



March 17, 2021

House Taxes Committee

RE: HF 572 (Dedicating tobacco taxes to prevention and treatment)

Dear Chair Marquardt and Committee Members:

Minnesotans for a Smoke-Free Generation is a coalition of more than 60 organizations working to reduce youth tobacco use and end tobacco's harm for good. We are united behind policies that reduce youth smoking and nicotine addiction, including investing in tobacco prevention and treatment programs. **Our coalition supports HF 572**, which dedicates \$15 million of cigarette tax revenues to tobacco prevention and treatment.

The COVID-19 pandemic adds urgency to prevention efforts, since current and former smokers are at increased risk for severe illness from COVID-19. To make matters worse, communities targeted by the tobacco industry, including Black and Indigenous Minnesotans, are some of the hardest hit by COVID-19. In late December, the Minnesota House Select Committee on Racial Justice made a number of policy recommendations to address racial disparities, including funding tobacco prevention and treatment at the CDC-recommended level.

For more than two decades ClearWay Minnesota<sup>SM</sup>, the foundation created with 3 percent of the tobacco settlement, has provided the majority of funding for tobacco prevention in Minnesota. Minnesota's comprehensive investments in tobacco prevention and treatment have saved thousands of lives and billions of dollars. Over the past 20 years, tobacco control investments prevented 4,560 cancers, 31,691 hospitalizations for cardiovascular disease and diabetes, 12,881 respiratory disease hospitalizations and 4,118 deaths. \$5.1 billion was also saved in worker productivity and health care costs.

If Minnesota invests in tobacco control at the same or greater levels over the next 20 years, the state will prevent an additional 14,063 smoking-attributable deaths, reduce smoking-attributable medical spending by \$10.2 billion and increase paid and unpaid productivity by \$9.4 billion.

As ClearWay Minnesota prepares to sunset at the end of 2021, there is an urgent need to invest more in tobacco prevention and treatment, to continue our progress on reducing tobacco's harms. A recent [report](#) from the Campaign for Tobacco-Free Kids found that Minnesota fell to 20th among U.S. states in tobacco prevention spending, down from 14th in 2019. Today, Minnesota spends less than North Dakota and South Dakota in terms of meeting what the CDC recommends. The American Lung Association also [gave Minnesota an "F"](#) for tobacco prevention and cessation funding.

Investing in tobacco prevention and treatment is an important step to improve lung health, reverse the youth tobacco epidemic and encourage adults to quit. There is ample tobacco revenue collected by the state. Last year, Minnesota collected nearly \$760 million in tobacco revenue (\$607 million in taxes and \$152 million in settlement fees) and spent only one percent of that total on tobacco prevention and treatment.

The state should continue investing in sustainable, proven strategies to reduce youth tobacco use and help smokers quit. Dedicating \$15 million of cigarette tax revenue to prevention and treatment is a common-sense way to address rising youth tobacco use and declining state resources.

This approach is popular among Minnesota residents. A 2020 poll found that 64 percent of Minnesotans support increasing state funding for youth tobacco prevention by \$15 million a year.

**Minnesota is a stronger and healthier state when our kids grow up free from tobacco addiction, which is why Minnesotans for a Smoke-Free Generation urges you support HF 572.**

Sincerely,



Molly Moilanen  
Co-Chair, Minnesotans for a  
Smoke-Free Generation  
Vice President, ClearWay Minnesota<sup>SM</sup>



