based programs are in place to reduce tobacco use and reduce taxpayer-funded healthcare costs. According to projections from the Campaign for Tobacco-Free Kids, the elimination of funding in HB 1296 would:

- Increase youth smoking rates by 8.7%.
- Lead to 1,900 more kids growing up to become addicted adult smokers.
- Lead to 600 more kids growing up to die prematurely from smoking.
- Result in \$39.9 million in future healthcare additional expenses.

Fully funding evidence-based tobacco prevention and cessation programs, along with regular and significant tobacco tax increases and comprehensive smoke-free laws can reduce tobacco use. While Hawaii is facing unprecedented public health challenges, it is critical that programs to prevent kids from starting to use tobacco and help adults quit are preserved.

I understand that the state is trying to find money to fund the state budget. Please consider the impact and cost it would be defunding tobacco prevention and control programs on the future of Hawaii.

Mahalo for the opportunity to submit testimony. I deeply care about the health of Hawaii people and <u>I</u> urge you to hold this bill.

ⁱ Centers for Disease Control and Prevention (CDC). Health Effects of Cigarette Smoking. Updated April 28, 2020.

https://www.cdc.gov/tobacco/data_statistics/fact_sheets/health_effects/effects_cig_smoking/ " Campaign for Tobacco-Free Kids (CTFK). The Toll of Tobacco in Hawaii. Updated October 20, 2020.

https://www.tobaccofreekids.org/problem/toll-us/hawaii

^{III} Campaign for Tobacco-Free Kids (CTFK). The Toll of Tobacco in Hawaii. Updated October 20, 2020. https://www.tobaccofreekids.org/problem/toll-us/hawaii

^{iv} Campaign for Tobacco-Free Kids (CTFK). The Toll of Tobacco in Hawaii. Updated October 20, 2020. https://www.tobaccofreekids.org/problem/toll-us/hawaii

American Cancer Society Cancer Action Network. <u>State-Specific Smoking-Related Cancer Cases and Deaths</u>, 2017. December 2020.
^{vi} Campaign for Tobacco-Free Kids. The Toll of Tobacco in Hawaii. October 20, 2020. <u>https://www.tobaccofreekids.org/problem/toll-</u>

- Date: February 17, 2021
- To: The Honorable Representative Ryan Yamane, Chair The Honorable Representative Adrian Tam, Vice Chair Members of the House Committee on Health

- Re: Strong Opposition of HB1296: RELATING TO STATE FUNDS
- Hrg: Thursday, February 18, 2021 at 11:15am at Capitol Room 329

Position: Strong Opposition

Good morning Chairs, Vice Chairs, and joint committee members. My name is Chandra Quinlan from Waipio Gentry (Waipahu), 96797. Thank you so much for the opportunity to submit testimony in STRONG OPPOSITION to HB1296. I urge for the preservation of the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund.

I volunteer with the American Cancer Society Cancer Action Network and I am a breast cancer survivor. I am a non-smoker. In fact, I've never smoked a cigarette, but the ill-effects of tobacco use has had a huge impact on me because I've lost too many family members to smoking, starting with my paternal grandmother Betty Lou, who died from emphysema and liver disease at 42. My maternal grandmother Evelyn, died of lung cancer with metastasis to the brain at 67. Both smokers, my Uncle Roy also lost his battle with lung cancer at 66 as did my cousin Roman at 55. Most recently, my friend Terra, a single mother in her early 40s was diagnosed with mouth cancer after discovering a malignant tumor under her tongue. After completing chemotherapy and radiation she said "I never thought I would get cancer from smoking" despite having smoked since she was a teen and knowing all the risks. Terra's statement just encapsulates why we need to maintain funding for education and prevention programs, especially now during this pandemic.

Health Impact of Tobacco Use in Hawaii

Smoking harms nearly every organ of the body and the use of tobacco products remains the nation's number one cause of preventable death. Tobacco use is responsible for nearly 1 in 5 deaths nationwide.ⁱ In Hawaii:

- An estimated 1,400 deaths are caused by smoking each year.ⁱⁱ
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Tobacco Control Programs help our state save money

In 1998, Hawaii and 45 other states sued tobacco companies and won, resulting in the Master Settlement Agreement (MSA). The MSA included payments to the settling states to cover current and future costs of treating tobacco-related illnesses. A portion (12.5%) of the settlement funds are allocated to the Hawaii Tobacco Prevention and Control Trust Fund. For over 20 years, Hawaii's Tobacco Prevention and Control Trust Fund has reduced the burden of tobacco in our state, saving both lives and healthcare costs. Since its inception, the state has achieved significant declines in smoking rates for both adults and youth smoking rates. Despite this progress, the toll of tobacco is substantial, and there is still work to be done.

Smoking is estimated to cost Hawaii \$526 million in direct health care costs, including \$141 million in Medicaid costs annually.^{vi} Given the projected budget deficit, it is vital that evidence-based programs are in place to reduce tobacco use and reduce taxpayer-funded healthcare costs. According to projections from the Campaign for Tobacco-Free Kids, this cut would:

- Increase youth smoking rates by 8.7%.
- Lead to 1,900 more kids growing up to become addicted adult smokers.
- Lead to 600 more kids growing up to die prematurely from smoking.
- Cost the state \$39.9 million in future healthcare additional expenses.

Fully funding evidence-based tobacco prevention and cessation programs, along with regular and significant tobacco tax increases and comprehensive smoke-free laws can reduce tobacco use. While Hawaii is facing unprecedented public health challenges, it is critical that programs to prevent kids from starting to use tobacco and help adults quit are preserved.

I understand that the state is trying to find money to fund the state budget. Please consider the impact and cost it would be defunding tobacco prevention and control programs on the future of Hawaii.

I urge you to hold this bill.

Mahalo for the opportunity to submit testimony.

https://www.cdc.gov/tobacco/data_statistics/fact_sheets/health_effects/effects_cig_smoking/ " Campaign for Tobacco-Free Kids (CTFK). The Toll of Tobacco in Hawaii. Updated October 20, 2020.

https://www.tobaccofreekids.org/problem/toll-us/hawaii Campaign for Tobacco-Free Kids (CTFK). The Toll of Tobacco in Hawaii. Updated October 20, 2020. https://www.tobaccofreekids.org/problem/toll-us/hawaii

¹ Centers for Disease Control and Prevention (CDC). Health Effects of Cigarette Smoking. Updated April 28, 2020.

^w Campaign for Tobacco-Free Kids (CTFK). The Toll of Tobacco in Hawaii. Updated October 20, 2020. https://www.tobaccofreekids.org/problem/toll-us/hawaii

^v American Cancer Society Cancer Action Network. <u>State-Specific Smoking-Related Cancer Cases and Deaths, 2017.</u> December 2020.

^{vi} Campaign for Tobacco-Free Kids. The Toll of Tobacco in Hawaii. October 20, 2020. <u>https://www.tobaccofreekids.org/problem/toll-us/hawaii</u>

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- Re: Strong Opposition of HB1296: RELATING TO STATE FUNDS
- Hrg: Thursday, February 18, 2021 at 11:15am at Capitol Room 329

Position: Strong Opposition

Good morning Chairs, Vice Chairs, and joint committee members. My name is Frank V. Guillermo, from Waipahu, 96797. Thank you so much for the opportunity to submit testimony in STRONG OPPOSITION to HB1296. I urge for the preservation of the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund.

I volunteer with the American Cancer Society Cancer Action Network and I am in my last semester of my bachelor's program at University of Hawaii at Hilo School of Nursing.

My 11th grade brother once told me, "I always see students vaping everywhere like in school bus, hallway, and even in class. It looks so cool and smells so good. I want to try it!" As a future healthcare provider, I am obligated to educate my brother about the harmful effects of vaping and discourage him from vaping. My brother's statement and the increasing rate of high-school e-cigarette/vape users in Hawaii shows a lack of regulations, health education, and prevention programs of e-cigarettes.

People who smoke or who used to smoke are at increased risk for severe illness from COVID-19. Smoking is also a proven risk factor for cancer, chronic obstructive pulmonary disease (COPD) and heart disease, which also put people at increased risk for severe illness from COVID-19. Regardless of any association with COVID-19, the adverse health effects of smoking are well-documented and irrefutable. Now is a better time than ever to quit.

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- 30.6% of high school students currently use e-cigarettes

Tobacco Control Programs help our state save money

In 1998, Hawaii and 45 other states sued tobacco companies and won, resulting in the Master Settlement Agreement (MSA). The MSA included payments to the settling states to cover current and future costs of treating tobacco-related illnesses. A portion (12.5%) of the settlement funds are allocated to the Hawaii Tobacco Prevention and Control Trust Fund. For over 20 years, Hawaii's Tobacco Prevention and Control Trust Fund has reduced the burden of tobacco in our state, saving both lives and healthcare costs. Since its inception, the state has achieved significant declines in smoking rates for both adults and youth smoking rates. Despite this progress, the toll of tobacco is substantial, and there is still work to be done. In recent years we've seen skyrocketing rates of youth tobacco use, driven by the ecigarette epidemic.

Smoking is estimated to cost Hawaii \$526 million in direct health care costs, including \$141 million in Medicaid costs annually.^{vi} Given the projected budget deficit, it is vital that evidence-based programs are in place to reduce tobacco use and reduce taxpayer-funded healthcare costs. According to projections from the Campaign for Tobacco-Free Kids, the elimination of funding in HB 1296 would:

- Increase youth smoking rates by 8.7%.
- Lead to 1,900 more kids growing up to become addicted adult smokers.
- Lead to 600 more kids growing up to die prematurely from smoking.
- Result in \$39.9 million in future healthcare additional expenses.

Fully funding evidence-based tobacco prevention and cessation programs, along with regular and significant tobacco tax increases and comprehensive smoke-free laws can reduce tobacco use. While Hawaii is facing unprecedented public health challenges, it is critical that programs to prevent kids from starting to use tobacco and help adults quit are preserved.

I understand that the state is trying to find money to fund the state budget. Please consider the impact and cost it would be defunding tobacco prevention and control programs on the future of Hawaii.

Mahalo for the opportunity to submit testimony. I deeply care about the health of Hawaii people and <u>I</u> urge you to hold this bill.

