American Cancer Society Cancer Action Network 0330 SW Curry Street | Portland, Oregon 97239 www.acscan.org



March 12, 2013

To: Chair Barnhart, House Committee on Revenue

From: Jason Parks, Government Relations Director, American Cancer Society Cancer Action Network

RE: Support of House Bill 2275

The American Cancer Society Cancer Action Network ("ACS CAN") is the advocacy affiliate of the American Cancer Society (the "Society"). The Society is a nationwide, community-based, voluntary health organization dedicated to eliminating cancer as a major health problem by preventing cancer, saving lives, and diminishing suffering from cancer, through research, education, advocacy, and service. The American Cancer Society is the largest voluntary health organization in the United States.

The American Cancer Society Cancer Action Network (ACS CAN) appreciates the opportunity to voice our support of House Bill 2275 to the committee.

Increasing cigarette excise taxes is an evidence-based policy approach to accomplishing the critical public health goals of reducing smoking-related death and disease. Cigarette taxes are also a powerful economic tool, directly producing sustained increases in state tax revenues and resulting in large savings in health care costs. This is why 47 states and the District of Columbia have increased their cigarette taxes since 2002; including Illinois and Rhode Island this past year.

As for Oregon, a 2011 study commissioned by ACS CAN titled, "Saving Lives, Saving Money", found that raising the cigarette tax by \$1 in our state would annually increase revenue by \$102 million and result in 16,300 fewer smoking related deaths. Our study also found that a \$1 increase would save Oregon an estimated \$7.63 million on treating lung cancer, heart attack, and stroke over a five year period.

But perhaps most importantly, our findings indicate this legislation would prevent 21,200 Oregonian youths from smoking. Almost 90% of adults who are regular smokers started at or before the age 19. And people who start smoking at younger ages are more likely to develop long-term nicotine addiction than people who start later in life.

These facts illustrate the need for a price increase and also the need to intensify our efforts to ensure young Oregonians never light a cigarette. ACS CAN believes revenue generated by this legislation should be directed toward public health goals such as the Tobacco Prevention & Education Program (TPEP), our statewide tobacco prevention and cessation program.

TPEP, "...funds local tobacco control programs to engage Oregonians in their homes, workplaces, schools, and other public places. These programs are found at county health departments, tribes, schools, and community-based organizations throughout Oregon." Unfortunately, this program is

terribly underfunded. TPEP is funded at just 17.5% of the CDC recommended level (\$7.5 million of the CDC recommended \$43 million, annually) and receives just 2.3% of tobacco tax revenue collected.

Directing funds generated by this increase to prevention and cessation program is both the wise and responsible thing to do. Since its creation in 1996, TPEP has helped reduce overall cigarette consumption by 48%, 8th grade smoking by 54%, and 11th grade smoking by 46%. These are remarkable achievements given the miniscule funding provided to the program.

Implementing strong tobacco control policies at the state level has been proven to reduce smoking and discourage new smokers. Through a three-pronged approach – higher tobacco taxes, comprehensive smoke-free laws, and fully funded tobacco prevention and cessation programs— experience and evidence show that state tobacco control policies can help curb the tobacco burden in Oregon.

Thank you for your time and consideration of this important issue.