Janelle Waldock  
Co-Chair, Minnesotans for a  
Smoke-Free Generation  
Senior Director of Policy, 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: The African American Leadership Forum, Allina Health, Allina Health | Aetna, 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 Development Corporation, Becker County Energized, Blue Cross and Blue Shield of Minnesota, A Breath of Hope Lung Foundation, Cancer Legal Care, CentraCare, Children’s Defense Fund-MN, Children’s Minnesota, ClearWay Minnesota<sup>SM</sup>, Comunidades Latinas Unidas En Servicio – CLUES, Dodge County Public Health, Education Minnesota, Essentia Health, Gillette Children’s Specialty Healthcare, A Healthier Southwest, HealthPartners, Hennepin Healthcare, Horizon Public Health, Indigenous Peoples Task Force, ISAIAH, JustUs Health, LAAMPP Alumni, Lake Region Healthcare, Local Public Health Association of Minnesota, LPCFC – Lincoln Park Children and Families Collaborative, March of Dimes, Mayo Clinic, Medica, Meeker McLeod Sibley Community Health Services, Minnesota Academy of Family Physicians, Minnesota Association of Community Health Centers, Minnesota Cancer Alliance, Minnesota Council of Health Plans, MHA – Minnesota Hospital Association, Minnesota Medical Association, Minnesota Nurses Association, Minnesota Oral Health Coalition, Minnesota Public Health Association, MNAAP – Minnesota Chapter of the American Academy of Pediatrics, ModelCities, NAMI Minnesota, North Memorial Health, NorthPoint Health & Wellness, Olmsted Medical Center, Open Cities Health Center, PartnerSHIP 4 Health, Perham Health & Living, Preventing Tobacco Addiction Foundation, SEIU Healthcare Minnesota, ShiftMN, 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: [smokefreegenmn.org](http://smokefreegenmn.org).*

# FUNDING TOBACCO PREVENTION AND TREATMENT

The COVID-19 pandemic demonstrates the need for strong public health policies to improve lung health and reduce commercial tobacco addiction.

Minnesotans agree: We can do more to prevent kids from becoming addicted. Given declining funding sources and dangerously high youth tobacco rates, **Minnesotans for a Smoke-Free Generation** supports increasing public funding for tobacco prevention and treatment efforts.

TOBACCO PREVENTION AND TREATMENT IN MINNESOTA SAVED THOUSANDS OF LIVES AND BILLIONS OF DOLLARS.



- Over 20 years, prevention and treatment programs prevented 4,118 deaths, 4,560 cancers and tens of thousands of hospitalizations.<sup>1</sup>
- \$5.1 billion was also saved in worker productivity and health care costs.<sup>1</sup>
- Since 2001, over 195,000 Minnesotans got help quitting through ClearWay Minnesota's free cessation services.

## MINNESOTA'S PROGRESS IS SLOWING . . . AND YOUTH TOBACCO USE REMAINS AN EPIDEMIC.

- Smoking declines among Minnesota adults have stalled out at 14 percent – leaving 574,000 smokers who still need help quitting.<sup>2</sup>



- Cigarettes kill 6,300 Minnesotans per year, and cost Minnesota over \$7 billion.<sup>3</sup>
- Nicotine use among youth is an epidemic, with 26 percent of Minnesota 11<sup>th</sup>-graders now using e-cigarettes.<sup>4</sup>
- Even 11 percent of Minnesota 8<sup>th</sup>-graders are now vaping.<sup>4</sup>