- ^{II} Campaign for Tobacco-Free Kids (CTFK). The Toll of Tobacco in Hawaii. Updated October 20, 2020. <u>https://www.tobaccofreekids.org/problem/toll-us/hawaii</u>
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- Date: February 15, 2021
- To: The Honorable Representative Ryan Yamane, Chair The Honorable Representative Adrian Tam, Vice Chair Members of the House Committee on Health

- Re: Strong Opposition of HB1296: RELATING TO STATE FUNDS
- Hrg: Thursday, February 18, 2021 at 11:15am at Capitol Room 329

Position: Strong Opposition

Good morning Chairs, Vice Chairs, and joint committee members. My name is Jenny Hausler from Pearl City, 96782. Thank you so much for the opportunity to submit testimony in STRONG OPPOSITION to HB1296. I urge for the preservation of the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund.

I volunteer with the American Cancer Society Cancer Action Network because cancer has affected my life. Tobacco killed my husband in March two years ago from smoking. He ended up dying from COPD and had lung cancer. He suffered greatly before he passed away and died an early death.

We have 6 grandchildren that I don't want to have the same fate as their grandfather. Our keiki are a vulnerable group and must be protected. Don't make it easy for electronic smoking devices to get into the hands of our kids from accessibility online and for being cheap to buy.

People who smoke or who used to smoke are at increased risk for severe illness from COVID-19. Smoking is also a proven risk factor for cancer, chronic obstructive pulmonary disease (COPD) and heart disease, which also put people at increased risk for severe illness from COVID-19. Regardless of any association with COVID-19, the adverse health effects of smoking are well-documented and irrefutable. Now is a better time than ever to quit.

Health Impact of Tobacco Use in Hawaii

Smoking harms nearly every organ of the body and the use of tobacco products remains the nation's number one cause of preventable death. Tobacco use is responsible for nearly 1 in 5 deaths nationwide.¹ In Hawaii:

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- An estimated 1,400 deaths are caused by smoking each year.²
- 12.30% of adults and 5.3% of high school students smoke cigarettes.^{3,4}
- Over 24.6 % of cancer deaths in Hawaii are caused by smoking.⁵
- 30.6% of high school students currently use e-cigarettes

Tobacco Control Programs help our state save money

In 1998, Hawaii and 45 other states sued tobacco companies and won, resulting in the Master Settlement Agreement (MSA). The MSA included payments to the settling states to cover current and future costs of treating tobacco-related illnesses. A portion (12.5%) of the settlement funds are allocated to the Hawaii Tobacco Prevention and Control Trust Fund. For over 20 years, Hawaii's Tobacco Prevention and Control Trust Fund has reduced the burden of tobacco in our state, saving both lives and healthcare costs. Since its inception, the state has achieved significant declines in smoking rates for both adults and youth smoking rates. Despite this progress, the toll of tobacco is substantial, and there is still work to be done. In recent years we've seen skyrocketing rates of youth tobacco use, driven by the ecigarette epidemic.

Smoking is estimated to cost Hawaii \$526 million in direct health care costs, including \$141 million in Medicaid costs annually.⁶ Given the projected budget deficit, it is vital that evidence-based programs are in place to reduce tobacco use and reduce taxpayer-funded healthcare costs. According to projections from the Campaign for Tobacco-Free Kids, the elimination of funding in HB 1296 would:

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I understand that the state is trying to find money to fund the state budget. Please consider the impact and cost it would be defunding tobacco prevention and control programs on the future of Hawaii.

I urge you to hold this bill.

Mahalo for the opportunity to submit testimony.

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Position: Strong Opposition

Good morning Chairs, Vice Chairs, and joint committee members. My name is Kellen King from Ewa Beach, 96706. Thank you so much for the opportunity to submit testimony in STRONG OPPOSITION to HB1296. I urge for the preservation of the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund.

I volunteer with the American Cancer Society Cancer Action Network and through my service, I've come to meet so many vibrant people. There is always one common thread - they have cancer.

With lung cancer, I've witnessed the physical effects of the cancer and the corresponding treatments that have a devastating effect on the body.

Some win their battle, and some lose their battle. They often tell me that they started smoking in school because it helped them to fit in. They didn't know what we know now and wish that there was a stronger force to stop them.

The effects of lung cancer go far beyond the personal physical ailments. Whole ohana and communities rally behind them in their fight against cancer. If your loved one battled cancer, you know the hollow feeling of helplessness as you watch them endure the suffering.

People who smoke or who used to smoke are at increased risk for severe illness from COVID-19. Smoking is also a proven risk factor for cancer, chronic obstructive pulmonary disease (COPD) and heart disease, which also put people at increased risk for severe illness from COVID-19. Regardless of any association with COVID-19, the adverse health effects of smoking are well-documented and irrefutable. Now is a better time than ever to quit.

Health Impact of Tobacco Use in Hawaii

Smoking harms nearly every organ of the body and the use of tobacco products remains the nation's number one cause of preventable death. Tobacco use is responsible for nearly 1 in 5 deaths nationwide.ⁱ In Hawaii:

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- 12.30% of adults and 5.3% of high school students smoke cigarettes.^{iii,iv}
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Fully funding evidence-based tobacco prevention and cessation programs, along with regular and significant tobacco tax increases and comprehensive smoke-free laws can reduce tobacco use. While Hawaii is facing unprecedented public health challenges, it is critical that programs to prevent kids from starting to use tobacco and help adults quit are preserved.

I understand that the state is trying to find money to fund the state budget. Please consider the impact and cost it would be defunding tobacco prevention and control programs on the future of Hawaii. I volunteer with the American Cancer Society Cancer Action Network so that we can someday rid the world of cancer.

Today, that means maintaining these programs to combat tobacco use and ultimately reduce the number of our loved ones from suffering of cancer.

I urge you to hold this bill. Mahalo for the opportunity to submit testimony.

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- Re: Strong Opposition of HB1296: RELATING TO STATE FUNDS
- Hrg: Thursday, February 18, 2021 at 11:15am at Capitol Room 329

Position: Strong Opposition

Good morning Chairs, Vice Chairs, and joint committee members. My name is LokeLani Chong from Hilo, 96720. Thank you so much for the opportunity to submit testimony in STRONG OPPOSITION to HB1296. I urge for the preservation of the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund.

I volunteer with the American Cancer Society Cancer Action Network and I am in my last semester of my bachelor's program at University of Hawaii at Hilo School of Nursing.

My father-in-law was severely affected from Tobacco use. He developed stage 4 oral cancer and almost lost his life. Luckily, he survived but there are many people who are not as lucky. Tobacco use does not just affect the person who is using it, but their whole family. I do not want to see my friends and family using tobacco products. Young adults, teenagers, and kids are easily fooled by these new and fruity flavors. They think that it cannot be bad for you if it tastes like fruits or candy. I see many underage teenagers selling E-cigarettes that have exotic flavors and using those products on social media. Ecigarettes and tobacco products need to have more strict regulations, so they do not fall into our youth's hands.

People who smoke or who used to smoke are at increased risk for severe illness from COVID-19. Smoking is also a proven risk factor for cancer, chronic obstructive pulmonary disease (COPD) and heart disease, which also put people at increased risk for severe illness from COVID-19. Regardless of any association with COVID-19, the adverse health effects of smoking are well-documented and irrefutable. Now is a better time than ever to quit.

Health Impact of Tobacco Use in Hawaii

Smoking harms nearly every organ of the body and the use of tobacco products remains the nation's number one cause of preventable death. Tobacco use is responsible for nearly 1 in 5 deaths nationwide.ⁱ In Hawaii:

- An estimated 1,400 deaths are caused by smoking each year.ⁱⁱ
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Smoking is estimated to cost Hawaii \$526 million in direct health care costs, including \$141 million in Medicaid costs annually.^{vi} Given the projected budget deficit, it is vital that evidence-based programs are in place to reduce tobacco use and reduce taxpayer-funded healthcare costs. According to projections from the Campaign for Tobacco-Free Kids, the elimination of funding in HB 1296 would:

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Fully funding evidence-based tobacco prevention and cessation programs, along with regular and significant tobacco tax increases and comprehensive smoke-free laws can reduce tobacco use. While Hawaii is facing unprecedented public health challenges, it is critical that programs to prevent kids from starting to use tobacco and help adults quit are preserved.

I understand that the state is trying to find money to fund the state budget. Please consider the impact and cost it would be defunding tobacco prevention and control programs on the future of Hawaii.

Mahalo for the opportunity to submit testimony. I deeply care about the health of Hawaii people and <u>I</u> urge you to hold this bill.

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Position: Strong Opposition

Good morning Chairs, Vice Chairs, and joint committee members. My name is Lauren Simpson-Gomez, from Honolulu, HI 96822. Thank you so much for the opportunity to submit testimony in STRONG OPPOSITION to HB1296. I urge for the preservation of the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund.

I volunteer with the American Cancer Society Cancer Action Network because I grew up with a mother who constantly smoked. She still does. I struggle with the consequences from second-hand smoke inhalation. Imagine what it does to those who actually smoke.

People who smoke or who used to smoke are at increased risk for severe illness from COVID-19. Smoking is also a proven risk factor for cancer, chronic obstructive pulmonary disease (COPD) and heart disease, which also put people at increased risk for severe illness from COVID-19. Regardless of any association with COVID-19, the adverse health effects of smoking are well-documented and irrefutable. Now is a better time than ever to quit.

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Hawaii is facing unprecedented public health challenges, it is critical that programs to prevent kids from starting to use tobacco and help adults quit are preserved.

I understand that the state is trying to find money to fund the state budget. Please consider the impact and cost it would be defunding tobacco prevention and control programs on the future of Hawaii.

I urge you to hold this bill.

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Position: Strong Opposition

Good morning Chairs, Vice Chairs, and joint committee members. My name is Lynn Wilson, from Honomu, 96728. Thank you so much for the opportunity to submit testimony in STRONG OPPOSITION to HB1296. I urge for the preservation of the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund.

I volunteer with the American Cancer Society Cancer Action Network because my brother died of lung cancer. Now his only child has to grow up without him, she was seven years old. Nicotine is so addicting and so unhealthy for the body---whether it be nicotine gum or the smoke itself---nicotine reduces the growth of a healthy body and its blood vessels etc. It restricts their ability to function essentially it puts a straitjacket on your veins and arteries. If you really love your country, don't take an opportunity for a healthy full life away from a child, teenager.

