

# QUIZ

Tobacco price increases are associated with decreased consumption of tobacco.

A. True

в. False

Which of the following are ways to control the price of tobacco?

- Tobacco tax
- Ban price discounting
- c. Minimum price law
- D. All of the above



The Surgeon General has called raising prices on cigarettes "one of the most effective tobacco control interventions."

A. True



B. False

As an A35 grantee, one of your roles is to educate your community about tobacco pricing.

A. True



False

Which of the following is a proven benefit of increasing the price of tobacco?

- Reducing initiation of tobacco use among young people.
- Reducing the prevalence of tobacco use.
- c. Increasing the number of tobacco users who quit.
- D. All of the above.



#### Which of the following are allowed with A35 funds?

A. Sharing key messages about the public health benefits of tobacco price increases in a tobacco presentation to community members.



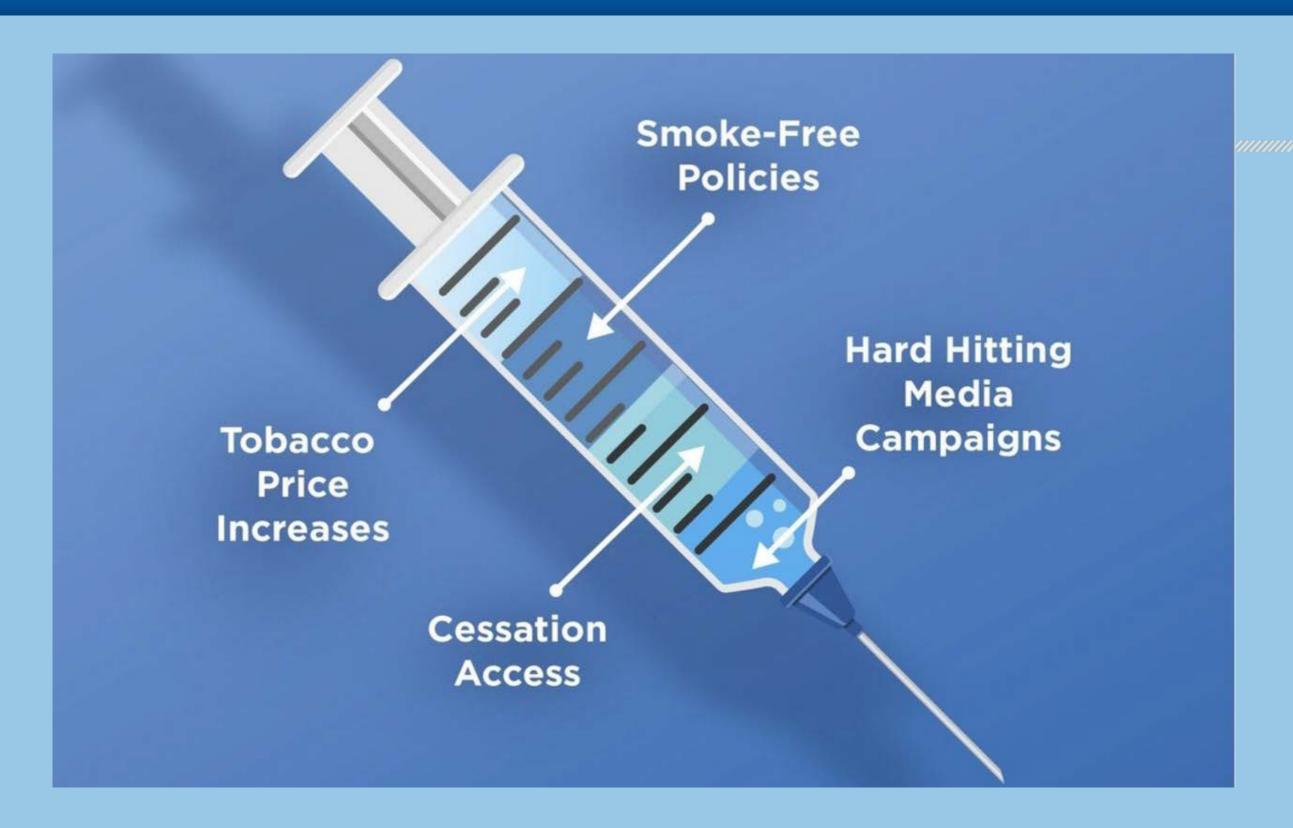
- B. Emailing a "call to action" flyer to community members urging them to contact members of the Colorado General Assembly to urge a specific vote on a bill.
- C. Contacting the state elected official for your neighborhood/community and asking them to vote for or against a specific bill that has been proposed at the Capitol.
- D. Meeting with elected officials to discuss accomplishments and priorities of your local tobacco control program.



