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SB 2496 SD1 - RELATING TO TOBACCO PRODUCTS

Chair Ige, Vice Chair Kidani, and Members of the Committee:

The University of Hawai'i Cancer Center strongly supports this bill, which proposes to impose a tax on tobacco products other than large cigars and credit the resulting revenues to the Cancer Research Special Fund.

The 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.

This bill addresses a serious concern among health professionals that addictive tobacco products other than cigarettes – including snuff, chewing tobacco or loose roll-your-own tobacco – are attracting a new generation of tobacco users. While the dangers of smoking are well known, national research also tells us there is no safe form of tobacco use.

Health advocates have urged consistent and equal 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, sales have decreased steadily, which may indicate that the higher cost to consumers was the disincentive intended.

However, the declining revenue has had a negative impact on the Cancer Center's budget, and unless we compensate for the loss of revenue and obtain the necessary

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funds to increase the size of our faculty, we will not meet the new and more stringent requirements to renew our NCI designation in 2017.

The additional revenue generated by this bill will allow the Center to continue to provide innovative clinical trials to Hawai'i residents to prevent and treat cancer, and to continue its research on the causes and cures for cancer, including those that are related to tobacco and smoking.

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. It is imperative that we maintain NCI designation to provide our state residents access to the most novel clinical trials here in Hawai'i, in order to reduce the incidence of cancer in our state and to eliminate the need for our cancer patients to travel to the mainland to have access to novel therapies.

We respectfully urge you to pass this bill.