

Honolulu, Hawaii

FEB 28 2013

RE: S.B. No. 642

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 642 entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

begs leave to report as follows:

The purpose and intent of this measure is to reduce the number of children and teenagers in Hawaii who smoke by requiring that tobacco products, including cigarettes, be stored for sale behind a counter in certain retail establishments.

Your Committee received testimony in support of this measure from the Coalition for a Tobacco Free Hawaii and numerous individuals. Your Committee received testimony in opposition to this measure from the Department of the Attorney General.

Your Committee finds that tobacco products are the leading cause of preventable disease and death. Tobacco companies spend over \$42,000,000 per year on advertising for tobacco products in Hawaii. Retail stores, among others, are given incentives to place tobacco advertisements and products in locations near cash registers to entice teenagers to experiment with smoking and stimulate impulse purchases.

Your Committee also finds that the World Health Organization has endorsed a ban of retail tobacco product displays as an effective method of reducing tobacco use, and the prohibition of self-service tobacco displays has been adopted or considered in a number of states.



Your Committee heard testimony that this measure may affect the ability of the Tobacco Enforcement Unit of the Department of the Attorney General to ascertain whether cigarettes are properly stamped with tax stamps and whether cigarettes are approved for sale in the State. However, your Committee is confident that the Department of the Attorney General will still be able to carry out its duties and notes that the Department of the Attorney General has been highly capable in enforcing similar issues related to liquor sales. Your Committee also notes that other states with laws placing tobacco products behind the counter have not experienced an adverse tax enforcement impact.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 642 and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Commerce and
Consumer Protection,



ROSALYN H. BAKER, Chair



