

Honolulu, Hawaii

FEB 13 2020

RE: S.B. No. 2231
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health,
to which was referred S.B. No. 2231 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish the offense of unlawful shipment of e-liquid products;
- (2) Include e-liquid and electronic smoking devices containing e-liquid within the definition of "tobacco products", as used in the cigarette tax and tobacco tax law;
- (3) Fund health education and prevention programs that provide information about the risks and dangers of the use of electronic smoking devices for youth; and
- (4) Repeal various statutory provisions relating to electronic smoking devices.

Your Committee received testimony in support of this measure from the Department of Health; Department of Taxation; American Academy of Pediatrics, Hawaii Chapter; American Heart Association; American Cancer Society Cancer Action Network; Hawai'i Public



Health Institute; Hui No Ke Ola Pono; Hawai'i Primary Care Association; Hawaii Youth Services Network; The Friends of Kamalani and Lydgate Park; Hawaii State Teachers Association; Hawai'i Pacific Health; We Are One, Inc.; Kapi'olani Smokefree Families; and forty-two individuals. Your Committee received testimony in opposition to this measure from the Hawaii Smokers Alliance; Logic Technology Development, LLC; VOLCANO Fine Electronic Cigarettes; and forty-one individuals. Your Committee received comments on this measure from the Department of the Attorney General and one individual.

Your Committee finds that there is a serious nationwide concern over the use of electronic smoking devices because of the number of severe lung injuries being reported nationally. Specifically, there are more than two thousand cases of severe lung injury associated with electronic cigarette use and over forty deaths nationwide. Hawaii has had four reported cases of severe lung injury, with potentially more on the horizon. Of particular concern is the growing percentages of youth and young adults who are using electronic smoking devices.

Your Committee further finds that the rapid growth of the electronic smoking device industry, including retail businesses selling electronic smoking devices or e-liquids, necessitates further regulation to protect consumers, such as requiring retailers of e-liquids to obtain retail tobacco permits and taxing e-liquids and electronic smoking devices in the same manner as other tobacco products.

Your Committee has amended this measure by:

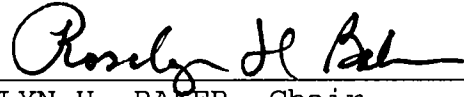
- (1) Clarifying the definition of "electronic smoking device";
- (2) Inserting an effective date of September 1, 2020; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2231, as amended herein, and



recommends that it pass Second Reading in the form attached hereto as S.B. No. 2231, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

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



ROSALYN H. BAKER, Chair