People who smoke or who used to smoke are at increased risk for severe illness from COVID-19. Smoking is also a proven risk factor for cancer, chronic obstructive pulmonary disease (COPD) and heart disease, which also put people at increased risk for severe illness from COVID-19. Regardless of any association with COVID-19, the adverse health effects of smoking are well-documented and irrefutable. Now is a better time than ever to quit.

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I understand that the state is trying to find money to fund the state budget. Please consider the impact and cost it would be defunding tobacco prevention and control programs on the future of Hawaii.

<u>I urge you to hold this bill.</u> Mahalo for the opportunity to submit testimony. Lead by example, read my book, "One God For All These People, The Way to World Peace --xulonpress.com

God bless Lynn Knight Wilson, Author In Hawaii

Centers for Disease Control and Prevention (CDC). Health Effects of Cigarette Smoking. Updated April 28, 2020.

https://www.cdc.gov/tobacco/data_statistics/fact_sheets/health_effects/effects_cig_smoking/ " Campaign for Tobacco-Free Kids (CTFK). The Toll of Tobacco in Hawaii. Updated October 20, 2020. https://www.tobaccofreekids.org/problem/toll-us/hawaii

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I volunteer with the American Cancer Society Cancer Action Network and I am in my last semester of my bachelor's program at University of Hawaii at Hilo School of Nursing.

Vaping is an extremely prevalent issue that our country and the world have been facing for over a decade. E-cigarettes were originally created for the purpose of helping people who smoked tobacco cigarettes quit and reduce their exposure to tobacco. However, the companies that created these e-cigarette devices knew if they helped people quit, they would also begin losing money. Their strategy consisted of promoting a form of smoking that was "healthy", little did people know the contents within these products had equally if not more nicotine than regular cigarettes. In order to protect the teenagers and young adults within our community regulations and bans on these products absolutely need to be put into action. The companies that sell these products have no interest in what their products are doing to the bodies of their customers.

Fully funding evidence-based tobacco prevention and cessation programs, along with regular and significant tobacco tax increases and comprehensive smoke-free laws can reduce tobacco use. While Hawaii is facing unprecedented public health challenges, it is critical that programs to prevent kids from starting to use tobacco and help adults quit are preserved.

I understand that the state is trying to find money to fund the state budget. Please consider the impact and cost it would be defunding tobacco prevention and control programs on the future of Hawaii. Mahalo for the opportunity to submit testimony. I deeply care about the health of Hawaii people and <u>I</u> <u>urge you to hold this bill.</u>



Chairman of the Board Glen Kaneshige

President Michael Lui, MD

Board Members

Rick Bruno, MD, FACEP Jackie De Luz Brandt Farias Jason Fujita Mimi Harris Zia Khan, MD Brandon Kurisu Arnold Martines Michael Rembis, FACHE Andrew S. Rosen Timothy Slottow Jennifer Walker

Serving Hawaii since 1948

Our Mission:

"To be a relentless force for a world of longer, healthier lives."

For more information on the AHA's educational or research programs, visit <u>www.heart.org</u> or contact your nearest AHA office.

American Heart Association testimony in OPPOSITION to HB 1296, "Relating to State Funds"

Hawaii has made great strides in reducing tobacco use, but despite these advances, tobacco use remains the leading cause of preventable death in our state and challenges to tobacco control still exist. Hawaii's current adult smoking prevalence (13%) remains higher than the national Healthy People 2030 target of 5%. Moreover, our low smoking rates (relative to other states) can conceal the fact that smoking continues to disproportionately affect populations and community groups by race and ethnicity, income and education, mental health and substance abuse, and lesbian, gay, bisexual, and transgender (LGBT) orientation.

Tobacco use is a leading cause of preventable disease and death and a major risk factor in the development of cardiovascular diseases and stroke, Hawaii's leading causes of death and major disability. Of the approximately 480,000 Americans who die from smoking each year, 35% of those deaths are from cardiovascular disease.

In Hawaii alone, tobacco use claims 1,400 lives each year and creates \$526 million in annual health care costs (\$141.7 million of that is covered by the state Medicaid program). Hawaii residents' state & federal tax burden from tobacco-caused government expenditures is \$836 per household. Smoking-related losses in productivity total \$387.3 million per year.

The tobacco industry spends an estimated \$26.1 million each year marketing its products in Hawaii. Yet, Hawaii is allocating just \$7.9 million in state funds to tobacco prevention this year, 58% of the Centers for Disease Control and Prevention's recommended annual investment target for tobacco control in the state.

The AHA strongly believes that allocating funds from the state's settlement agreement with the tobacco industry to community tobacco prevention, education and cessation programs is not only pono, but helps to increase the desired impact of those settlement dollars by further reducing the use of tobacco products by our youth and the state's most health vulnerable populations.

The Hawaii Department of Health reports that over the last decade,

State Tobacco Settlement Fund investments in cumulative tobacco control efforts resulted in approximately \$1 billion in healthcare cost savings to the state. Tobacco prevention and control programs have a strong return on investment - for every \$1 spent on tobacco prevention, Hawaii saves \$6.64 in direct healthcare costs.

It is important now as ever to continue that funding considering the record increase in use of electronic smoking devices by Hawaii's youth. According to recent Department of Health data, over half of Hawaii's youths have tried e-cigarettes, and over 30 percent are now regular users. Those levels mirror youth cigarette use at its peak in Hawaii. This is concerning because e-cigarettes not only often contain nicotine and serve as a gateway to traditional cigarette use, but nicotine can harm the developing adolescent brain. Nicotine addiction that occurs with e-cigarette use may lead to transition to use of combustible tobacco products. Addiction itself, whether to nicotine or other drugs, can drive undesirable behaviors. And using ecigarettes increases your odds of having a stroke, heart attack and coronary heart disease. Hawaii must continue to work to ensure that future generations avoid the pitfalls of tobacco use, including this latest threat by electronic smoking devices, and the healthcare issues and costs associated with it.

I conclude by stressing that the American Heart Association's advocacy for the appropriate use of Tobacco Settlement revenue is not based on its desire to have access to those funds. The AHA by policy does not accept state or local government funding. However, the AHA does see itself as an important watchdog for public health, and for ensuring that our state government fulfills its State Constitutional role (Article IX, Section 1) in protecting and promoting the public health.

We urge legislators to not curtail Tobacco Settlement revenue to the State's Tobacco Prevention and Control Special Fund, and to ensure continued funding for community efforts to reduce the toll of tobacco on our state's residents.

Respectfully submitted,

) male B. Weismon

Donald B. Weisman Hawaii Government Relations/Communications Director

COMMITTEE ON HEALTH, HUMAN SERVICES, & HOMELESSNESS Rep. Ryan I. Yamane, Chair Rep. Adrian K. Tam, Vice Chair

COMMITTEE ON HIGHER EDUCATION & TECHNOLOGY

Rep. Gregg Takayama, Chair Rep. Lynn DeCoite, Vice Chair

Hawaii

Thursday, February 18, 2021 11:15 AM

Testimony in Strong Opposition to House Bill 1296 Relating to State Funds

The American Lung Association is the leading organization working to save lives by improving lung health and preventing lung disease, through research, education, and advocacy. The work of the American Lung Association in Hawaii and across the nation is focused on four strategic imperatives: to defeat lung cancer; to improve the air we breathe; to reduce the burden of lung disease on individuals and their families; and to eliminate tobacco use and tobacco-related diseases.

The American Lung Association in Hawaii is in strong opposition of this legislation, which repeals the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund for the following reasons:

- 1. **Tobacco use remains the leading cause of preventable death and disease in Hawaii.** It has now been established that over 1400 people still die each year from tobacco-related diseases in Hawaii alone. Over 12% of adults are tobacco users¹, while over 30% of youth are regular e-cigarette users². Lung cancer is the number one cancer killer in Hawaii, especially for Native Hawaiian populations.³
- 2. **Spending funds on tobacco control works.** Increases in state per capita tobacco control program expenditures have been independently associated with declines in prevalence of tobacco use⁴. For years, Hawaii has been one of the states with the lowest levels for cigarette use for adults and youth, correlating with the levels of spending per capita on tobacco control.
- 3. We are still not spending adequate levels on tobacco control in Hawaii. While we know that per capita tobacco control program expenditures work to reduce tobacco use, Hawaii still only spends 66% of the recommended Centers for Disease Control and Prevention recommended levels.⁵ Our investment in tobacco control should be increasing, not decreasing, to ensure the safety of tens of thousands of our resident's lives each year.

¹ Centers for Disease Control and Prevention (CDC). Behavioral Risk Factor Surveillance System Survey Data. Atlanta, Georgia: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, 2019.

² Centers for Disease Control and Prevention (CDC). Youth Risk Behavioral Surveillance System. Atlanta, Georgia: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, 2019.

³ American Lung Association (2020, November). State of Lung Cancer - Hawaii.

 ⁴ Farrelly, M. C., Pechacek, T. F., Thomas, K. Y., & Nelson, D. (2008). The impact of tobacco control programs on adult smoking. *American journal of public health*, *98*(2), 304–309. https://doi.org/10.2105/AJPH.2006.106377
⁵ American Lung Association (2021, January). State of Tobacco Control - Hawaii.



- 4. **Tobacco companies continue to target our youth**. The tobacco industry spends over \$26 million in targeting our youth with new tobacco products, including electronic smoking devices.⁶ By removing the tobacco control infrastructure that the state has built, we will be removing the line of defense that protects Hawaii's youth from the onslaught of the big tobacco industry through aggressive marketing and new products aimed at youth.
- 5. **Tobacco control saves, not drains, public dollars.** The estimated annual healthcare costs caused by tobacco use is over half a billion dollars when Medicaid costs are factored in.⁶ The expenditures by the tobacco enforcement special fund, the Hawaii tobacco settlement special fund, and the Hawaii tobacco prevention and control reduce these costs by helping people quit tobacco, preventing youth have illegal access to tobacco products, and creating health communication programs to deter the use of tobacco. A repeal of these funds will most likely result in an increase of tobacco use, costing the state millions more in healthcare costs.

