

Alan Campf
A&S Marketing, Inc.

Committee Members, Regarding opposition to HB2870

I have many concerns regarding H B 2870:

In my opinion it is not the responsibility of counties to cover public health, addiction services and or mental health care. If county A has no cigarette tax and county B has a cigarette tax then the people of county A should all move to county B to get taken cared of because the State isn't doing its job. What if some counties have just a few cigarette smokers? Now what?

What happened to the billion dollars the State received from the M S A to discourage cigarette smoking?

<http://nwhf.org/conversation/comments/msa/>

What also is being said is that alcohol is not a problem. Why not increase the tax on alcohol? It is like saying guns don't kill.

Can you imagine being a tobacco distributor and having to purchase from each county a roll of tax stamps each with a different tax. We prepay the State for each roll of stamps. A roll of tax stamps from our State cost me \$35,400. Each stamp is worth \$1.18 times 3000 stamps per roll = \$35,400. Now add up the possible grand total in dollars from all the counties, which does not include the State tax. (NO THANK YOU !)

We have been stamping cigarettes since 1965 when the state cigarette tax became affective. There are two ways to apply the stamp to a carton of cigarettes. One is by a machine, and the other is by what we call "hand stamping", which is done with a hot iron. Very time consuming. We also must purchase rolls of stamps from the state for the machine, and also for hand stamping. I borrow money from the bank to finance this. Also when I sell cigarettes to a customer and the invoice is paid for by check and it comes back to me N S F and I cannot collect on the N S F check I lose my cost of goods, I lose my gross profit, and I lose the cigarette tax that was applied to the cigarette cartons. I am mandated by the State to work for them and accept any loses that comes along. I eat the tax loss. The same goes for "other tobacco products" with the tobacco tax of 65%.

If as a distributor I have to put a county stamp on the cigarettes along with the State tax stamp I have two choices. Buy a new Tandem tax stamping machine for \$75,289.00 that can hold two rolls of stamps, one State, and one county, or hand stamp them. Now if I have a bad debt I lose the State tax and the county tax. Also there is increased labor cost from managing the warehouse to accommodate different county's with different tax stamps, and the return of cigarettes that have different county tax stamps.

Imagine that you own a retail store that sells cigarettes on the Washington county border and the tax is \$1.00 per carton. The store across the road from you sits in a different county that has no county cigarette tax or a much lesser cigarette tax. Seventy percent of your gross profits comes from the sale of cigarettes. You are now in deep trouble.

If you have any further questions, please contact me.

Sincerely,

Alan Campf, CEO

A&S Marketing, Inc.

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If you have an idea for a topic you'd like to see explored here, Please email us at cpalmedo@nwhf.org and let us know. Thanks!

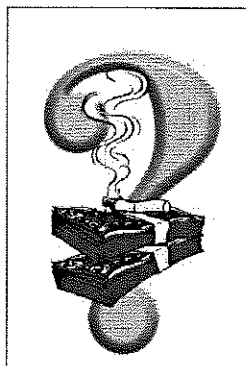
Our Polls

What's your community health priority?

Will Oregon Allocate Tobacco Settlement Money to Tobacco Prevention in 2013?

By: Alejandro Queral, MS, JD | Posted on: December 20th, 2012 | 20 comments | Share:

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Back in the 1990s, states began to realize that smoking was not only bad for people's health, it was also bad for fiscal health. So large was the impact of tobacco use on state coffers that attorneys general from more than half the states filed lawsuits in federal court against tobacco companies. The intent was to secure funds from cigarette companies to reimburse the states for the cost of treating smoking-related health problems. Oregon alone incurred over \$1 billion in direct medical expenditures due to tobacco in 2009.

So when cigarette manufacturers signed a Master Settlement Agreement (MSA) with the attorneys general in 1998 to settle the lawsuits, the understanding was

that the money would pay for medical costs and be appropriated to prevent smoking in the first place.

But that never happened.

Since 1998 Oregon has allocated NO MONEY from the Master Settlement Agreement to tobacco control and prevention.

A recent report by the Campaign for Tobacco-Free Kids, American Heart Association, Robert Wood Johnson Foundation and other public health organizations concluded that states have, on average, spent less than 2 cents for every dollar of tobacco revenue raised to prevent use of tobacco.

The story is the same in Oregon: Between 2009 and 2011, Oregon allocated only 2.4% of its tobacco revenues to prevent tobacco use. And not one penny of this came from the MSA. Since 1998 Oregon has allocated NO MONEY from the MSA to tobacco control and prevention.

Why has Oregon failed to invest money that was specifically intended to reduce the burden of tobacco use on our children, families and the state?

Up until now, MSA funds have been used to pay back general appropriations bonds, as well as dedicated bonds for OSHU and other purposes. But in 2013, the Oregon legislature will have an opportunity to rededicate these monies. A coalition of non-profit organizations has formed to ensure that MSA money allocations focus on chronic disease prevention and health promotion. This proposal would add \$12 million to the state's highly successful but chronically underfunded Tobacco Prevention and Education Program and it would significantly increase funding for physical education in schools and school-based health centers. The most innovative component of the proposal would be the funding of Community Based Health Initiatives, a competitive grant program focused on partnership with community-based organizations and CCOs. This would take advantage of the redesigned health care system and would encourage community-level partnerships that could significantly improve the health of Oregonians.

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Northwest Health Foundation releases new CHP public opinion poll

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Poll: What's your view on a soda tax?

Healthy Communities Survey for OMSI Visitors - or anyone else!

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New York Times Editorial: Yes on Soda Tax

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Treatment or Prevention?

So keep your eye on the 2013 legislative session, and if you would like to make your voice heard on this issue, please let your state senator or representative know how you feel.

More information on the work to get Oregon to spend dedicated tobacco prevention money on tobacco prevention can be found here.

20 Comments:

1 Posted by Den on April 24th, 2013 at 01:11 PM

This kind of problem should be included in the Obamacare program. It is a serious problem and it shouldn't be ignored.

2 Posted by johnnybr on April 18th, 2013 at 10:36 AM

This tobacco prevention program is a very good idea to quit smoking. The first step would be to start using the new white cloud electronic cigarettes.

3 Posted by Daniel on March 27th, 2013 at 01:07 PM

We need to teach children to be leaders, not some tobacco, alcohol or some other vices addicts. They represent our future, our country will be in their hands, so let's teach them well.

4 Posted by Patrick on March 26th, 2013 at 05:43 AM

This addiction is, together with the alcohol, the worse vices which can affect your life. Teenagers should be teach to drink decaffeinated coffee, not vodka. It does less harm then other things.

5 Posted by Julli on March 22nd, 2013 at 09:51 AM

I don't know if this prevention will get the finance, because they don't care for alzheimers neither. I don't know what to believe anymore.

6 Posted by Alice on March 22nd, 2013 at 08:44 AM

It's hard to find caring people this days, who can really want to help you with problems that you can't handle alone.

7 Posted by caracola213 on March 17th, 2013 at 07:34 AM

I don't really think so. As far as I know Oregon is facing huge problems from the finance point of view. So, even though they promised they will, I don't see it happening too soon.

8 Posted by Mark on March 17th, 2013 at 04:48 AM

I couldn't agree more with this prevention. To make teen quit of tobacco you must have some official personally, qualified to help others.