STAND. COM. REP. NO. 1215

Honolulu, Hawaii MAR 03 , 2023

RE: H.B. No. 537 H.D. 2

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-Second State Legislature Regular Session of 2023 State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 537, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO ELECTRONIC SMOKING DEVICES,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Include electronic smoking devices and e-liquids under the definition of "tobacco products" for purposes of cigarette tax and tobacco tax law; and
- (2) Repeal the Electronic Smoking Device Retailer Registration Unit under the Department of the Attorney General.

Your Committee received testimony in support of this measure from the Hawaii Primary Care Association, American Heart Association, Keiki Injury Prevention Coalition, Opportunity Youth Action Hawai'i, Parents And Children Together, Hawaii Health & Harm Reduction Center, Coalition for a Tobacco-Free Hawai'i's Youth Council, Papa Ola Lokahi, Hawaii Dental Association, Parents for Public Schools of Hawai'i, Coalition for a Tobacco-Free Hawai'i, Hawai'i Public Health Association, Save Medicaid Hawaii, Hawaii COPD Coalition, University of Hawaii Student Health Advisory Council, and nineteen individuals. Your Committee received



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testimony in opposition to this measure from the Consumer Choice Center, Americans for Tax Reform, Hawaii Smokers Alliance, Taxpayers Protection Alliance, National Taxpayers Union, and eight individuals. Your Committee received comments on this measure from the Department of Taxation, Department of the Attorney General, Department of Health, Hawaii Substance Abuse Coalition, Hawai'i Children's Action Network Speaks!, Tax Foundation of Hawaii, Campaign for Tobacco-Free Kids, American Cancer Society Cancer Action Network, and two individuals.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 537, H.D. 2, and recommends that it pass Third Reading.

> Respectfully submitted on behalf of the members of the Committee on Finance,

KYLE T. YAMASHITA, Chair

State of Hawaii House of Representatives The Thirty-second Legislature



Record of Votes of the Committee on Finance

Bill/Resolution No.: HB537 HD2		tee Referral: JHA, FIN	J Dat	3/1/23	
The committee is reconsid	lering its previous decisi	on on the measure.			
The recommendation is to:	Pass, unamended Pass short form		ass, with amendments ommit for future publ		
FIN Members		Ayes	Ayes (WR)	Nays	Excused
1. YAMASHITA, Kyle T. (C)		V			
2. KITAGAWA, Lisa (V	/C)	V			and the second
3. AIU, Micah P.K.		V			
4. CHUN, Cory M.					
5. COCHRAN, Elle					
6. GARRETT, Andrew Takuya					
7. KAHALOA, Kirstin					
8. KILA, Darius K.		\checkmark			
9. KOBAYASHI, Bertrand		V			
10. LAMOSAO, Rachele	F				
11. MORIKAWA, Dee					
12. NISHIMOTO, Scott Y	Y.	\checkmark			
13. POEPOE, Mahina					
14. TAKENOUCHI, Jenn	na				
15. ALCOS III, David					
16. WARD, Gene		•			
TOTAL (16)		14		0	1
The recommendation is:	Adopted If joint referral,	Not Adopted did not support recommendation. committee acronym(s)			
Vice Chair's or designee's sig	nature:	Atasm	~		
Distribution: Original (Whit	e) – Committee D	uplicate (Yellow)	- Chief Clerk's Office	Duplicate (Pi	nk) HMSO