The American Lung Association in Hawaii urges legislators to continue to support and advocate for policies to protect our local populations from tobacco. We strongly oppose House Bill 1296 and we urge all lawmakers to not support the repeal of these incredibly important public health funds.

Teder Haw

Pedro Haro Executive Director American Lung Association in Hawaii pedro.haro@lung.org

⁶ Campaign for Tobacco-Free Kids (accessed February 16, 2021). The Toll of Tobacco in Hawaii. https://www.tobaccofreekids.org/problem/toll-us/hawaii


To: Rep. Ryan I. Yamane, Chair Rep. Adrian K. Tam, Vice Chair Committee on Health, Human Services, and Homelessness

Rep. Gregg Takayama, Chair Rep. Lynn DeCoite, Vice Chair Committee on Higher Education and Technology

RE: Strong Opposition to HB 1296, Relating to State Funds

Hrg: February 18, 2021 at 11:15 AM via Videoconference

Bay Clinic, Inc. is in strong opposition to HB 1296, which repeals the Hawaii Tobacco Prevention and Control Trust Fund and transfers the balances to the general fund.

My name is Judith Beaver. I am a Tobacco Treatment Specialist at Bay Clinic, Inc.

Tobacco use is an **ADDICTION**. Quitting the use of tobacco is unequivocally one of the most difficult things most smokers have to face at some point in their lives. Unfortunately, by the time most are faced with the need to relinquish their relationship with tobacco, the consequences of long term tobacco use have already reared its head in the form of debilitating diseases such as cancer, asthma, stroke, and heart attack.

A great deal of Bay Clinics Tobacco Treatment programs focus is with the low income population in our communities on Hawaii Island. The funds our tobacco program receives

from the HCF, via the Tobacco Trust Fund, provide us the opportunities to assist these individuals who otherwise would not have the financial means to obtain the help they need to stop smoking.

During my time as a Tobacco Treatment Specialist at Bay Clinic, I have witnessed pregnant mothers, many elderly residents struck with debilitating respiratory diseases such as

asthma, bronchitis and COPD, financially struggling young couples, as well as individuals recovering from a heart attack or stroke, struggling to overcome the powerful addiction of nicotine.

With the Tobacco Trust funds, we are able to offer individual or group classes which present them with the most current educational information regarding tobacco cessation. In addition, we are able to offer individual tobacco cessation counseling.

As we have been taught in our training as tobacco specialists, the damage that is being done by tobacco is preventable. If we can get in front of this destroyer of life and provide as much education and assistance in the process, then the outcome can and will be to help our communities achieve a healthier quality of life. I strongly oppose HB1296 and ask you to allow



the Tobacco Trust Fund to stay intact, so we can continue to serve our community residents who are struggling to end their nicotine addiction.

Tobacco prevention and cessation programs are important to reduce the burden of tobacco in our state. Thank you for the opportunity to provide testimony in opposition to HB 1296.

Judite bear Mahalo,



KOKUA KALIHI VALLEY COMPREHENSIVE FAMILY SERVICES 2239 N. School Street Honolulu, Hawai'i 96819 Tel: 808-791-9400 Fax: 808-848-0979 WWW.kkv.net

To: Rep. Ryan I. Yamane, Chair Rep. Adrian K. Tam, Vice Chair Committee on Health, Human Services, and Homelessness

> Rep. Gregg Takayama, Chair Rep. Lynn DeCoite, Vice Chair Committee on Higher Education and Technology

Re: Strong Opposition to HB 1296, Relating to State Funds

Hrg: February 18, 2021 at 11:15 AM via Videoconference

Kokua Kalihi Valley Comprehensive Family Services is in strong opposition to HB 1296, which repeals the Hawaii Tobacco Prevention and Control Trust Fund and transfers the balances to the general fund.

Tobacco use is considered a vital sign at Kokua Kalihi Valley Comprehensive Family Services (KKV). It is KKV's policy to screen all patients regularly for tobacco use and offer cessation support if positive, because of the adverse impacts that tobacco products have on the health of individuals and families. The Hawaii Tobacco Prevention and Control Trust Fund opens direct access to quit counselors and medication support in Kalihi. It supports community education in spaces like Linapuni Elementary, Dole Middle School, Farrington High School, the Towers of Kuhio Park, and Kamehameha IV Homes to educate parents and youth to prevent initiation. The work leads to healthier households, a stronger workforce, and care for our environment.

Tobacco prevention and cessation programs are essential to reduce the public health burden tobacco use places on our state. Thank you for the opportunity to provide testimony in opposition to HB 1296.

Respectfully,

Philip Racsa

---Charles Philip Racsa, Program Coordinator KKV Tobacco Prevention and Cessation Program pracsa@kkv.net



February 18, 2021

To: Chair Yamane Vice Chair Tam House Committee on Health, Human Services & Homelessness Chair Takayama Vice Chair DeCoite House Committee on Higher Education & Technology

RE: STRONG OPPOSITION to HB1296

Thank you for this opportunity to testify in **OPPOSITION** to **HB1296**. Blue Zones Project was brought to Hawai'i by HMSA to help increase overall well-being of our communities and to make Hawai'i a healthier, happier place to live, work, and play. To accomplish that goal, we work to lower rates of obesity, tobacco use, and chronic disease.

HB1296 would repeal the the tobacco prevention and control trust fund, which jeopardizes decades of progress in tobacco prevention and control efforts at a time it is needed the most; multiple studies show heightend negative health outcomes from the COVID-19 virus with active, and/or a history of, tobacco use. Smokers were 1.4 times more likely to have severe symptoms of COVID-19 and 2.4 times more likely to be admitted to an ICU, requiring mechanical ventilation, or to die compared to non-smokers.^{1,2}

In addition, we're seeing troubling statistics around electronic smoking device (ESD) use by youth; from 2017-2019, ESD use more than doubled among high school students and tripled among middle school students.³ Locally, 27% of middle school students and 42% of public high school students acknowledged trying electronic smoking devices in 2017.⁴ Data from local and national sources, including the Centers for Disease Control and Prevention (CDC), cite numerous safety and public health concerns with its use. According to the CDC, "young people who use e-cigarettes may be more likely to smoke cigarettes in the future."⁵

Thank you for this opportunity to testify in strong opposition to HB1296.

Sincerely,

Colby Takeda, MPH, MBA Senior Manager

⁵ Dunbar, M. S., Davis, J. P., Rodriguez, A., Tucker, J. S., Seelam, R., & D'Amico, E. J. (2018). Disentangling Within- and Between-Person Effects of Shared Risk Factors on E-cigarette and Cigarette Use Trajectories from Late Adolescence to Young Adulthood. *Nicotine & Tobacco Research*, nty179.



¹ Sanchez-Ramirez D.C., Mackey D. Underlying respiratory diseases, specifically COPD, and smoking are associated with severe COVID-19 outcomes: a systematic review and meta-analysis. Respiratory Medicine. 2020;171

² Emami A., Javanmardi F., Pirbonyeh N., Akbari A. Prevalence of underlying diseases in hospitalized patients with COVID-19: a systematic review and meta-analysis. Archives of Academic Emergency Medicine 2020;8:e35.

³ Wang, T. W., et al. (2019). Tobacco Product Use and Associated Factors Among Middle and High School Students. Centers for Disease Control and Prevention. *Surveillance Summaries*, 68(12);1–22 ⁴ 2017 Hawai'i Youth Risk Behavior Survey.

LATE *Testimony submitted late may not be considered by the Committee for decision making purposes.

LEGISLATIVE TAX BILL SERVICE

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 304

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: MISCELLANEOUS, Repeal Tobacco-Related Special Funds

BILL NUMBER: HB 1296

INTRODUCED BY: LUKE

EXECUTIVE SUMMARY: Repeals the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund and transfers unencumbered balances to the general fund. Appropriates general funds to the university revenue-undertakings fund

SYNOPSIS:

- Repeals the tobacco enforcement special fund (section 28-15, HRS).
- Repeals the Hawaii tobacco settlement special fund (section 328L-2, HRS).
- Repeals the Hawaii tobacco prevention and control trust fund (section 328L-5, HRS).

Appropriates funds to the university revenue-undertakings fund (section 304A-2167.5, HRS).

Makes conforming amendments and lapses unencumbered balances to the general fund.

EFFECTIVE DATE: 7/1/2021.

STAFF COMMENTS: The 1989 Tax Review Commission noted that use of special fund financing is a "departure from Hawaii's sound fiscal policies and should be avoided." It also noted that special funds are appropriate where the revenues to the funds maintain some direct connection between a public service and the beneficiary of that service. The Commission found that special funds which merely set aside general funds cannot be justified as such actions restrict budget flexibility, create inefficiencies, and lessen accountability. It recommended that such programs can be given priority under the normal budget process without having to resort to this type of financing.

Digested 2/18/2021



I Ola Lahui is in **strong opposition to HB 1296**, which repeals the Hawaii Tobacco Prevention and Control Trust Fund and transfers the balances to the general fund.

Our agency has been partnering with the communities of Molokai and Lana'i to prevent youth from starting to use tobacco and to help our people quit smoking, vaping, and other tobacco products. The services have been invaluable to our community and the rates of smoking have decreased on our islands, bringing life changing health improvements. We still have work to do. Vaping has increased rapidly among our islands and has been proven to be a threat to health. The lives and well-being of our people are important.

The Hawai'i Tobacco Prevention and Control Trust Fund was created to save lives by offering prevention education and cessation services. Please keep the funding where it needs to be: targeting tobacco to helping to save lives AND healthcare costs.

Tobacco prevention and cessation programs are important to reduce the burden of tobacco in our state. Thank you for the opportunity to provide testimony in opposition to HB 1296.

Mahalo,

Allison Seales, Ph.D. Tobacco Cessation Program Director I Ola Lahui

Submitted on: 2/11/2021 6:46:03 PM Testimony for HHH on 2/18/2021 11:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Sid Hermosura	Individual	Oppose	No

Comments:

Dear Committee Members,

I am writing this testimony in strong opposition to HB1296.