# Welcome!

Let's talk about how to provide education about tobacco price strategies

### "Tobacco Control Vaccine"



## FY 19-21 Foundational Activities

### required components in each of the counties served:

- Tobacco Focused Community Profile
- •Community education provide education on the importance of policies that influence tobacco use, such as price policies (Goal 4 strategy)

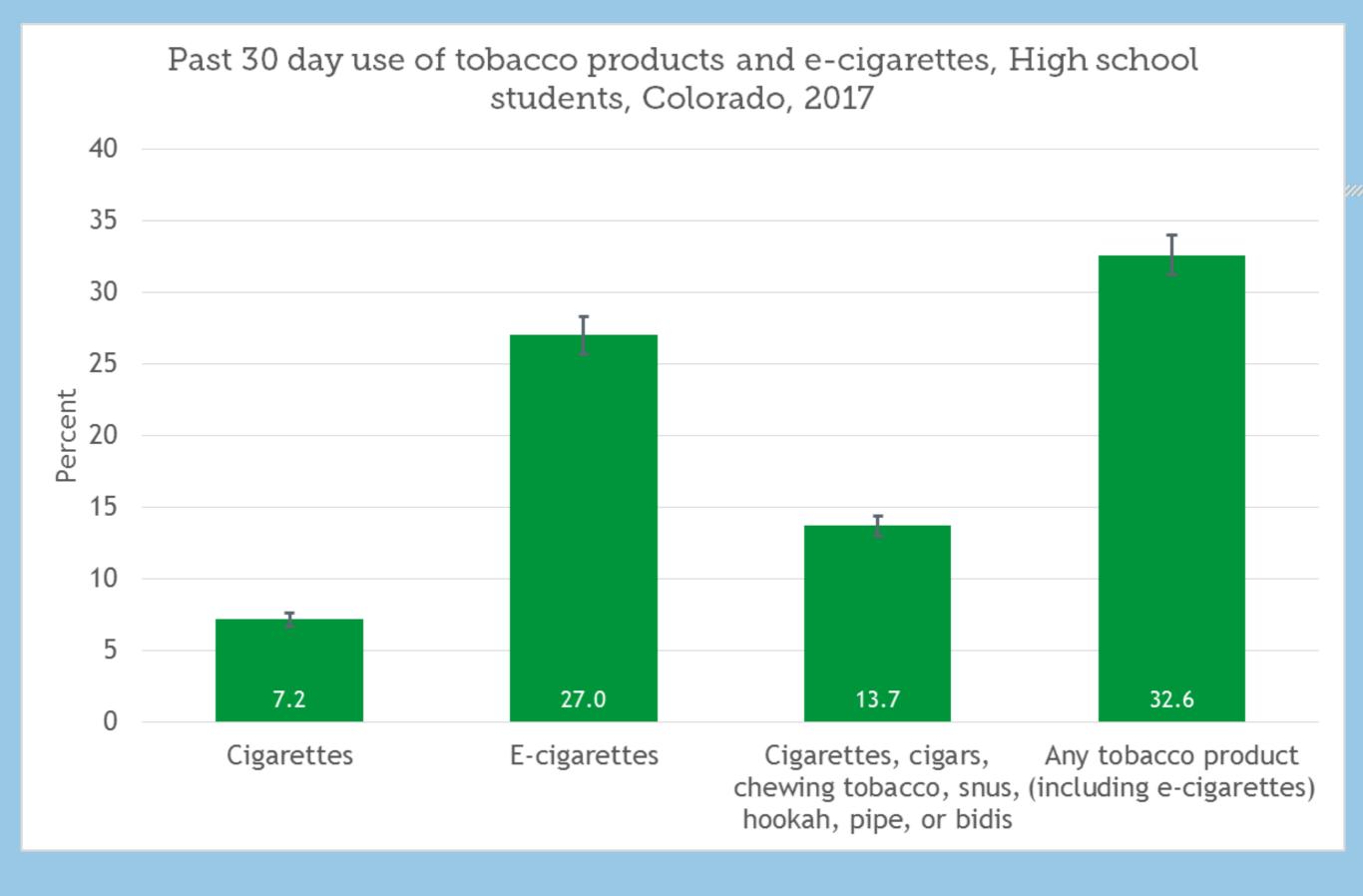
FY19-21 Tobacco LHA Funding Matrix and Foundational Work Requirements

