



March 9, 2017

The Honorable Barnhart, Chair
House Committee On Revenue
900 Court St. NE
Salem, Oregon 97301

Re: Increasing Oregon Tobacco Taxes

Chair Barnhart and members of the committee; my name is Tricia Tillman and I am the Director of Public Health for Multnomah County. Thank you for the opportunity to testify today in support of increasing Oregon's tobacco and cigarette taxes, and to implement a tax on liquid nicotine for inhalant devices.

Tobacco use is still the number one cause of preventable premature death among Oregonians, and costs our state \$2.5 billion dollars each year in medical costs and lost productivity¹. Significantly increasing tobacco taxes will save lives and save money.

Increasing the cost of tobacco is a proven public health strategy for reducing the number of smokers- it helps people quit, and reduces the number of youth who begin using tobacco. According to the Campaign for Tobacco Free Kids, every 10 percent increase in cigarette prices reduces youth smoking by about seven percent and total cigarette consumption by about four percent². In fact, studies have found that raising cigarette prices through increased taxes is highly effective at reducing smoking among youth, young adults, and persons of low socioeconomic status³.

According to an analysis provided by the Campaign for Tobacco Free Kids, Tobacconomics and the American Cancer Society Cancer Action Network, an \$1.50 increase in the Oregon cigarette tax would prevent over 12,000 premature deaths and save \$893 million in long term health care costs from adult and youth smoking declines⁴. Increasing the tax by \$1.65 would

¹ https://public.health.oregon.gov/PreventionWellness/TobaccoPrevention/Documents/tobacco_facts/costs_of_tobacco.pdf

² <http://www.tobaccofreekids.org/research/factsheets/pdf/0385.pdf>

³ Bader P. Effects of Tobacco Taxation and Pricing on Smoking Behavior in High Risk Populations: A Knowledge Synthesis. International Journal of Environ Research and Public Health. 2011 Nov; 8(11): 4118–4139.

⁴ Campaign for Tobacco Free Kids. Fact sheet shared by ACS CAN January 2017. New Revenues, Public Health Benefits & Cost Savings from a \$1.50 Cigarette Tax Increase in Oregon.

prevent over 13,000 premature deaths, and save nearly \$983 million in long term health care costs⁵.

We also support implementing a tax on electronic cigarettes and other nicotine inhalant products to help prevent youth use of these products. Adolescents and young adults are particularly susceptible to the addictive effects of nicotine because their brains are still developing and, in fact, the vast majority of smokers begin before age 18. Studies show an association between youth nicotine use and behavioral problems in later life such as depression, anxiety and other substance abuse⁶.

It is critical that any increase in cigarette and tobacco taxes, and any tax on e-cigarettes, include an allocation of resources to the Tobacco Use Reduction Account for prevention activities to maximize the public health benefit of increasing the prices of these products.

Thank you for your leadership and consideration on this very important policy decision. If you have any questions, please do not hesitate to contact me.

Tricia Tillman
Public Health Director
Multnomah County Health Department

⁵ Campaign for Tobacco Free Kids. Fact sheet shared by ACS CAN January 2017. New Revenues, Public Health Benefits & Cost Savings from a \$1.65 Cigarette Tax Increase in Oregon.

⁶ U.S. Department of Health and Human Services. Preventing Tobacco Use Among Youth and Young Adults: A Report of the Surgeon General. Atlanta, GA: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2012.