- The Hawai'i Tobacco Prevention and Control Trust Fund was created to prevent youth from starting to use tobacco and help people quit tobacco. Currently, the Trust Fund achieves its mission through:
 - Prevention education for students across the state on the dangers of tobacco;
 - Cessation services on each of the major Hawaiian islands to help smokers quit;
 - Hawai'i Tobacco Quitline, which provides free and confidential counseling and support services to help people become tobacco-free; and
 - Cancer research at the University of Hawaii's Cancer Center, the only designated cancer center in Hawai'i and the Pacific.
- The tobacco industry spends \$26.1 million in marketing in Hawai'i, but the <u>state</u> <u>spends only \$7.9 million on tobacco prevention and control</u>, or only 58% of the total CDC recommended amount.
- Youth cigarette smoking rates have decreased dramatically since the inception of the trust fund: In 1999, 27.9% of Hawai'i high schoolers smoked cigarettes, compared to 5.3% in 2019.
- Since 2000, <u>Hawai'i has saved over \$1 billion dollars in healthcare costs</u> through significant reductions in smoking among youth, adults, and pregnant women. For every \$1 spent on tobacco prevention, Hawai'i saves \$6.64 in direct healthcare costs.
- There is still work to be done: Hawai'i is in the midst of a youth vaping epidemic, with <u>one in three high school students and one in five middle school students</u> report "current use" of e-cigarettes.
- I am a psychologist that helps people quit their addiction to tobacco and have personally seen these funds help people live healthier and happier lives. It is important that this funding be preserved in the years to come for prevention and treatment of tobacco use disorders.

Sincerely,

Sid Hermosura, PsyD

Licensed Clinical Psychologist

Date: February 11, 2021

To: The Honorable Ryan I. Yamane, Chair The Honorable Adrian K. Tam, Vice Chair Members of the House Committee on Health, Human Services & Homelessness

The Honorable Gregg Takayama, Chair The Honorable Lynn DeCoite, Vice Chair Members of the House Committee on Higher Education & Technology

Re: Strong Opposition to HB1296, Relating to State Funds

Hrg: February 18, 2021 at 11:15 AM via Videoconference in Conference Room 329

Aloha House Committees on Health, Human Services & Homelessness and Higher Education & Technology,

As a concerned parent, community member and healthcare professional I am writing in **strong OPPOSITION to HB1296**, which repeals the Tobacco Enforcement Special Fund, Hawai'i Tobacco Eettlement Special Fund, and Hawai'i Tobacco Prevention and Control Trust Fund and transfers unencumbered balances to the General Fund; and, appropriates general funds to the university revenue-undertakings fund.

For over 20 years, Hawaii's Tobacco Prevention and Control Trust Fund has reduced the burden of tobacco in our state, saving both lives and healthcare costs. Since its inception, we have achieved significant declines in conventional cigarette smoking rates for both adults and youth. Yet, tobacco use is still the leading cause of preventable death and disease in Hawai'i, claiming 1,200 lives each year and creating \$336 million in annual healthcare costs.

Hawai'i is in the midst of a youth vaping epidemic. Approximately 31% of Hawai'i high school students and 18% of our middle schoolers are current e-cigarette users. For Native Hawaiian and Pacific Island youth these numbers climb to 40% for high school and 30% for middle school students.

With funding from the Tobacco Prevention and Control Trust Fund Hawai'i has been a national leader in reducing conventional cigarette use to record lows. Continued investment in tobacco prevention and control is needed to continue reducing cigarette use, reverse the youth vaping epidemic and protect the health of our community.

HB 1296 will repeal the Tobacco Prevention and Control Trust Fund. Please **OPPOSE** this bill, which jeopardizes decades of progress in tobacco prevention and control efforts at

a time it is most needed.

Many thanks for your consideration,

Forrest Batz, PharmD Kea'au, HI

Submitted on: 2/12/2021 1:07:47 PM Testimony for HHH on 2/18/2021 11:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Alysa Lavoie	Individual	Oppose	No

Comments:

Opposed to HB 1296. We need continued funding and attention to prevention activities in our state. Organizations like HCF have done incredible work with youth. Money alloted to prevention activities should be used for prevention activities since nicotine use disorders are COSTLY in the long term.

HB-1296 Submitted on: 2/13/2021 11:54:42 AM Testimony for HHH on 2/18/2021 11:15:00 AM

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

Comments:

This is a good way to get money to help the state since the tobacco trust fund is not being spent wisely.

HB-1296 Submitted on: 2/13/2021 3:26:03 PM Testimony for HHH on 2/18/2021 11:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
kristine oman	Individual	Oppose	No

Comments:

Continue to keep health costs down with education, and prevention regarding tobacco use. Look at how much we now know about tobacco and it's dangers?

SIDS...educated parents

Teenagers...educated about dangers, and health of lungs, heart, oral health

Adults...educated about second hand smoke dangers, and how to quit for a longer life

Reduced Medical Bills that we all pay for...from smokers to non smokers

Let's not go backwards on this. WE NEED PREVENTION

Submitted on: 2/14/2021 11:06:30 AM Testimony for HHH on 2/18/2021 11:15:00 AM

 Submitted By	Organization	Testifier Position	Present at Hearing
Kevin Costello	Individual	Support	No

Comments:

COMMITTEE ON HIGHER EDUCATION& TECHNOLOGY

Rep. Gregg Takayama, Chair

Rep. Lynn DeCoite, Vice Chair

Sunday, February 14, 2021

Support for HB1296 RELATING TO STATE FUNDS

I am a social work student at the University of Hawaii at Manoa I am in strong support of HB1296 RELATING TO STATE FUNDS. This bill repeals the tobacco enforcement special fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust fund and transfers unencumbered balances to the general fund. Appropriates general funds to the university revenueâ€'undertakings fund. I believe these appropriated funds are needed for the University of Hawaii to continue to provide a high-quality education for the present and future students with a safe learning environment, knowledgeable professors, and a professional staff. I strongly urge this committee to pass S.B. No.1296. Thank you for this opportunity to provide testimony.

Submitted on: 2/15/2021 8:38:32 AM Testimony for HHH on 2/18/2021 11:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
mary santa maria	Individual	Oppose	No

Comments:

I opposed this bill. WE NEED the Special Tobacco Prevention Fund to be able to fund specific programs and approaches that PREVENT the use of tobacco products, especially in our youth. Pease consider this as a way to prevent cost of health care, prevent CANCERS, and decrease the numbers in our population that use all tobacco products and those exposed to second hand and third hand smoke.

Mahalo for your consideration

Mary Santa Maria

Public Health Educator, and citizen

HB-1296 Submitted on: 2/15/2021 1:10:29 PM Testimony for HHH on 2/18/2021 11:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Shelly Ogata	Individual	Oppose	No

Comments:

Aloha Chairs Yamane and Takayama:

I am in strong opposition to HB1296. As a RN and former mental health and substance abuse youth worker, I have seen the benefits of prevention and the struggles of trying to change behaviors later in life. The Hawai'i Tobacco Prevention and Control Trust Fund was created to prevent youth from starting to use tobacco and help people quit tobacco. Currently, the Trust Fund achieves its mission through:

- Prevention education for students across the state on the dangers of tobacco, including e-cigarettes;
- Community cessation services on all islands except Niihau to help smokers quit; and
- Hawai'i Tobacco Quitline, which provides free and confidential counseling and support services to help people become tobacco-free.

The tobacco industry spends \$26.1 million in marketing in Hawai'i annually, but the <u>state spends only \$7.9 million on tobacco prevention and control</u>, or only 58% of the total CDC recommended amount.

Youth cigarette smoking rates have decreased dramatically since the inception of the trust fund: In 1999, 27.9% of Hawai'i high schoolers smoked cigarettes, compared to 5.3% in 2019.

Since 2000, <u>Hawai'i has saved over \$1 billion dollars in healthcare costs</u> through significant reductions in smoking among youth, adults, and pregnant women. For every \$1 spent on tobacco prevention, Hawai'i saves \$6.64 in direct healthcare costs.

There is still work to be done: Hawai'i is in the midst of a youth vaping epidemic, with <u>one in three high school students and one in five middle school students report</u> <u>"current use" of e-cigarettes</u>. In addition, we are in a pandemic and COVID-19 is an infectious disease that primarily attacks the lungs, making tobacco use especially concerning. Teens and young adults that use e-cigarettes had a <u>five to seven times</u> <u>greater chance of being diagnosed with COVID-19</u> than those that did not use e-cigarettes.

I understand the dire fiscal situation the state is in, however tobacco prevention and control funding is critical to saving lives and healthcare costs. So please take a much broader look at how your decisions today can manifest unintended consequences tomorrow. DO NOT support HB1296.

Shelly Ogata, RN, MPH

TOBACCO TRUST FUND

I am writing to urge the House to oppose HB 1296. Over 20 years ago, the Hawaii Tobacco Prevention and Control Trust Fund was established for the purpose of preventing youth from starting to use cigarettes, and help those who were already smoking to quit, using the Tobacco Settlement monies. This fund has used the money for education and tobacco quit lines, among other services. The result has been a dramatic decline in adult and youth smoking rates and significant health care savings. Unfortunately, tobacco is still a leading cause of preventable morbidity and mortality. In addition, there has been an explosion in the use of e-cigarette products over the last decade, especially amongst our youth, resulting in one of the highest rates of vaping in the country. Our state spends only 5.2% of its tobacco revenue on tobacco prevention programs. This is significantly lower than the CDC recommends. Eliminating the Tobacco Prevention and Control Fund will result in even less being spent on tobacco cessation efforts, causing our state to regress to the bad old days of tobacco-related disease, and also exposing our youth to the risks of e-cigarettes with no tools to educate them.

PLEASE VOTE NO ON HB 1296.

Linda Weiner, MD Pediatrician, Kauai

Submitted on: 2/15/2021 5:07:56 PM Testimony for HHH on 2/18/2021 11:15:00 AM

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

Comments:

This is a great bill. Time to wrestle the money away from special interests and use it for the good of the people at large.

Submitted on: 2/15/2021 5:20:41 PM Testimony for HHH on 2/18/2021 11:15:00 AM

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

Comments:

This bill is just common sense with the economic mess we are in.