#### Strategy 4.1 Community Mobilization with Education on Price Strategies:

Lead community mobilization efforts to build a sustainable, strong, and broad local coalition of tobacco control advocates.

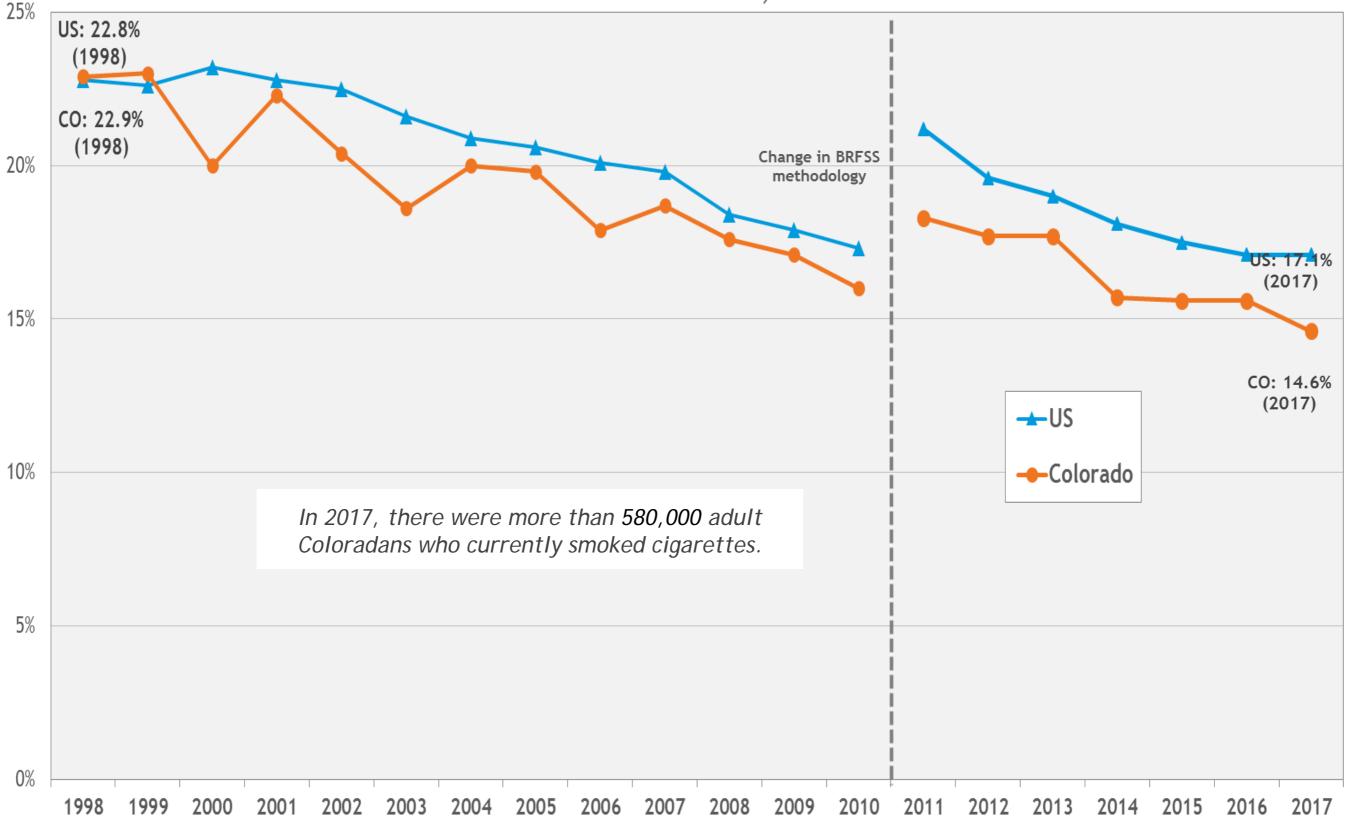
Provide education at the local level, to build awareness around the importance of policies that influence tobacco use, such as increases in the price of tobacco products.

