



UNIVERSITY OF HAWAII SYSTEM

‘ŌNAEHANA KULANUI O HAWAII

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the
Senate Committee on Ways and Means
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By

Naoto Ueno

Director, UH Cancer Center

And

Michael Bruno

Provost

University of Hawai'i at Mānoa

HB 2504 HD2 SD1 – RELATING TO CIGARETTE TAXES

Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee:

Thank you for the opportunity to present our testimony today. The UH Cancer Center is in **strong support** of increased cancer research and center operation funding for the Cancer Center. Currently, Hawai'i Revised Statutes specify that the cigarette tax is \$0.16 per cigarette and revenues collected from the cigarette tax are allocated where \$0.02 per cigarette supports Hawai'i's Cancer Center. The SD1 version of the bill attempts to expand the applicability of the cigarette tax to electronic smoking devices and e-liquids, but does not increase the current cigarette tax rate. The University recommends and supports the increasing of the cigarette tax rate by an additional \$0.02 so that the increased funding can support cancer research in Hawai'i.

This funding has been instrumental since its inception in 2006, enabling the construction of the UH Cancer Center building and launching strategic initiatives to combat cancer. Increasing the scope of the cigarette tax rate would increase the revenues to the Cancer Research Special Fund. This increase is necessary to reverse and slow the historical trend of declining revenues, which is currently jeopardizing the financial sustainability of Hawai'i's Cancer Center and the debt service payments on the revenue bonds issued to construct the Cancer Center. Due to the success of smoking cessation efforts – now providing less than half the funding compared to that of 2009 – this source of revenue is no longer able to support its original intent to provide a top-notch facility and to invest in the most promising research impacting the burden of cancer in Hawai'i and the Pacific.

The implications of the proposed increase are profound, empowering UH Cancer Center to attract and retain top-tier scientists and clinicians, thus expanding our capacity to conduct groundbreaking research, and deliver cutting-edge patient care in Hawai'i. However, as drafted, HB 2504 HD2 SD1 does not provide any additional revenues as we have no estimation of revenues generated from the electronic smoking devices and e-liquids.

The return on increased investment in Hawai'i's UH Cancer Center is multifold:

Investment in Tobacco Research is an Investment in the Health and Wellbeing of Our Community.

This funding has supported and provided the infrastructure for developing evidence-based programs to understand the health behaviors underlying tobacco use, including:

- developing and testing culturally-tailored interventions to promote smoking cessation among Native Hawaiians, Pacific Islanders, Asian Americans, and low-income populations;
- conducting longitudinal studies on the patterns, predictors, and consequences of e-cigarette use among adolescents and young adults in Hawai'i;
- evaluating the impact of tobacco control policies, such as smoke-free laws, tobacco taxes, and minimum legal age of sale, on tobacco use behaviors and health outcomes;
- providing evidence-based knowledge to inform public health officials and regulatory authorities on how to regulate tobacco products effectively and in a way that best serves individuals and public health;
- conducting tobacco-related research to advance health equity and prevent the initiation of tobacco use among youth and young adults.

Investment in the UH Cancer Center is an Investment in Economic Growth.

The UH Cancer Center attracts federal grants and collaboration that contribute to our local economy. It positions Hawai'i as a leader in cutting-edge cancer research and clinical care that serves our community and generates revenues from patients seeking treatment and care customized to the needs of our diverse Pacific Asian populations.

Funding the UH Cancer Center enables it to provide for:

- attracting committed and world-class researchers and clinical investigators with start-up packages for new faculty recruits who will bring federal grants and propel groundbreaking discoveries in cancer prevention, treatment, and care;
- addressing the shortage of specialized oncology practices in Hawai'i;
- attracting pharmaceutical companies partnering with UH Cancer Center and hospitals to fund clinical trials for patients in Hawai'i, Asia, and the Pacific regions.

Investment in the UH Cancer Center Paves A New Way Forward in Research and Cancer Care.

We firmly believe that now is the time to prioritize cancer research and demonstrate our commitment to improving the health and well-being of our communities and providing the best treatment for our patients. It impacts the community by providing better quality cancer treatment and prevention by recruiting disease expert cancer doctors rather than general oncologists. By directing additional funds towards cancer research and clinical trials, we can harness the full potential of the UH Cancer Center and foster an environment where innovative cancer treatments and prevention are developed, benefiting cancer patients statewide and the community we serve.

Based on the above, we believe that an increased allocation to the Cancer Research Special Fund is well spent to keep Hawai'i at the forefront of cancer research and ensure that our communities receive the care and resources they deserve. Prioritizing UH Cancer Center through this tax reallocation is not merely a fiscal decision but a statement of our collective commitment to the health and prosperity of Hawaii's people. The benefits of this investment will resonate far beyond the immediate fiscal year, marking a steadfast path toward to a future where cancer can be effectively combatted.

Thank you for this opportunity to testify.