HB-1296 Submitted on: 2/15/2021 5:54:06 PM Testimony for HHH on 2/18/2021 11:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Nicholas Winters	Individual	Support	No

Comments:

STRONG SUPPORT for HB1296.

Submitted on: 2/16/2021 6:44:51 AM Testimony for HHH on 2/18/2021 11:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
John A. H. Tomoso	Individual	Oppose	No

Comments:

02-16-21

RE: HB1296

As a Social Worker and Priest, I write to strongly oppose the repeal of this Fund. There still is a lot of work to be done, in may areas of our common life, especially with younger generations, like our keiki, who are living with the "sins" of their fathers and mothers!

Mahalo

John A H Tomoso+, MSW

51 Ku'ula Street, Kahului, HI 96732-2906

808-280-1749, john.a.h.tomoso@gmail.com

Date:	February 15, 2021	Formatted: Font: (Default) Times New Roman
To:	The Honorable Representative Ryan Yamane, Chair	
	The Honorable Representative Adrian Tam, Vice Chair	
	Members of the House Committee on Health	
	The Honorable Representative Gregg Takayama, Chair	
	The Honorable Representative Lynn DeCoite, Vice Chair	
	Members of the House Committee on Higher Education & Technology	
Re:	Strong Opposition of HB1296: RELATING TO STATE FUNDS	
Hrg:	Thursday, February 18, 2021 at 11:15am at Capitol Room 329	
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Positio	n: Strong Opposition	
<u>1 051110</u>		
Good r	norning Chairs, Vice Chairs, and joint committee members. My name is Chelsea Gonzales from	Formatted: Font: (Default) Times New Roman, Not
	s- <mark>[Your name], from [Your town, Zip Code].</mark> Thank you so much for the opportunity to submit	Highlight
	ny in STRONG OPPOSITION to HB1296. I urge for the preservation of the tobacco enforcement	Formatted: Font: (Default) Times New Roman
	fund, Hawaii tobacco settlement special fund, and Hawaii tobacco prevention and control trust	Pormatted. Pont. (Deladit) Times New Koman
fund.	rand, rawan tobacco settement special rand, and rawan tobacco provention and control addr	
runa.		
I volun	teer with the American Cancer Society Cancer Action Network	Formatted: Font: (Default) Times New Roman, 11 pt
	a few members in my household including my mother, grandfather and a close uncle who have 🗾 🔸	Formatted: Font: 11 pt
	noking for as long as I can remember. While they always encouraged us to never pick up a	Formatted: Normal (Web), Pattern: Clear (White)
	te or try any tobacco related products. They have never practiced what they preach. Both my	
	and grandfather continue to smoke right in front of our porch, our backyard, and even the cars that	
	share within our household. I also know in my heart though, that if it were not so difficult, they guit. Their addiction to smoking, their inability to guit despite knowing how bad it is, reminds me	
	r best hope for my friends and other young people is to make sure that we never become addicted	Earmattade Contra 11 nt
	e products in the first place. The Hawai'i Tobacco Prevention and Control Trust Fund was created	Formatted: Font: 11 pt
	ent youth from starting to use tobacco and help people quit tobacco.	Formatted: Font color: Black
TCI		
	e a Personal Story or Connection to Tobacco/ Electronic Smoking Device use/misuse or how ve benefitted from cessation programs]	Formatted: Font: (Default) Times New Roman, 11 pt
	the sour own personal touch to how tobacco/ Electronic Smoking Devices has negatively impacted	Formatted: Font: (Default) Times New Roman
	r a loved one's life. OR how any of the tobacco essation programs has helped you. This could be	
	a loved one's life. Ok now any of the tobaceo cessation programs has helped you. This could be nts around programs being cut You may share as much as you feel comfortable with. A personal	
	what will make a difference	
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People	who smoke or who used to smoke are at increased risk for severe illness from COVID-19.	
.	is also a proven risk factor for cancer, chronic obstructive pulmonary disease (COPD) and heart	Formatted: Font: (Default) Times New Roman
	is is use a proton mark factor for each disk for some observations from COVID 10. Describes of any	

disease, which also put people at increased risk for severe illness from COVID-19. Regardless of any

association with COVID-19, the adverse health effects of smoking are well-documented and irrefutable. Now is a better time than ever to quit.

Health Impact of Tobacco Use in Hawaii

Smoking harms nearly every organ of the body and the use of tobacco products remains the nation's number one cause of preventable death. Tobacco use is responsible for nearly 1 in 5 deaths nationwide In Hawaii:

- An estimated 1,400 deaths are caused by smoking each year.
- 12.30% of adults and 5.3% of high school students smoke cigarettes, iii,iv
- Over 24.6 % of cancer deaths in Hawaii are caused by smoking.
- 30.6% of high school students currently use e-cigarettes

Tobacco Control Programs help our state save money

In 1998, Hawaii and 45 other states sued tobacco companies and won, resulting in the Master Settlement Agreement (MSA). The MSA included payments to the settling states to cover current and future costs of treating tobacco-related illnesses. A portion (12.5%) of the settlement funds are allocated to the Hawaii Tobacco Prevention and Control Trust Fund. For over 20 years, Hawaii's Tobacco Prevention and Control Trust Fund has reduced the burden of tobacco in our state, saving both lives and healthcare costs. Since its inception, the state has achieved significant declines in smoking rates for both adults and youth smoking rates. Despite this progress, the toll of tobacco is substantial, and there is still work to be done.

Smoking is estimated to cost Hawaii \$526 million in direct health care costs, including \$141 million in Medicaid costs annually ^{vi}_{*}Given the projected budget deficit, it is vital that evidence-based programs are in place to reduce tobacco use and reduce taxpayer-funded healthcare costs. According to projections from the Campaign for Tobacco-Free Kids, this cut would:

- Increase youth smoking rates by 8.7%.
- 1,900 more kids growing up to become addicted adult smokers.
- 600 more kids growing up to die prematurely from smoking.
- \$39.9 million in future healthcare additional expenses.

Fully funding evidence-based tobacco prevention and cessation programs, along with regular and significant tobacco tax increases and comprehensive smoke-free laws can reduce tobacco use. While Hawaii is facing unprecedented public health challenges, it is critical that programs to prevent kids from starting to use tobacco and help adults quit are preserved.

I understand that the state is trying to find money to fund the state budget. Please consider the impact and cost it would be defunding tobacco prevention and control programs on the future of Hawaii.

I urge you to hold this bill.

Mahalo for the opportunity to submit testimony.

¹ Centers for Disease Control and Prevention (CDC). Health Effects of Cigarette Smoking. Updated April 28, 2020. https://www.cdc.gov/tobacco/data_statistics/fact_sheets/health_effects/effects_cig_smoking/

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Campaign for Tobacco-Free Kids (CTFK). The Toll of Tobacco in Hawaii. Updated October 20, 2020. https://www.tobaccofreekids.org/problem/toll-us/hawaii
Campaign for Tobacco-Free Kids (CTFK). The Toll of Tobacco in Hawaii. Updated October 20, 2020. https://www.tobaccofreekids.org/problem/toll-us/hawaii
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American Cancer Society Cancer Action Network. State-Specific Smoking-Related Cancer Cases and Deaths. 2017. December 2020.
Campaign for Tobacco-Free Kids. The Toll of Tobacco in Hawaii. October 20, 2020. https://www.tobaccofreekids.org/problem/toll-us/hawaii

ⁱⁱ Campaign for Tobacco-Free Kids (CTFK). The Toll of Tobacco in Hawaii. Updated October 20, 2020.

<u>HB-1296</u> Submitted on: 2/16/2021 12:24:57 PM Testimony for HHH on 2/18/2021 11:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lauralee Baoy	Individual	Oppose	No

Comments:

I am opposed to HB 1296. I currently work as a Youth Development Specialist with Parents and Children Together. We currently target middle school and high school aged youth to participate in Tobacco Prevention education, primarily vaping prevention.

Hawaii is still in the midst of the youth vaping epidemic and it's been reported that one in three high school students and one in five middle school students report current use of e-cigarettes. Also COVID-19 is an infectious disease that primarily attacks the lungs, making tobacco use especially concerning. Teens and young adults that use e-cigarettes have a 5-7 times greater chance of being diagnosed with COVID-19 than those who did not use e-cigarettes. Those who use e-cigarettes have increased inflammation in the lungs, worse immune response in the lungs and increased risk of infection.

Youth cigarette smoking rates have decreased dramatically since the inception of the trust fund: In 1999, 27.9% of Hawai'i high schoolers smoked cigarettes, compared to 5.3% in 2019. Since 2000, <u>Hawai'i has saved over \$1 billion dollars in healthcare</u> <u>costs</u> through significant reductions in smoking among youth, adults, and pregnant women. For every \$1 spent on tobacco prevention, Hawai'i saves \$6.64 in direct healthcare costs.

I understand the dire fiscal situation the state is in, however tobacco prevention and control funding is critical to saving lives and healthcare costs! Please oppose HB 1296 for our youth and for future continued decline in smoking/vaping in our community.

Thank you.

HB-1296 Submitted on: 2/16/2021 3:43:32 PM Testimony for HHH on 2/18/2021 11:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kristin Mills	Individual	Oppose	No

Comments:

As a parent, tax payer, and health educator in Hawaii, I am strongly opposed to HB1296.

The Tobacco Trust Fund helps with education to prevent youth from starting to use and abuse tobacco products. It also helps people to QUIT tobacco products with services through the Quit Line.

While I understand the fiscal challenges the state is facing, taking away the Tobacco Trust Fund is not the way to save money. Ultimately, using products like tobacco leads to further chronic conditions that ultimately cost our state exponentially more money. Futher, addiction leads to other poor outcomes such as lost income, mental health challenges, etc.

Hawaii needs to be a leader in health, not a leader in chronic disease and addiction and costs associated with chronic disease and addiction. Please oppose HB1296.

Mahalo, Kristin Mills

Submitted on: 2/16/2021 5:37:28 PM Testimony for HHH on 2/18/2021 11:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Michelle Robinson	Individual	Support	No

Comments:

We need this bill to pass. Other States have used tobacco settlement funds when people are hurting and money is tight - so should we.

HB-1296 Submitted on: 2/16/2021 5:44:43 PM Testimony for HHH on 2/18/2021 11:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Chris Wells	Individual	Support	No

Comments:

Strong support for hb1296. A great opportunity to cut all that waste, fraud, and abuse.

