

Health Department

Date April 10, 2019

TO: The Honorable Nathanson, Chair
Revenue Committee

SUBJECT: HB 2270 - Relating to taxes on nonfood consumer products, increasing tax on distribution of cigarettes

Chair Nathanson, Vice-Chairs Findley and Marsh, and members of the committee; I am Dr. Jennifer Vines, physician and Deputy Health Officer of Multnomah County Health Department. Thank you for the opportunity to provide testimony in support of HB 2270.

This bill contains many elements that are considered best and promising practices for limiting tobacco use, including a significant increase to cigarette taxes, implementing an e-cigarette tax, requiring cheap cigars to be in packs of at least 3 and allocating a portion of the tax revenue to chronic disease prevention. This bill is a strong example of strategies we can implement to reduce the burden of tobacco in Oregon.

Tobacco use is the number one preventable cause of premature death among Oregonians and costs our state over \$2.5 billion dollars each year in medical costs and lost productivity.¹ Simply put, increasing tobacco taxes and implementing e-cigarette taxes will save lives and save money.

The Surgeon General's Report The Health Consequences of Smoking - 50 Years of Progress, clearly states that making tobacco more expensive is a public health best practice to reduce youth initiation and use and to help people quit. 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 percent.² 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 status.³

Implementing a tax on electronic cigarettes and other nicotine inhalant products to prevent youth use of these products is also critical. Adolescents and young adults are

¹ Oregon Health Authority Public Health Division, Health Promotion and Chronic Disease Prevention Section. 2018. Oregon tobacco facts. Available at <https://public.health.oregon.gov/PreventionWellness/TobaccoPrevention/Pages/pubs.aspx>.

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.

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 abuse⁴.

As noted by the Surgeon General in 2018, e-cigarettes are now the most commonly used tobacco product among youth in the United States. Similar to national and Oregon-specific trends, e-cigarettes are the most used tobacco product among youth in Multnomah County. While 2% of 8th graders and 6% of 11th graders smoke cigarettes, current use of e-cigarettes is higher (6% and 10%, respectively).⁵ Nationally, current e-cigarette use among high school students increased 78% over one year, from 11.7% in 2017 to 20.8% in 2018.⁶ Inhalant delivery system products are widely available with a majority of our county's current 768 licensed tobacco retailers selling them. Furthermore, from a tobacco retail assessment that was conducted in Multnomah County in 2014, 37% of tobacco retailers are located within a 1,000 feet of a school.

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.

Adolescence is a pivotal time in the life course where health is concerned. This means that implementing policies that decrease youth access to nicotine containing products is critical. In 2016, the Surgeon General released a report on youth's use of e-cigarettes. Though the Surgeon General acknowledged the science on e-cigarettes is still evolving, "we currently know enough to take action to protect our nation's young people from being harmed by these products."⁷

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⁴ Goriounova, N. A., & Mansvelder, H. D. (2012). Short- and long-term consequences of nicotine exposure during adolescence for prefrontal cortex neuronal network function. *Cold Spring Harbor perspectives in medicine*, 2(12), a012120.

⁵ Unpublished data. Multnomah County Oregon Healthy Teens Survey 2017 Data. Updated January 2, 2018.

⁶ Cullen KA, Ambrose BK, Gentzke AS, Apelberg BJ, Jamal A, King BA. Notes from the Field: Increase in use of electronic cigarettes and any tobacco product among middle and high school students – United States, 2011-2018. *MMWR Morbidity & Mortality Weekly Report* 2018; 67(45):1276-1277.

⁷ U.S. Department of Health and Human Services. E-Cigarette 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, 2016.