



May 6, 2021

Tax Conference Committee

Dear Chair Nelson, Chair Marquart, and members of the Tax Conference Committee:

We are writing to you today as top business leaders in Minnesota and members of the American Cancer Society's CEOs Against Cancer and volunteers for the American Cancer Society Cancer Action Network (ACS CAN) in support of new, sustainable funding for tobacco prevention and treatment programs.

We want to thank Chair Nelson and Chair Marquart for including funding to reverse the youth tobacco epidemic and address tobacco-related health disparities in their tax bills. The House bill includes \$15 million in ongoing funding and the Senate bill includes \$5 million in one-time funding.

CEOs Against Cancer is a group of executives uniting to change the course of cancer to leverage the collective knowledge, power, and resources of the American Cancer Society. Together, we represent millions of employees, customers, and our respective industries in the fight against cancer. We understand that cancer is not only a health issue, but also a core business issue. Health-related productivity losses cost U.S. employers \$225.8 billion annually.¹ Unfortunately, cancer is everyone's business, whether we want it to be or not.

Our purpose is to work with the American Cancer Society to change the course of cancer in workplaces and communities, for employees and families, and for future generations of leaders. At our companies, we are working to create healthy environments with tobacco-free policies and support our staff as they work to quit tobacco. However, our companies can't do this work alone.

As business leaders, we are committed to working with the American Cancer Society and the American Cancer Society Cancer Action Network (ACS CAN) to use our resources to help advocate for programs and strategies proven to prevent youth tobacco use and help adults quit commercial tobacco. We would request \$15 million in ongoing funding for tobacco prevention and treatment programs be included in the final tax bill.

More than 6,300 Minnesotans die each year from tobacco use.² 17.8% of all cancers are smoking-related.³ In fact, if nothing is done to reduce smoking rates in our state, 102,000 kids under 18 currently alive in Minnesota will ultimately die prematurely from smoking.⁴ Unfortunately, after years of decline, we've seen sharp increases in youth tobacco use in Minnesota in recent years, largely due to skyrocketing rates of e-cigarette use. Studies have found that e-cigarette use increases the risk of youth and young adults using cigarettes.^{5,6,7}

¹ Stewart WF, Ricci JA, Chee E, Morganstein D. Lost productive work time costs from health conditions in the United States: results from the American productivity audit. *J Occup Environ Med.* 2003;45(12):1234-1246.

² Blue Cross and Blue Shield of Minnesota. *Health Care Costs and Smoking in Minnesota.* 2017

³ American Cancer Society Cancer Action Network. [State-Specific Smoking-Related Cancer Cases and Deaths, 2017.](#) December 2020.

⁴ Campaign for Tobacco-Free Kids. *The Toll of Tobacco in Minnesota.* Updated January 2021.

⁵ 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.

⁶ National Academies of Sciences, Engineering, and Medicine. 2018. *Public health consequences of e-cigarettes.* Washington, DC: The National Academies Press.

⁷ Berry KM, Fetterman JL, Benjamin EJ, et al. Association of Electronic Cigarette Use With Subsequent Initiation of Tobacco Cigarettes in US Youths. *JAMA Netw Open.* 2019;2(2):e187794.

It should be noted that the damage tobacco inflicts upon our state is not limited to death and disease. The annual cost of smoking in Minnesota is estimated to be over \$7 billion: more than \$3 billion in excess health care costs and \$4 billion in lost productivity.⁸ It is vital that evidence-based programs are in place to reduce tobacco use and reduce taxpayer-funded healthcare costs. The state of Minnesota collected nearly \$760 million in tobacco taxes and settlement fees last year, but the state only spent 1 percent of that total on tobacco prevention and treatment.

At this critical moment with people focused on protecting their respiratory health, we must do everything in our power to keep our communities healthy and safe—which means building strong public health infrastructure including investing in comprehensive tobacco control programs.

Additionally, investments in tobacco prevention and treatment programs can help in Minnesota's work to reduce health disparities related to tobacco use. Due to historical and ongoing patterns of tobacco industry marketing to targeted populations, tobacco use and tobacco-related disease tend to disproportionately impact some groups more than others. Here in Minnesota, adult smoking rates among American Indians are at epidemic levels (59%) and 19.3% of African Americans smoke. Smoking prevalence continues to be higher in the LGBTQIA community and low-income Minnesotans.⁹ These differences are in large part due to the tobacco industry's targeted marketing through advertising, price discounting and other strategies. Language included in both the House and Senate tax bills would call for investing in programs to reduce these health disparities.

Thank you for your continued leadership on issues important in the fight against cancer. Lowering smoking rates and easing health disparities would create improved health outcomes, reduced inequities, and lower health care costs that would benefit all Minnesotans

We urge you to include \$15 million in ongoing funding for tobacco prevention and treatment programs as you put together a final tax bill.

Sincerely,

Shelly Ibach
President and CEO, Sleep Number Corporation
Chair, CEOs Against Cancer

Craig Beason
CEO, Renodis

JD Harris
CEO, Ascent Solutions

Terry Sandvold
CEO, Sandvold Financial Group

Chad Severson
CEO, Ergotron

Andrea Walsh
President and CEO, HealthPartners

⁸ Blue Cross and Blue Shield of Minnesota. *Health Care Costs and Smoking in Minnesota*. January 2017.

⁹ Centers for Disease Control and Prevention (CDC). Behavioral Risk Factor Surveillance System Survey Data. Atlanta, Georgia: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, 2017.