February 16, 2021

Representative R.I. Yamane, Chair Representative A.K. Tam, Vice Chair House Committee on Health, Human Services, and Homelessness

Representative G. Takayama, Chair Representative L. DeCoite, Vice Chair House Committee on Higher Education and Technology Hawai'i State Legislature, Hawai'i State Capitol Honolulu, HI 96813

RE: Oppose HB1296

Relating to state funds

My name is Dr. Catherine Pirkle. I hold a PhD in public health and epidemiology and I am currently an Associate Professor of public health at the University of Hawai'i at Mānoa. I am writing as a private citizen for this testimony.

I oppose HB1296. If passed, this bill would repeal the tobacco enforcement special fund, Hawai'i tobacco settlement special fund, and the Hawai'i tobacco prevention and control trust. In doing so, it would undermine over 20 years of statewide investment, infrastructure and expertise in tobacco prevention and control that has contributed to one of the lowest smoking rates in the country.

Efforts to repeal the tobacco prevention and control trust fund are particular surprising in light of the Covid-19 pandemic. Smokers are at <u>higher risk</u> of severe complications and greater mortality from Covid-19. Moreover, smoking is the second leading cause of early death and disability worldwide and contributes to billions of dollars in lost productivity and health care expenditures <u>each year</u>. This is **not** the time to reduce our efforts to prevent people from smoking in the first place, nor to help them stop smoking once they start.

When it comes to tobacco control policies, Hawai'i has been a leader across the United States and its <u>successes</u> have paved the way for other states to implement progressive and life-saving policies. For example, we were the first state to raise the minimum age of sale, purchase, and possession of tobacco products to age 21 (<u>Tobacco 21</u>), with four other states, including California, rapidly following suit. Critically, our progressive public health policies are one of the reasons why we enjoy the longest life-expectancy in the nation and are ranked second in overall health.

One of the <u>foundations</u> to Hawai'i's leadership in tobacco control is <u>dedicated funding</u> for prevention and cessation. In 1999, the state legislature passed Act 304 and created the Tobacco Settlement Special Fund for the state's share of the Master Settlement Agreement (MSA). The MSA required the tobacco industry to pay over \$200 billion dollars in revenue over a 25-year period to 46 states, including Hawai'i. The <u>intent of the agreement</u> was to reimburse states for Medicaid-related costs from tobacco use and prevent youth smoking, among other prevention and cessation activities.

MSA-dedicated monies support a variety of prevention and cessation <u>programs</u> in the state, including vital programs like the Hawai'i Tobacco Quitline and salaries for tobacco cessation specialists who help people stop smoking with they are ready. They also support a variety of smoking prevention programs for children. The latter is particularly critical as we struggle to control the vaping epidemic among our youth.

The <u>CDC reports</u> that states which make larger investments in comprehensive tobacco control policies, such as Hawai'i has done for the past 25 years, outperform by two-fold the US average when in come to reductions in tobacco sales, and they experience lower overall smoking rates. Lower smoking rates translates to lower healthcare costs and fewer deaths.

During a time when investing in public health is more vital than ever, repealing dedicated funds to support tobacco prevention and cessation undermines one of Hawai'i's biggest public health successes and threatens to reverse over 20 years of hard-fought gains to promote long and healthy lives. If legislators seek to plug holes in the state budget by targeting public health, a much smarter investment would be to include e-liquid and electronic smoking devices within the definition of tobacco products so that they are subject to cigarette and tobacco tax laws.

Most sincerely,

Catherine Pirkle 808-726-6202 catherinepirkle@gmail.com

HB-1296 Submitted on: 2/16/2021 7:27:59 PM Testimony for HHH on 2/18/2021 11:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Chris C.K. Arakaki	Individual	Support	No

Comments:

Thank You for HB1296. Please return these monies to the people.

HB-1296 Submitted on: 2/17/2021 6:35:11 AM Testimony for HHH on 2/18/2021 11:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kathleen Koga	Individual	Oppose	No

Comments:

I am in **strong opposition to HB 1296**, which repeals the Hawaii Tobacco Prevention and Control Trust Fund and transfers the balances to the general fund.

The Hawaii Tobacco Prevention and Control Trust Fund provides important tobacco prevention and cessation services for communities across our state. The reach of these programs is broad and touches all residents regardless of income, insurance status and race.

Through statewide tobacco prevention education programs, a significant number of Hawaii students are taught about the harmful effects of smoking and vaping.

Community cessation services and the Hawaii Tobacco Quitline are available on all islands to help smokers and vapers to quit and become tobacco-free.

These valuable tobacco prevention and control programs have helped our state to dramatically decrease youth cigarette smoking rates, saved Hawaii over \$1 billion dollars in healthcare costs and improved the lives of many individuals who successfully quit tobacco products.

The progress and significant gains in tobacco prevention and control are impressive; much has been accomplished through the programs and services administered by the Hawaii Tobacco Prevention and Control Trust Fund, but we continue to face new tobacco challenges. The spotlight is urgently focused on addressing the youth vaping epidemic and assisting tobacco users to quit, especially during the CO-VID 19 pandemic. Many tobacco users are now motivated, anxious to obtain help and in need of support to deal with stress and health issues.

Please oppose HB 1296 to ensure the future health of our communities. The Tobacco Prevention and Control Trust Fund was created to "reduce cigarette amoking and tobacco use among youth and adults " and should not be repealed as it is essential in order to save lives and healthcare costs and to reduce the burden of tobacco in our state.

Thank you for the opportunity to provide testimony in opposition to HB 1296.

To: Rep. Ryan I. Yamane, Chair Rep. Adrian K. Tam, Vice Chair Committee on Health, Human Services, and Homelessness

> Rep. Gregg Takayama, Chair Rep. Lynn DeCoite, Vice Chair Committee on Higher Education and Technology

RE: Strong Opposition to HB 1296, Relating to State Funds

Hrg: February 18, 2021 at 11:15 AM via Videoconference

My name is Helen Barrow from the island of Maui and I am testifying as a private citizen. I am in **strong opposition to HB 1296**, which repeals the Hawaii Tobacco Prevention and Control Trust Fund and transfers the balances to the general fund.

The Hawaii Tobacco Prevention and Control Trust Fund supports tobacco treatment programs that increase the quality of our ohana's health, finances and self-confidence. These programs save money however **most importantly they save lives**. According to the Surgeon General, quitting smoking is the single most important step a smoker can take to improve the length and quality of his or her life.

Tobacco prevention and cessation programs are important to reduce the burden of tobacco in our state. Thank you for the opportunity to provide testimony in opposition to HB 1296.

Mahalo, Helen Barrow February 17, 2021

Representative R.I. Yamane, Chair Representative A.K. Tam, Vice Chair House Committee on Health, Human Services, and Homelessness

Representative G. Takayama, Chair Representative L. DeCoite, Vice Chair House Committee on Higher Education and Technology Hawai'i State Legislature, Hawai'i State Capitol Honolulu, HI 96813

RE: Oppose HB1296

Relating to state funds

I am a professor at the University of Hawai'i at Mānoa and Chair of the Office of Public Health Studies in the Thompson School of Social Work and Public Health. I am writing as a private citizen for this testimony.

I oppose HB1296. If passed, this bill would repeal the tobacco enforcement special fund, Hawai'i tobacco settlement special fund, and the Hawai'i tobacco prevention and control trust. In doing so, it would undermine over 20 years of statewide investment, infrastructure and expertise in tobacco prevention and control that has contributed to one of the lowest smoking rates in the country.

This will harm our communities, families, and our children. This is also notably terrible timing as the <u>Star Advertiser today reported the following</u>: "Statewide, a whopping 30.6% of public high school students said in 2019 they had vaped at least once in the past 30 days, up from 25.5% in 2017. The national rate was even higher at 32.7% in 2019. Meanwhile, the number of teens vaping every day in Hawaii spiked to 7.9% from 3.5% over those two years."

As Lola Irvin, administrator for the Chronic Disease Prevention and Health Promotion Division of the state Health Department noted in this article: "These are not benign products...They are inhaling the flavorants, the chemicals, the nicotine, the alcohol and the vegetable oils — that's what they are putting into their lungs."

Efforts to repeal the tobacco prevention and control trust fund are particular surprising in light of the Covid-19 pandemic. Smokers are at <u>higher risk</u> of severe complications and greater mortality from Covid-19. Moreover, smoking is the second leading cause of early death and disability worldwide and contributes to billions of dollars in lost productivity and health care expenditures <u>each year</u>. This is **not** the time to reduce our efforts to prevent people from smoking in the first place, nor to help them stop smoking once they start!

When it comes to tobacco control policies, Hawai'i has been a leader across the United States and its <u>successes</u> have paved the way for other states to implement progressive and life-saving policies. For example, we were the first state to raise the minimum age of sale, purchase, and possession of tobacco products to age 21 (<u>Tobacco 21</u>), with four other states, including California, rapidly following suit. Critically, our progressive public health policies are one of the reasons why we enjoy the longest life-expectancy in the nation and are ranked second in overall health.

One of the <u>foundations</u> to Hawai'i's leadership in tobacco control is <u>dedicated funding</u> for prevention and cessation. In 1999, the state legislature passed Act 304 and created the Tobacco Settlement Special Fund for the state's share of the Master Settlement Agreement (MSA). The MSA required the tobacco industry to pay over \$200 billion dollars in revenue over a 25-year period to 46 states, including Hawai'i. The <u>intent of the agreement</u> was to reimburse states for Medicaid-related costs from tobacco use and prevent youth smoking, among other prevention and cessation activities.

MSA-dedicated monies support a variety of prevention and cessation <u>programs</u> in the state, including vital programs like the Hawai'i Tobacco Quitline and salaries for tobacco cessation specialists who help people stop smoking with they are ready. They also support a variety of smoking prevention programs for children. The latter is particularly critical as we struggle to control the vaping epidemic among our youth.

The <u>CDC reports</u> that states which make larger investments in comprehensive tobacco control policies, such as Hawai'i has done for the past 25 years, outperform by two-fold the US average when in come to reductions in tobacco sales, and they experience lower overall smoking rates. Lower smoking rates translates to lower healthcare costs and fewer deaths.

