
A BILL FOR AN ACT

RELATING TO LIQUOR.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that there are several
2 short- and long-term health risks associated with excessive
3 alcohol use. The immediate health risks of excessive alcohol
4 use may include injuries, such as motor vehicle crashes, falls,
5 drownings, and burns; violence, including homicide, suicide,
6 sexual assault, and intimate partner violence; alcohol
7 poisoning; and risky sexual behaviors, such as unprotected sex
8 or sex with multiple partners, which can result in unintended
9 pregnancy or sexually transmitted diseases. For pregnant women,
10 excessive alcohol use may result in miscarriage and stillbirth
11 or fetal alcohol spectrum disorders. Over time, excessive
12 alcohol use can cause chronic diseases and other serious
13 problems including high blood pressure, heart disease, stroke,
14 liver disease, digestive problems, certain types of cancer, a
15 weakening of the immune system, learning and memory problems,
16 mental health problems, social problems, and alcohol use
17 disorders or alcohol dependence.

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1 In addition to the health risks associated with excessive
2 alcohol use, the legislature also finds that excessive alcohol
3 use contributes to significant economic costs to the State,
4 including health care, lost productivity, and criminal justice
5 costs. While there was a 2015 study that estimated the total
6 cost of excessive alcohol use for Hawaii at \$937,400,000 for
7 2010, with government paying 39.4 per cent of these costs, which
8 translates to \$369,200,000, the Centers for Disease Control and
9 Prevention also estimates 526 alcohol-attributable deaths in
10 Hawaii, averaged annually, due to excessive alcohol use from
11 2015-2019.

12 In contrast, the total amount of state and federal funding
13 for substance abuse prevention and treatment services in the
14 department of health alcohol and drug abuse division is only
15 approximately \$34,000,000. Therefore, increasing the price of
16 alcohol products to discourage alcohol consumption and
17 appropriating the additional revenue into more substance abuse
18 and mental health prevention and treatment services, will
19 substantively diminish alcohol-related health and social
20 impacts.

21 SECTION 2. Section 244D-4, Hawaii Revised Statutes, is
22 amended by amending subsection (a) to read as follows:

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1 (E) \$1.24 per wine gallon on beer other than draft

2 beer; and

3 (F) \$0.72 per wine gallon on draft beer;

4 and at a proportionate rate for any other quantity so sold or

5 used."

6 SECTION 3. Statutory material to be repealed is bracketed

7 and stricken. New statutory material is underscored.

8 SECTION 4. This Act, upon its approval, shall take effect

9 on January 1, 2024.

10

11

INTRODUCED BY: _____



12

BY REQUEST

JAN 23 2023

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Report Title:

Liquor Tax; Increase

Description:

Increases the per wine gallon tax on alcoholic beverages.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

JUSTIFICATION SHEET

DEPARTMENT: Health

TITLE: A BILL FOR AN ACT RELATING TO LIQUOR.

PURPOSE: To increase the per wine gallon tax on alcohol products by 33 percent.

MEANS: Amend section 244D-4(a), Hawaii Revised Statutes.

JUSTIFICATION: Alcohol-related issues, including abuse and addiction, are responsible for numerous negative economic, health, and social ills. Increasing the cost of alcohol products provides additional deterrence for consumers and is a proven public health prevention strategy.

Impact on the public: Higher prices for alcohol products and overall diminished societal risks for alcohol-related negative outcomes.

Impact on the department and other agencies: Department of Budget and Finance.

GENERAL FUND: Approximately \$17,000,000 in estimated new revenue.

OTHER FUNDS: N/A.

PPBS PROGRAM DESIGNATION: HTH-907.

OTHER AFFECTED AGENCIES: Department of Budget and Finance; Department of Taxation.

EFFECTIVE DATE: January 1, 2024.