

Honolulu, Hawaii

April 20, 2009

RE: H.B. No. 1175
H.D. 3
S.D. 2
C.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Sir and Madam:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 1175, H.D. 3, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this bill is to:

- (1) Increase the per-cigarette tax from ten cents to 13 cents; and
- (2) Deposit an unspecified percentage of the remaining portion of the per-cigarette tax into the Hawaii Tobacco Prevention and Control Trust Fund (Trust Fund).



Your Committee on Conference has amended this bill by, among other things:

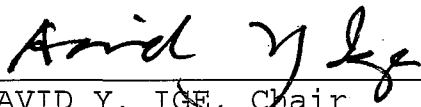
- (1) Increasing the per-cigarette tax as follows:
 - (A) From 11 cents to 13 cents beginning on July 1, 2009;
 - (B) From 12 cents to 14 cents beginning on July 1, 2010; and
 - (C) From 13 cents to 15 cents beginning on July 1, 2011;
- (2) Removing provisions that would have deposited a percentage of the remaining portion of the per-cigarette tax into the Trust Fund;
- (3) Changing the effective date to June 30, 2009; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1175, H.D. 3, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1175, H.D. 3, S.D. 2, C.D. 1.

Respectfully submitted on behalf
of the managers:

ON THE PART OF THE SENATE

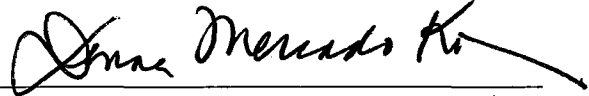
ON THE PART OF THE HOUSE



DAVID Y. IGE, Chair



MARCUS R. OSHIRO, Chair



DONNA MERCADO KIM, Co-Chair



Hawaii State Legislature

CCR 3

Record of Votes of a
Conference Committee

Bill / Concurrent Resolution No.: HB 1175, HD 3, SD 2	Date/Time: 4/18/2009 5:00 PM
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The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.



The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure

The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.

Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
IGE, David Y., Chr.	✓				OSHIRO, Marcus R., Chr.	✓			
KIM, Donna Mercado, Co-Chr.	✓				CHONG, Pono	✓			
HEMMINGS, Fred	✓				CHOY, Isaac W.	✓			
					LEE, Marilyn B.	✓			
					WARD, Gene		✓		
TOTAL					TOTAL				

A = Aye WR = Aye with Reservations N = Nay E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature: 
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