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A BILL FOR AN ACT

RELATING TO THE REDUCED IGNITION PROPENSITY CIGARETTE PROGRAM.

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

SECTION 1. The legislature finds that Hawaii enacted a
 reduced ignition propensity cigarette law effective on
 September 30, 2009. As stated in section 132C-1, Hawaii Revised
 Statutes, "It is the intent of this chapter to require that only
 reduced ignition propensity cigarettes be sold in the State."

6 As required by section 132C-4(a), Hawaii Revised Statutes, 7 "[e]ach manufacturer shall submit to the state fire council 8 written certification attesting that each cigarette has been 9 tested in accordance with, and has met the performance standard 10 required under section 132C-3. . . . Each cigarette certified 11 under this subsection shall be recertified every three years. 12 For each cigarette listed in a certification, a manufacturer 13 shall pay to the state fire council a \$375 fee to be deposited 14 into the reduced ignition propensity cigarette program special 15 fund under section 132C-9[, Hawaii Revised Statutes]. The state 16 fire council is authorized to annually adjust this fee to ensure 17 it defrays the actual costs of the administration and staffing

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1 requirements and processing, testing, enforcement, inspection, 2 and oversight activities required by this chapter."

3 In 1979, the legislature abolished the state fire marshal's 4 office and created the state fire council, which is composed of 5 the four county fire chiefs and administratively attached to the 6 department of labor and industrial relations. The goal of the 7 state fire council is to develop and maintain a comprehensive 8 fire service emergency management network for the protection of 9 life, property, and the environment throughout the State of 10 Hawaii. The state fire council is tasked with reviewing and 11 adopting the state fire code, providing administrative oversight 12 of the reduced ignition propensity cigarette program, providing 13 assistance with the application and administration of federal 14 grants for the fire service, assisting with and coordinating the 15 statewide delivery of fire training programs, coordinating the 16 collection of fire data, and supporting contingency planning 17 needs for fire fighters. The state fire council may establish 18 statewide qualifications for testing, certifying, and 19 credentialing individuals who perform maintenance and testing of 20 portable fire extinguishers, fire protection systems, and fire 21 alarm systems. The state fire council may also advise the

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governor and the legislature on matters related to fire
 prevention, fire protection, and life safety. The state fire
 council is a voting member of the state building code council,
 whose responsibilities are delineated in section 107-24, Hawaii
 Revised Statutes.

6 From its inception until 2001, the state fire council had 7 no funding for staff to fulfill its responsibilities. The state 8 fire council relied upon county personnel to perform the state 9 fire council's duties along with the state fire council's normal 10 functions within each county's fire department. In 2001, the 11 governor directed the department of labor and industrial 12 relations to allocate \$35,000 into its budget to fund the first 13 part-time employee. In 2011, an additional \$71,000 was 14 appropriated by the legislature to hire two additional 15 personnel. With the transfer of certification fees from the special fund, the state fire council could hire additional 16 17 personnel to oversee the coordination of statewide fire data 18 collection and analysis and administer federal fire-related 19 grants. The state fire council would also be able to fund 20 statewide educational efforts for the protection of life, 21 property, and the environment, including the current statewide

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1 fire fighter's safety guide program for Hawaii's youth and the 2 residential smoke alarm installation program for Hawaii's 3 at-risk senior population.

This Act is requesting an annual transfer of \$40,000 from 4 the reduced ignition propensity cigarette program special fund 5 to be used to assist the state fire council with its overall 6 objectives. The following is an overview of the effect that 7 8 this transfer will have on the reduced ignition propensity cigarette program objectives, the impact that this transfer will 9 have on the special fund balance, and a proposal to ensure that 10 11 this transfer does not hinder the objectives of the reduced ignition propensity cigarette program for the future: 12 Estimated reduced ignition propensity cigarette 13 (1)14 certification fees to be collected annually are \$108,000. Estimated operational expenses for the 15 reduced ignition propensity cigarette program are 16

17 \$138,000. The result is an annual overage of \$30,00018 for the program;

19 (2) Under this Act, the department of labor and industrial
20 relations could annually transfer \$40,000 from the
21 special fund to assist the state fire council with the

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1 state fire council's programs. Estimated operational 2 expenses for the reduced ignition propensity cigarette program would be \$178,000. This will result in an 3 annual overage of approximately \$70,000; and 4 5 (3) The special fund balance as of June 30, 2022, was more than \$885,000. The special fund balance could 6 7 accommodate this \$70,000 overage for approximately ten 8 years.

