



May 3, 2019

Conference Committee on Omnibus Tax Bill

Rep. Paul Marquart, Chair	Sen. Roger Chamberlain, Chair
Rep. Aisha Gomez	Sen. Dave Senjem
Rep. Dave Lislegard	Sen. Gary Dahms
Rep. Diane Loeffler	Sen. Jeff Howe
Rep. Greg Davids	Sen. Ann Rest

RE: HF2125 – Tobacco-Related Provisions

Dear Tax Conference Committee Members:

We write on behalf of Minnesotans for a Smoke-Free Generation, a coalition of more than 60 Minnesota organizations that share a common goal of saving Minnesota youth from a lifetime of tobacco addiction. We support policies that will reduce youth smoking and end tobacco's harm for good. Minnesotans for a Smoke-Free Generation supports policies that keep tobacco prices high. There is an overwhelming body of evidence that shows high tobacco prices prevent kids from smoking, help smokers quit and save lives.

As stated by the current U.S. Surgeon General, our country is facing a youth nicotine epidemic, and tobacco use remains the leading cause of preventable death and disease. The same is true here in Minnesota. Thankfully, there are several tools available to address these dangerous trends. For starters, **high tobacco prices are the single most effective way to reduce tobacco use among youth and adults.** A recent study found that since 1993, 66 percent of all smoking declines in Minnesota are attributable to tobacco price increases. High prices are especially powerful in reducing youth tobacco use, since youth are two to three times more responsive than adults to price increases.

The 2013 tobacco tax increase had immediate and sustained benefits for health in Minnesota. The year after the 2013 increase, 60 percent of smokers made a quit attempt and 15 percent successfully quit. Overall, smoking rates declined significantly, and youth and young adult smoking fell dramatically.

But today, Minnesota's progress to reduce smoking is being interrupted. Adult smoking rates have stalled at 14 percent and fewer smokers are trying to quit. Plus, youth tobacco use increased for the first time in a generation, driven by skyrocketing e-cigarette use.

As you discuss this tax package, we urge you to stand up for kids and health, not the tobacco industry, by strengthening our tobacco taxes. You can accomplish these goals by:

- Maintaining our strong cigarette excise tax (\$3.04 per pack), proven to reduce smoking rates.
- Keeping intact the "other tobacco products" (OTP) tax rate of 95 percent of wholesale price. Research and practice tells us taxing all tobacco products at strong, parallel rates helps people quit rather than simply switching to cheaper tobacco products.
- Adopting Governor Walz's position on premium cigars and restoring the cigar cap to \$3.50. Cigars are just as dangerous as cigarettes and don't deserve special tax treatment. The 2017 Minnesota Youth Tobacco Survey found more than 10 percent of high-school students used cigars or cigarillos, up nearly 30 percent from 2014.

Minnesota is recognized as a national leader because of our comprehensive approach to reducing commercial tobacco use and addressing the youth nicotine epidemic. Maintaining and increasing tobacco prices on all products is a critical component of Minnesota's success. We should be proud of this reputation and build on our leadership.

In light of the changing marketplace, trends in e-cigarette marketing and increasing youth tobacco use, now is not the time to roll back or weaken our proven approach to tobacco taxation. Instead, we should ensure all products and devices are covered. In particular, now is the time to keep prices high on popular e-cigarettes like JUUL and Suorin, which are causing the youth nicotine epidemic. Educators, students, parents and community members from across Minnesota are sounding alarm bells about rampant e-cigarette use. As with other tobacco products, we know that higher e-cigarette prices reduce e-cigarette use among adolescents and have the potential to reduce adolescents' e-cigarette initiation and consumption.

In summary, we urge the Legislature to take bold steps to create a smoke-free generation by raising the price of tobacco. Please strengthen our tobacco tax policy to help adults quit and prevent kids from starting.

Sincerely,



Molly Moilanen, Co-Chair
Vice President, ClearWay MinnesotaSM



Janelle Waldock, Co-Chair
Vice President of Community Health and Health
Equity, Blue Cross and Blue Shield of Minnesota

About Minnesotans for a Smoke-Free Generation

Minnesotans for a Smoke-Free Generation is a coalition of more than 60 organizations that share a common goal of saving Minnesota youth from a lifetime of addiction to tobacco. The coalition supports policies that reduce youth smoking and nicotine addiction, including increasing tobacco prices, raising the tobacco sale age to 21, limiting access to candy-, fruit- and menthol-flavored tobacco, and funding tobacco prevention and cessation programs.

Partners include: A Healthier Southwest, African American Leadership Forum, Allina Health, American Cancer Society Cancer Action Network, American Heart Association, American Lung Association in Minnesota, Apple Tree Dental, Association for Nonsmokers – Minnesota, Aurora/St. Anthony Neighborhood Corporation, Becker County Energize, Blue Cross and Blue Shield of Minnesota, CentraCare Health, Children's Defense Fund-Minnesota, Children's Hospitals and Clinics of Minnesota, ClearWay MinnesotaSM, Comunidades Latinas Unidas En Servicio – CLUES, Dodge County Public Health, Essentia Health, Gillette Children's Specialty Healthcare, HealthEast, HealthPartners, Hennepin Healthcare, Hope Dental Clinic, Horizon Public Health, Indigenous Peoples Task Force, ISAIAH, JustUs Health, LAAMPP Alumni, Lake Region Healthcare, Lincoln Park Children and Families Collaborative, Local Public Health Association of Minnesota, March of Dimes, Mayo Clinic, Medica, Meeker McLeod Sibley Community Health Services, Minnesota Academy of Family Physicians, Minnesota Cancer Alliance, Minnesota Council of Health Plans, Minnesota Hospital Association, Minnesota Medical Association, Minnesota Nurses Association, Minnesota Oral Health Coalition, Minnesota Public Health Association, MN Association of Community Health Centers, MN Chapter of the American Academy of Pediatrics, Model Cities of St. Paul, Inc., NAMI Minnesota, North Memorial Health Care, NorthPoint Health and Wellness Center, Olmsted Medical Center, PartnerSHIP 4 Health, Perham Health, Preventing Tobacco Addiction Foundation, SEIU Healthcare Minnesota, Shift MN, St. Paul Area Chamber of Commerce, Steele County Public Health, Tobacco Free Alliance, Twin Cities Medical Society, UCare, Vision In Living Life "Change is Possible", WellShare International and Zumbro Valley Medical Society. Find out more at www.smokefreegenmn.org.