During a time when investing in public health is more vital than ever, repealing dedicated funds to support tobacco prevention and cessation undermines one of Hawai'i's biggest public health successes and threatens to reverse over 20 years of hard-fought gains to promote long and healthy lives. If legislators seek to plug holes in the state budget by targeting public health, a much smarter investment would be to include e-liquid and electronic smoking devices within the definition of tobacco products so that they are subject to cigarette and tobacco tax laws.

Thank you for opposing this bill and supporting preventive public health now and for the future wellbeing of our communities, families, and children!

Sincerely, Tetine Sentell

TESTIMONY OF ROBERT TOYOFUKU REGARDING AND IN OPPOSITION TO H.B. NO. 1296

DATE: February 18, 2021

To: Chairmen Ryan Yamane and Gregg Takayama and Members of the House Committee on Health, Human Services and Homelessness and Members of the House Committee on Higher Education and Technology:

My name is Bob Toyofuku and I am presenting this testimony as an individual regarding and in opposition to HB 1296, Relating to State Funds.

Although I am the government affairs consultant for the Hawaii Public Health Institute (HiPhi) and for the Coalition for Tobacco Free Kids (CTFK), I am using this opportunity to testify personally in order to primarily present some background and history of the effort to create a fund to combat the health problems that smoking and tobacco use has caused over the years.

About 46 states through their respective attorney generals fashioned a settlement with the tobacco industry after filing a lawsuit which resulted in what is referred to as the Master Settlement Agreement whereby it was agreed that the states were to receive annual contributions to use primarily for tobacco prevention and control. The settlement was completed in 1998 and the effort in the various states to pass legislation to allocate these funds started in 1998. In Hawaii it culminated in the introduction of a bill in the 1999 legislative session which passed and signed as Act 304 which created the Hawaii Tobacco Settlement Special Fund which incorporated the Tobacco Prevention and Control Trust Fund which is the subject of this bill. The 1999 legislation created three "buckets" where the annual fund was to be allocated: (1) the emergency rainy day fund which was to receive 40% of the annual funds; (2) the Department of Health was to receive 35% of the annual funds for health issues as well as tobacco prevention, and to allocate 10% to the Children's Health Insurance Program; and (3) the tobacco prevention and control trust fund which was to receive 25% of the annual fund to be used for tobacco prevention and control.

The projected annual payment to Hawaii ranged from \$14 million in 1998 to about \$42 million from 2008 to 2017. This of course was subject to reductions depending upon a variety of factors set forth in the Master Settlement Agreement.

However, subsequently in 2001 because of the creation of the University of Hawaii new medical school facility at a cost of \$150 million, the law was amended which reduced the percentage that the trust fund was to receive by 50% to 12.5% per year. The rainy day fund was reduced from 40% to 24.5%, and 28% was then allocated for the bond payment for the construction of the medical school facility. The 35% originally allocated to the Department of Health remained the same.

There were some small changes made to the law from 2002 to 2006. A modification was then made in 2007 by Act 264. The allocations basically remained the same as set out in 2001. The modification was that if there was any excess from the UH medical school allocation, 80 % of the excess would go to the rainy day fund and 20% to the tobacco and prevention and control trust fund.

The next major change to the law was made in 2012 which culminated in Act 002. The allocations were again amended as follows: 15% to the rainy day fund; 25% to the Department of Health; a 50% reduction to 6.5% to the tobacco control and prevention trust fund; 28% for the payment of the bond for the medical school; and 25.5 % to the general fund. This was a major reduction to the trust fund.

The last major adjustment was made in 2015 by Act 118. The allocations were as follow: 15% to the rainy day fund; 12.5% to the tobacco prevention and control trust fund; 26% for the medical school bond payments and the remaining amount to the state general fund (46.5%). In essence after the reduction to 6.5% to the trust fund in 2012, the 12.5% allocation which was forth in 2001 was reinstated by this Act in 2015.

In spite of the modifications to the Hawaii Tobacco Settlement Special Fund and specifically to the Tobacco prevention and control trust fund, the application of these funds reduced the use of tobacco over the 20 plus years since the fund was created and has created a healthier environment in our community.

Thank you for allowing me to present this testimony and I hope this history will be useful as you review what the major organizations present to you in writing and verbally. I will be happy to answer any questions that you may have at any time. HB 1296 Committee on Health, Human Services & Homelessness Chair Yamane, Vice Chair Tam, Members

Committee on Higher Education & Technology Chair Takamine, Vice Chair DeCoite, Members

Good Morning Chairs, Vice Chairs, Members

I am Julian Lipsher, member of the Coalition For a Tobacco Free Hawaii, testifying as a private citizen.

I am testifying in opposition to HB 1296.

The passage of this measure would be seen as no small misstep and would result in a variety of negative health, economic, legal, and policy consequences.

In a long career in public health with the Hawaii State Department of Health, including over 20 years leading the Tobacco Prevention & Education Program, I was involved in the inception and establishment of the Tobacco Prevention & Control Trust Fund.

The purpose of the Trust Fund remains to reduce tobacco use and to change the public norms around smoking. This has been a collaborative effort among government, business, voluntary and community partners.

Viewed from a public health lens, the success of this effort over the past 22 years can be seen from the significant reduction in the smoking rates among both adults and youth. Where in 1998 when the Trust fund was established, adult smoking rates were close to 25% and high school youth rates were over 30%, they have declined to where adult rates are now 9% and high school youth rates are under 6%.

The achievement of these reductions have saved countless lives and hundreds of millions of dollars in healthcare cost along with the emotional cost of treating nicotine addiction.

Let's not forget that the tobacco industry remains ever present. They will and have not gone away. They have found new ways to introduce novel delivery systems for nicotine. We see this today in the epidemic of vaping among our youth, potentially the next generation of addicted smokers.

Dissolving the Trust Fund could send Hawaii back to where we were two decades ago fighting the same battles against the multi-billion, multi-national tobacco industry virtually defenseless and without the means and resources to address their ever present threats.

I urge you to consider the good that the Trust Fund has accomplished for Hawaii and to oppose HB 1296

Thank you for the opportunity to testify.

Submitted on: 2/17/2021 2:22:32 PM Testimony for HHH on 2/18/2021 11:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Marivelle Martin	Individual	Oppose	No

Comments:

Aloha,

I am in strong opposition to HB 1296, which repeals the Hawaii Tobacco Prevention and Control Trust Fund and transfers the balances to the general fund.

I currently work as a Tobacco Treatment Specialist for Bay Clinic, Inc in Hawaii County. There are many people in our community who want and need to guit using tobacco, whether it's cigarettes, vapes, chewing tobacco, snuff, dip, hookah, etc. Many of them try to guit on their own but then relapse and find it even more difficult to guit again. Tobacco prevention and cessation programs really do help our community to get people to guit and become healthier and also to educate everyone from Keiki to Kupuna. Many of the people I work with come from all walks of life but more so from low socioeconomic status and either have no medical insurance or their insurance doesn't cover the Nicotine Replacement Therapy (NRT) such as nicotine patches, gum, or lozenges. These NRT when bought on your own are very costly and deter people from purchasing them to help with their quit journey. With these programs in place, we help and educate our community. The funds that are received for these programs go into buying NRT, educational material, and incentives, which we in turn provide to our patients/clients along with education, one-to-one and or group counseling, and continuous follow up and support throughout their guit journey. Taking the funding away to transfer into the general fund would be detrimental to the Tobacco prevention and cessation programs as we would not be able to continue at the capacity it is now at and people would possibly be turned away as there would be less available programs to assist them. There have been many patients I have worked with that have quit other addictions such as cocaine, alcohol, heroine, etc and have stated that the last thing they were working on guitting was cigarettes and it was the hardest to guit. When asked why, they would say because it was legal, readily available wherever you go, and very addictive! When these patients/clients finally do quit, they say they feel so much stronger, healthier, able to breathe better, and free from the addiction they have been battling to guit.

Tobacco prevention and cessation programs are important to reduce the burden of tobacco in our state. Thank you for the opportunity to provide testimony in opposition to HB 1296.

Mahalo,

Marivelle Martin

Submitted on: 2/17/2021 4:46:11 PM Testimony for HHH on 2/18/2021 11:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Anthony Orozco	Individual	Support	No

Comments:

In Strong Support. Special funds promote corruption and foster waste. They also lack accountability.

Submitted on: 2/18/2021 8:35:45 AM Testimony for HHH on 2/18/2021 11:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Cyd L. Hoffeld	Individual	Oppose	No

Comments:

Aloha Representatives,

I am in **strong opposition to HB 1296**, which repeals the Hawaii Tobacco Prevention and Control Trust Fund and transfers the balances to the general fund.

While working in the field of health education for over 20 years, I have had the privilege of working in many schools and after-school programs with thousands of youth, and in substance abuse treatment programs on Hawai'i Island. For almost ten years, the tobacco industry has been targeting our youth with fruit and candy- flavored vaping products which are hooking our children on nicotine.

Currently, the Hawai'i Tobacco Prevention and Control Trust Fund has been able to provide much needed funds to many medical clinics and community partner tobacco prevention, cessation and treatment programs. This financial resource allows tobacco cessation and treatment program staff to work with adults and youth in prevention, cessation counseling, and nicotine replacement therapy. These are services that would not exist without strong and consistant funding.

The trust funds have not only helped individuals quit smoking for their own health but also for the health and wellbeing of those around them during this pandemic. Keeping Tobacco Prevention and Control funds intact and where it needs to be used in prevention and treatment will not only continue to assist adults in their quit journey but will also help our vulnerable youth in preventing the onset of smoking and vaping. And for those youth who become addicted to fruit and candy-flavored vaping produces, the continuation of funding for tobacco cessation and treatment programs will help them as adults to make their quit attempts earlier and quit journey more successful so they can escape lifelong nicotine addicts.

The Hawaii Tobacco Prevention and Control Trust Funds create programs, maintain services, collect data, builds organizational capacity, provide counseling and treatment, facilitate networks, and strengthen community partnerships to help youth and adults keep Hawai'i residents healthier today and into our future.

Thank you for allowing me to testify and please stand with me to **strongly oppose HB 1296**.