9 As stated previously, "[t]he state fire council is 10 authorized to annually adjust this [reduced ignition propensity 11 cigarette certification] fee to ensure it defrays the actual 12 costs of the administration and staffing requirements and 13 processing, testing, enforcement, inspection, and oversight 14 activities required by this chapter." Prior to exhausting the 15 \$885,000 special fund balance noted above, the state fire 16 council requests approval of double the current certification 17 fee that a cigarette manufacturer pays for each brand or style 18 of cigarette from \$375 to \$750 every three years. Based on the 19 approximately eight hundred cigarette brands and styles 20 currently certified for sale in Hawaii, this would result in a 21 total of \$600,000 in fees collected every three years, or

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1	\$200,000 a	annually, which would be sufficient to compensate
2	annual rec	duced ignition propensity cigarette operational
3	expenses e	estimated at \$178,000.
4	Acco	rdingly, the purpose of this Act is to:
5	(1)	Authorize the use of the reduced ignition propensity
6		cigarette program special fund to support the duties
7		and responsibilities of the state fire council in
8		addition to administering and enforcing the reduced
9		ignition propensity cigarette program; and
10	(2)	Add to the jurisdiction of the state fire council
11		those functions that are consistent with the uses
12		being authorized for the reduced ignition propensity
13		cigarette program special fund.
14	SECT	ION 2. Section 132-16, Hawaii Revised Statutes, is
15	amended by	y amending subsection (c) to read as follows:
16	"(C)	The state fire council may also:
17	(1)	Appoint advisory committees comprised of
18		representatives from each county fire department to
19		assist in drafting the state fire code and
20		coordinating statewide training, data collection, and
21		contingency planning needs for firefighters;

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1 (2) Advise and assist the county fire departments where 2 appropriate [, may]; prescribe standard procedures and 3 forms relating to inspections, investigations, and 4 reporting of fires [, may]; approve plans for 5 cooperation among the county fire departments [, and 6 may]; advise the governor and the legislature with 7 respect to fire prevention and protection, life 8 safety, and any other functions or activities for 9 which the various county fire departments are 10 generally responsible; and, using funds from the 11 reduced ignition propensity cigarette program special 12 fund, implement statewide fire prevention, education, 13 life safety, and preparedness programs, especially as 14 those programs relate to youth, seniors, and persons 15 with disabilities, including the hiring of 16 administrative personnel; and 17 (3) Establish, in conformance with the adopted state fire 18 code and nationally recognized standards, statewide qualifications and procedures, to be administered by 19 20 the county fire departments, for testing, certifying, 21 and credentialing individuals who perform maintenance

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1 and testing of portable fire extinguishers, water2 based fire protection systems, other fire protection
3 systems, private fire hydrants, and fire alarm
4 systems; provided that the county fire departments may
5 establish and charge reasonable certification fees."
6 SECTION 3. Section 132C-9, Hawaii Revised Statutes, is
7 amended to read as follows:

8 "[{] \$132C-9[}] Reduced ignition propensity cigarette 9 program special fund. (a) There is established in the state 10 treasury a reduced ignition propensity cigarette program special 11 fund, into which shall be deposited all moneys collected by the 12 state fire council from the reduced ignition propensity 13 cigarette program pursuant to section 132C-4. All interest 14 earned or accrued on moneys deposited in the fund shall become 15 part of the fund.

16 (b) Moneys in the reduced ignition propensity cigarette 17 program special fund shall be administered and expended by the 18 state fire council to defray the actual cost of activities and 19 requirements of section 132C-4, including employing one 20 full-time administrator and one full-time assistant whose duties 21 include:

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1	(1)	Adopting administrative rules for program
2		implementation, establishing compliance inspections,
3		and approving forms and enforcement procedures and
4		guidelines;
5	(2)	Receiving certifications for approximately six hundred
6		different brands and styles of cigarettes from the
7		manufacturers;
8	(3)	Compiling a list of the cigarette brands and styles
9		for which manufacturers have submitted certifications,
10		verifying tax stamp compliance with the department of
11		the attorney general, and posting the list of
12		certified brands and styles on a state website for
13		informational purposes only;
14	(4)	Reviewing and approving, as needed, any alternative
15		test methods or fire standard compliance markings
16		submitted by the manufacturer; and
17	(5)	If needed, submitting certified cigarettes to an
18		accredited laboratory for testing to verify that
19		performance standards have been met.
20	(c)	Moneys in the reduced ignition propensity cigarette
21	program_s	pecial fund may also be administered and expended by

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1	the state fire council to defray the cost of statewide fire
2	prevention, education, life safety, and preparedness programs,
3	especially as those programs relate to youth, seniors, and
4	persons with disabilities, including the hiring of
5	administrative personnel."
6	SECTION 4. Statutory material to be repealed is bracketed
7	and stricken. New statutory material is underscored.
8	SECTION 5. This Act shall take effect on June 30, 3000.
9	

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Report Title:

State Fire Council Package; Fire Protection; Reduced Ignition Propensity Cigarette Program Special Fund; Functions

Description:

Provides for additional use of the moneys in the reduced ignition propensity cigarette program special fund to support the state fire council and its programs and activities. Adds to the jurisdiction of the state fire council those functions that are consistent with the uses being authorized for the reduced ignition propensity cigarette program special fund. Effective 6/30/3000. (HD1)

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