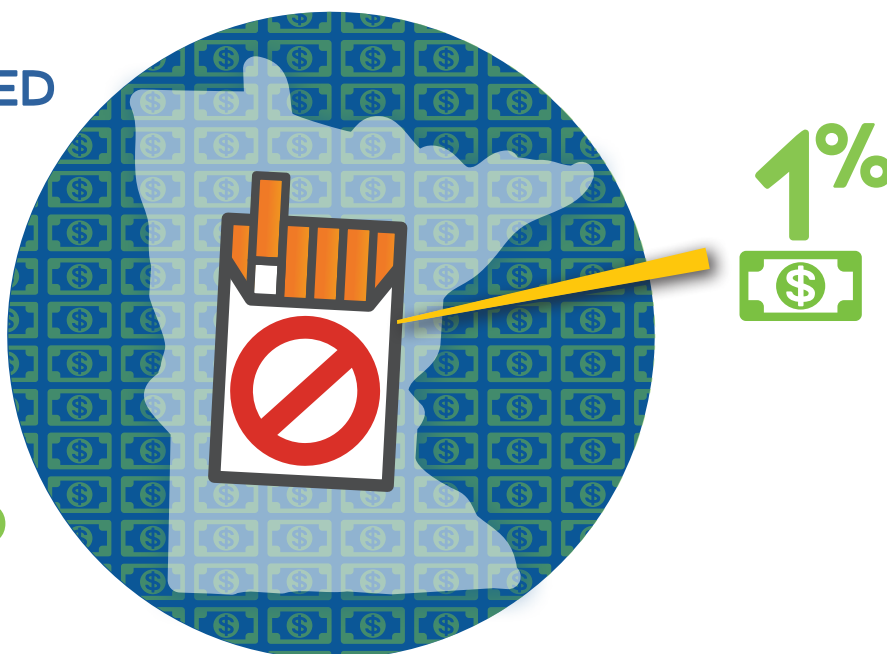


## FUNDING FOR PREVENTION IN MINNESOTA IS RAPIDLY DECLINING.



- ClearWay Minnesota<sup>SM</sup>, a foundation that funds the majority of Minnesota tobacco prevention and cessation efforts, will sunset in 2021.
- CDC recommends Minnesota spend \$53 million per year on prevention and treatment . . . but Minnesota is only spending a fraction of that (\$12.4 million).<sup>5,6</sup>
- In comparison, each year the tobacco industry spends over \$100 million promoting tobacco products in Minnesota – not including e-cigarette advertisements.<sup>7</sup>
- The state of Minnesota collected nearly \$760 million in tobacco taxes and settlement fees last year, but spent just 1 percent of that on prevention and treatment.<sup>8</sup>

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.<sup>8</sup>



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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, ending the sale of menthol and all flavored tobacco products, and funding tobacco prevention and treatment programs.

**Find out more at [www.smokefreegenmn.org](http://www.smokefreegenmn.org).**

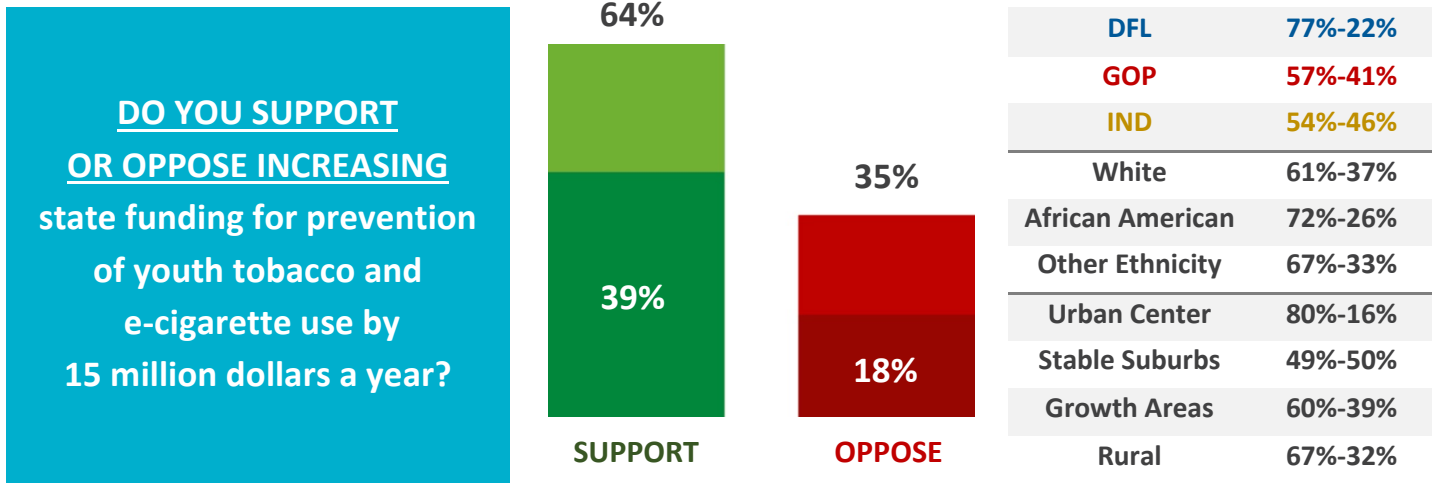
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1. Maciosek MV et al. Twenty-year health and economic impact of reducing cigarette use: Minnesota 1998-2017. *Tob Control*. 2019.
2. ClearWay Minnesota<sup>SM</sup>, Minnesota Department of Health. Minnesota Adult Tobacco Survey: Tobacco Use in Minnesota: 2018 Update. 2019.
3. Blue Cross and Blue Shield of Minnesota. Health Care Costs and Smoking in Minnesota. 2017.
4. Minnesota Department of Health. 2019 Minnesota Student Survey: E-Cigarette and Cigarette Findings. 2019.
5. U.S. Centers for Disease Control and Prevention. Best Practices for Comprehensive Tobacco Control Programs — 2014. 2014.
6. Minnesota Department of Health and ClearWay Minnesota<sup>SM</sup>. 2020.
7. Campaign for Tobacco Free Kids. Broken Promises to Our Children: A State-by-State Look at the 1998 Tobacco Settlement 21 Years Later. 2019.
8. Minnesota Management and Budget, Consolidated Fund Statement, Budgetary Basis, 2020 November Forecast, December 7, 2020.

