Honolulu, Hawaii

## Maron 14

, 2014

RE: S.B

S.B. No. 2495

S.D. 3 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

Sir:

Your Committee on Health, to which was referred S.B. No. 2495, S.D. 3, 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 within the definition of "tobacco products" under Chapter 245, Hawaii Revised Statutes (HRS), thereby making:
  - (A) Wholesalers and dealers of electronic smoking devices subject to the same licensing requirements as wholesalers and dealers of cigarettes and other tobacco products; and
  - (B) Retailers of electronic smoking devices subject to the same permitting requirements as retailers of cigarettes and other tobacco products;
- (2) Establish an excise tax on electronic smoking devices of an unspecified percent of the wholesale price of each electronic smoking device kit, electronic smoking device nicotine cartridge, or electronic smoking device nicotine refill sold, used or possessed by a wholesaler or dealer; and

(3) Prohibit the use of electronic smoking devices in enclosed public areas and other specified locations under Chapter 328J, HRS.

The Department of Health, Hawaii COPD Coalition, American Cancer Society Cancer Action Network, American Heart Association, Coalition for a Tobacco-Free Hawaii, University of Hawaii Student Health Advisory Council, and numerous individuals supported this measure. The Hawaii Smokers Alliance, Retail Merchants of Hawaii, VOLCANO Fine Electronic Cigarettes, X-treme Vapor, and numerous individuals opposed this measure. The Department of Human Resources Development, Department of Taxation, Hawaii Food Industry Association, Tax Foundation of Hawaii, HI Vapor Emporium, and several individuals commented on this measure.

Your Committee has amended this bill by:

- (1) Deleting provisions that:
  - (A) Include electronic smoking devices within the definition of "tobacco products" under Chapter 245, HRS; and
  - (B) Establish an excise tax on electronic smoking devices of an unspecified percent of the wholesale price of each electronic smoking device kit, electronic smoking device nicotine cartridge, or electronic smoking device nicotine refill sold, used or possessed by a wholesaler or dealer; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2495, S.D. 3, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2495, S.D. 3, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

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Respectfully submitted on behalf of the members of the Committee on Health,

DELLA AU BELATTI, Chair



## State of Hawaii House of Representatives The Twenty-seventh Legislature

## **Record of Votes of the Committee on Health**

SB 2495, SD3	Committee Referral:  HLT, CPC, F		Date: 3/12/19	4
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to:  Pass, unamended (as is)  Pass, with amendments (HD)  Pass short form bill with HD to recommit for future public hearing (recommit)				
HLT Members	Ayes	Ayes (WR	Nays	Excused
1. BELATTI, Della Au (C)				
2. MORIKAWA, Dee (VC)	V			
3. CARROLL, Mele				
4. CREAGAN, Richard				
5. HASHEM, Mark J.				X45.00
6. JORDAN, Jo				
7. KOBAYASHI, Bertrand				
8. OSHIRO, Marcus R.				
o. Oshiko, waitus k.				
9. WOODSON, Justin H.				
10. MATSUMOTO, Lauren Kealohi	lani	<b>V</b>		
TOTAL (10)	_5	4		1
The recommendation is:  Adopted  If joint referral, did not support recommendation.  committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				