#### FY19-21 LHA Core Framework



Healthy Kids Colorado Survey, 2017

#### Adult Current Smoking Prevalence (percent) Colorado vs. U.S. median, 1998-2017



Source: 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, 1998-2017.

"Non-Partisan" Education, Information, Research, and Analysis E.g., Tobacco use is the leading cause of preventable death in the United States

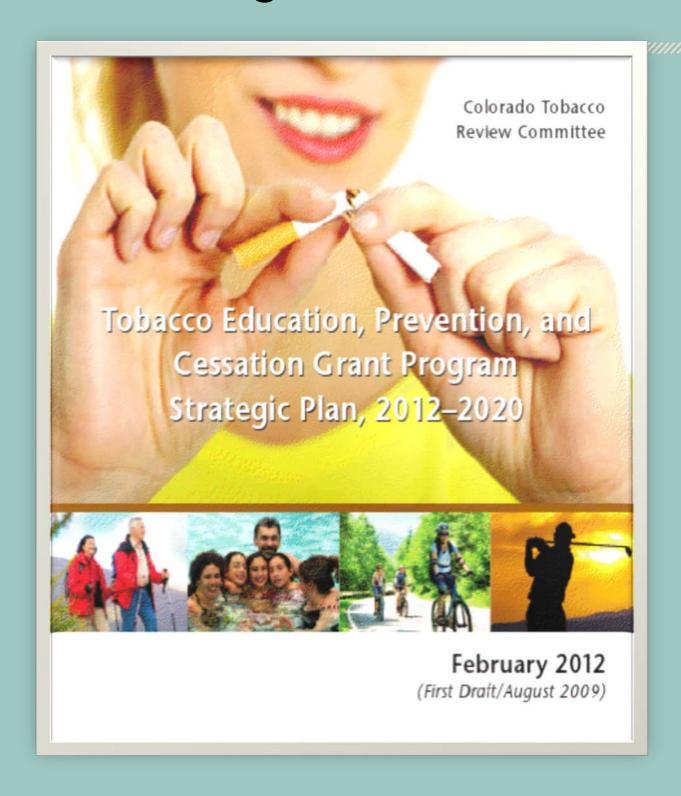
#### Advocacy

E.g., Local health departments are key players in preventing and reducing tobacco use through clinical and prevention services.

#### Lobbying

E.g., We are asking you to vote in favor of the XX bill that increases funding for tobacco cessation programs in local health departments.

## Strategic Plan, 2012-2020



Advocacy is "taking a stand" or acting in support of something. It is appropriate for state and community coalitions to educate and build a constituency that is in support of making tobacco less accessible, through price or other barriers, and to be vocal advocates in support of funding for tobacco prevention and control efforts.

### Governor Hickenlooper Executive Order 2018, B 011

"Comprehensively addressing the use of tobacco, vaping and e-cigarettes among youth will require action by the legislature and Colorado voters. Price increases are a proven tool for protecting public health and discouraging youth use but Colorado currently ranks 39th among states in cigarette taxes and does not extend any excise taxes on vaping products."

## A35 Restrictions on Lobbying

- Lobbying includes "communicating directly, or soliciting others to communicate, with a covered official for the purpose of aiding or influencing" a list of specific activities, including
  - Introducing legislation
  - Calling a special session, or
  - Affecting state rule-making bodies.
- "Covered official" means the Governor, the Lieutenant Governor, or a member of the General Assembly. C.R.S. § 24-6-301(1.7)(a).