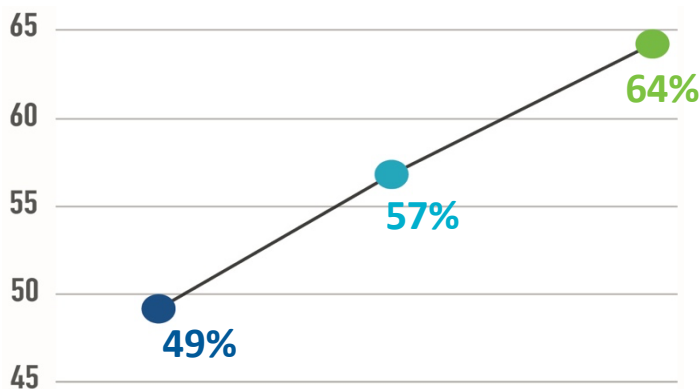
A 2020 statewide Blue Cross and Blue Shield of Minnesota scientific survey found overwhelming support for public health policies aimed at reducing tobacco's harm and creating a smoke-free generation in Minnesota.

## FUNDING INCREASE

**64% of Minnesotans support increasing state funding for tobacco prevention by \$15 million. Of those supporters, 39% strongly support the policy.**



## CHANGE IN SUPPORT FOR TOBACCO PREVENTION FUNDING



### Oct 2017

Would you support allocating \$53 million a year for state funding — about \$48 million more than the state spends today — to reduce tobacco's harms?

### Dec 2018

Would you support or oppose increasing the funding for State tobacco prevention and quit programs?

