



# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

---

Written Testimony Presented Before the  
House Committee on Consumer Protection and Commerce  
February 11, 2015 at 2:30 pm

By

Robert Bley-Vroman, Chancellor

and

Jerris Hedges, MD, MS, MMM

Dean, John A. Burns School of Medicine

Interim Director, University of Hawai'i Cancer Center

University of Hawai'i at Mānoa

### HB 145 – RELATING TO TAXATION

Chair McKelvey, Vice Chair Woodson, and Members of the Committee:

The University of Hawai'i Cancer Center opposes this bill.

The UH Cancer Center is one of only 68 institutions in the U.S. that hold the prestigious National Cancer Institute (NCI) designation, and is the only NCI-designated center in the Pacific. The NCI designation provides greater access to federal funding and research opportunities. More importantly, it gives the people of Hawai'i and the Pacific region access to innovative and potentially life-saving clinical trials without the necessity of traveling to the mainland.

Health advocates have urged consistent taxation of the various forms of tobacco to avoid attracting consumers, especially youth, to products that are a less expensive substitute to cigarettes. Since the cigarette tax increases were imposed beginning in 2006, there have been steadily decreasing sales, which may indicate that the higher cost to consumers was the disincentive intended.

HB 145 appears to reduce the amount of the tax on large cigars from 50 percent of the wholesale price of each cigar to 50.00 cents, whichever is less. This may result in the unintended consequence of more people turning to cigars in lieu of cigarettes.

The incidence of cancer is increasing significantly and may double during the next twenty years, according to recent estimates by the International Agency for Cancer. Thus, it is vital to the health and wellbeing of our citizens that the amount of the tax on cigars remain high enough to operate as a disincentive to the use of the product.

Thank you for the opportunity to provide testimony on HB 145.