## Additional Prohibitions

The Colorado Fair Campaign Practices Act C.R.S § 1-45-101 et seq.,

- Prohibits supporting or opposing citizen petitions, referred measures, tax changes, tax policy changes, or revenue changes that have
  - Had a title set by the title board convened by the Secretary of State, or submitted for that purpose
  - Had a title fixed, or been referred, by municipal legislative body

## A35 Funding Prohibitions - Summary

- Communicating with a member of a rule-making board or commission or a rule-making official of a state agency which has jurisdiction over the subject matter of a rule
- Supporting or opposing any ballot question or ballot initiative that has been referred by the General Assembly or the governing body of a political subdivision to a vote of the people

## Tobacco control advocates that can lobby

Campaign for Tobacco Free Kids **American Cancer Society** American Heart Association American Lung Association Colorado Academy of Pediatrics Colorado Academy of Family Physicians Colorado Medical Society Colorado Children's Campaign Colorado Association of Local Public Heath Officials Other organizations

Price increases are a proven tool for protecting public health and discouraging youth use.

Colorado currently ranks 39th among states in cigarette taxes and does not extend any excise taxes on vaping products

Not Allowed:
"Vote for/against tobacco tax on the ballot."



# The Power of





## THE FACTS

While smoking on average has been declining over recent decades, there are certain groups that are still affected disproportionately by the toll of tobacco.

In this presentation, we will focus specifically on:

Youth

Low-SES adults

## THE FACTS

#### **GROUPS SENSITIVE TO TOBACCO PRICE**

#### **YOUTH (AGES 12-17)**

The vast majority of tobacco users start at a young age.

 According to the National Survey on Drug Use and Health, nearly
 90 percent of all adult smokers begin smoking by age 18 and 99 percent do so by age 26.

While cigarette **smoking rates are on the decline** among Colorado youth, with 7.2 percent of them smoking cigarettes, **vaping may be offsetting the difference**, as 27 percent of Colorado youth currently vape.

E-cigarettes are now the most commonly used tobacco product among middle and high schoolers.

## THE FACTS

#### **GROUPS SENSITIVE TO TOBACCO PRICE**

#### **LOW-SES ADULTS**

Household Income of \$50,000 or less

Although smoking among Coloradans has decreased significantly, there is a substantial disparity by income level.

While the overall current smoking rate in Colorado stands at 14.6% of the state's adult population, 24% of Colorado low-SES adults smoke. The smoking prevalence among other Colorado adults is only 10%.

Among all adults who smoke, low-SES smokers are more likely to smoke daily and more likely to be a heavy smoker.

## THE OPPORTUNITY

#### **TOBACCO PRICE INCREASES**

Given their limited financial resources, both youth and low-SES adults are more sensitive to price increases in tobacco.



That makes them less likely to smoke when prices increase.

## THE OPPORTUNITY

#### SUPPORTERS OF PRICE INCREASES

A number of influential public health organizations recommend tobacco price increases as a strategy for tobacco control, including:

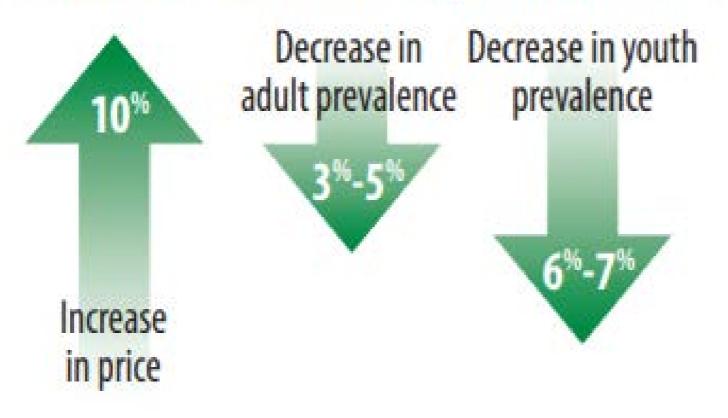
- Centers for Disease Control and Prevention (CDC)
- Institute of Medicine
- U.S. Surgeon General
- World Health Organization
- Tobacco Free Kids
- American Lung Association
- American Cancer Society
- American Heart Association
- American Stroke Association
- American Academy of Pediatrics