### Jan 2020

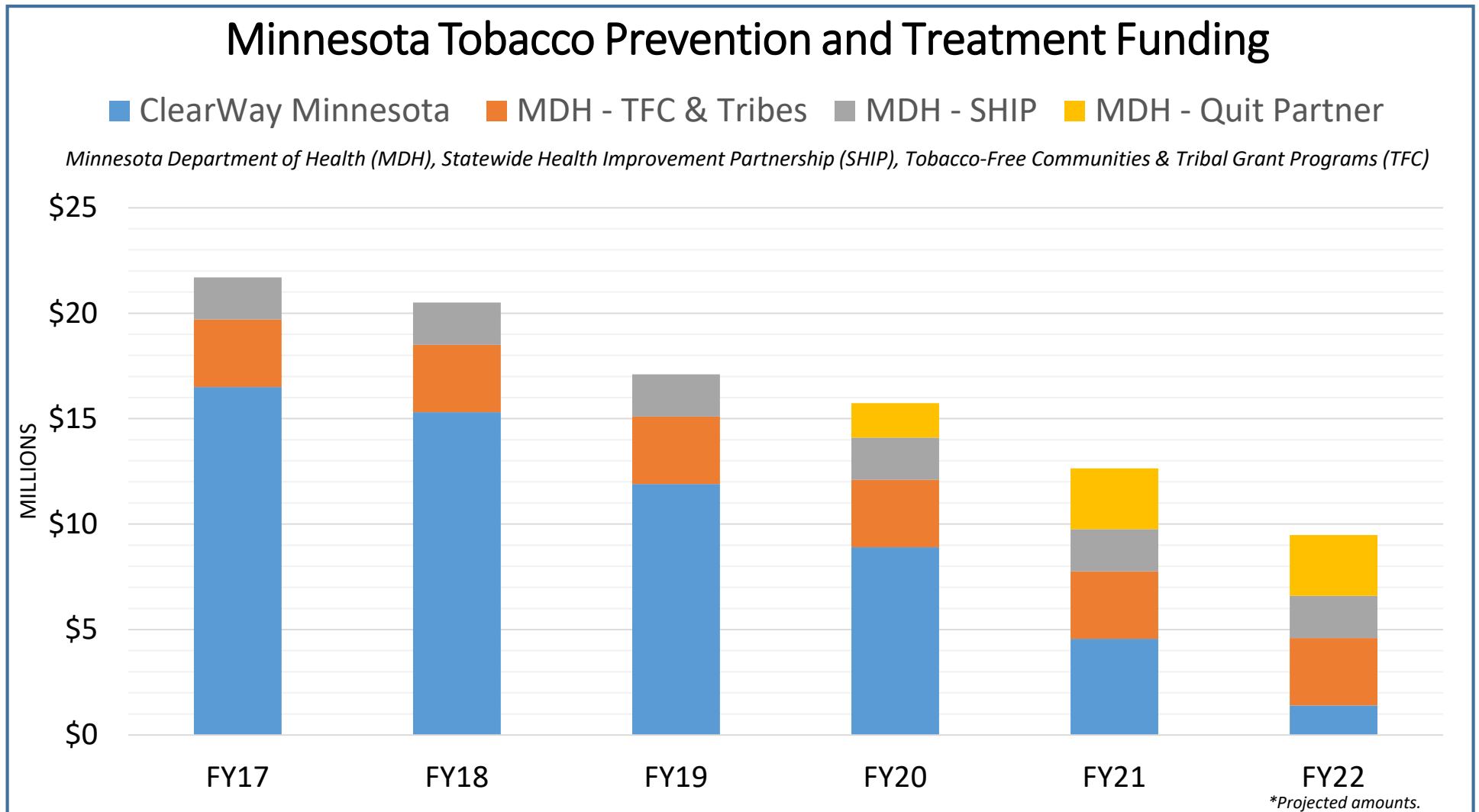
Do you support or oppose increasing state funding for prevention of youth tobacco and e-cigarette use by 15 million dollars a year?

	<u>INTENSITY GAP</u>	<u>SUPPORT FOR POLICY</u>	
	Strongly Support v. Strongly Oppose	Total Support	Strong Support
<b>2017</b>	<b>+4</b>	<b>38%</b>	<b>11%</b>
<b>2018</b>	<b>-6</b>	<b>57%</b>	<b>20%</b>
<b>2020</b>	<b>+21</b>	<b>64%</b>	<b>39%</b>

**METHODOLOGY INFORMATION:** The study contains the results of a Blue Cross and Blue Shield of Minnesota survey administered to 800 randomly selected adult residents in Minnesota by Morris Leatherman Company. Professional interviewers conducted the survey via landline and cell phone calls between January 20 and February 7, 2020. The typical respondents took twenty-four minutes to complete the questionnaire. Cellphone only households with 42% of the sample, landline only households with 10% of the sample; with the remaining 48% having both cellphones and landlines. The results are projectable to all adult residents in Minnesota to within ±3.5% in 95 out of 100 cases. Comparative data uses previous Blue Cross and Blue Shield of Minnesota surveys conducted by Morris Leatherman Company.

*Blue Cross and Blue Shield of Minnesota is an independent licensee of the Blue Cross and Blue Shield Association.*

# Minnesota Tobacco Prevention & Treatment Resources are Declining



The CDC recommends Minnesota invest \$53 Million annually in tobacco prevention and control. Minnesota is only spending a fraction of that recommended amount.

In total, \$12.4 million will be spent this year on Minnesota's tobacco prevention and treatment efforts, including \$4.567 million from ClearWay Minnesota and \$7.876 from the state.

# State Tobacco Revenues vs. Prevention & Treatment Spending – FY21