# BENEFITS OF PRICE INCREASES

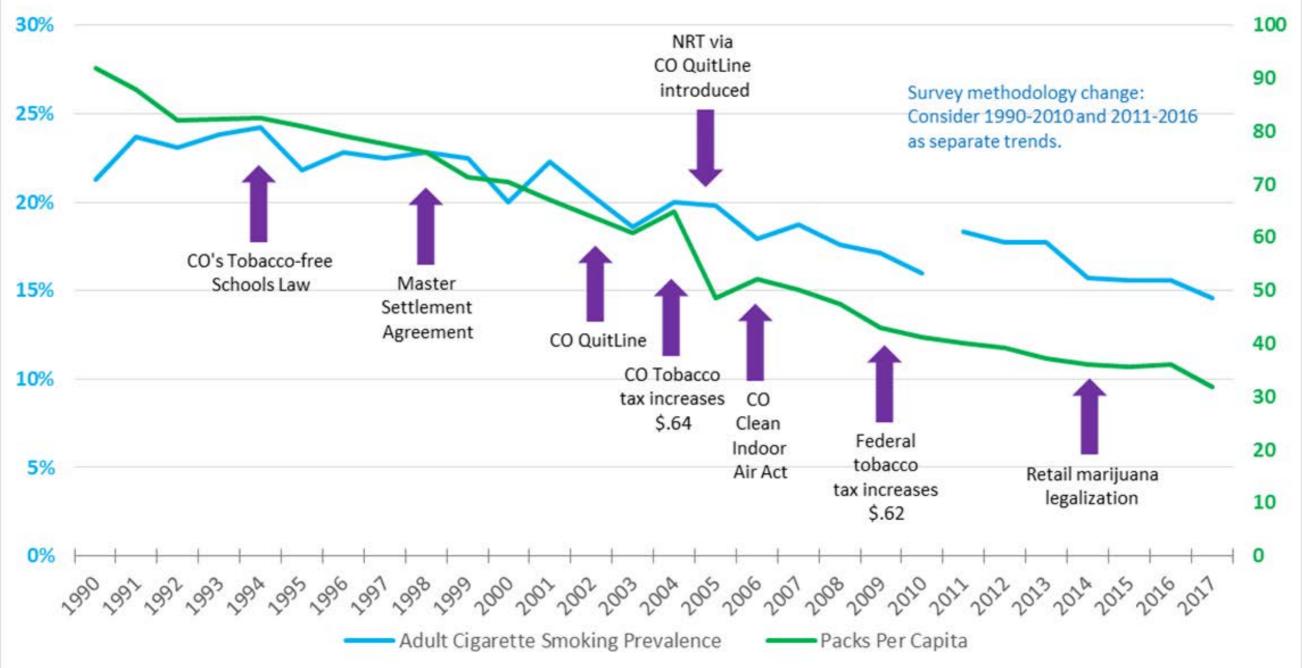
- Reduce initiation of tobacco use among youth
- Reduce the total amount of tobacco consumed
- Reduce how many people use tobacco
- Increase the number of tobacco users who quit
- Support smokers trying to quit smoking

- Reduces tobacco-related death and disease
- Reduces the cost to states (e.g., Medicaid) of caring for people with tobacco-related health conditions
- Reduces people's exposure to secondhand smoke
- Reduces chronic health conditions caused by tobacco use (e.g., heart disease, cancer)

# Effects of Cigarette Price Increases on Smoking Prevalence



#### Colorado Adult Cigarette Smoking Prevalence & Per Capita Sales



Data sources: Behavioral Risk Factor Surveillance System (prevalence), Colorado Department of Revenue and State Demographer's Office (packs per capita)

## BACKGROUND

#### **COLORADO'S TOBACCO TAX**

#### **HOW COLORADO COMPARES TO OTHER STATES**

Colorado ranks 39th in the nation for the amount of its cigarette excise tax (\$0.84).

It is among 19 states that have not increased their cigarette taxes in 10 or more years.

# HISTORY OF COLORADO TOBACCO TAX STATE EFFORTS

#### THREE ATTEMPTS

#### 1994 - failed

- Proposed 50% tax and 2.5 cents per cigarette
- 61 percent voted against the tax

#### 2004 - passed

- Increased tax from 20 cents to 84 cents
- 61 percent voted in favor of tax increase

#### 2016 - failed

- Proposed additional \$1.75 tax increase
- Opponents financed by Philip Morris
- 54 percent voted against the tax

## COUNTERARGUMENTS

#### REGRESSIVITY

#### THE CONCERN

Some opponents argue that increasing the price of tobacco would be **regressive**.

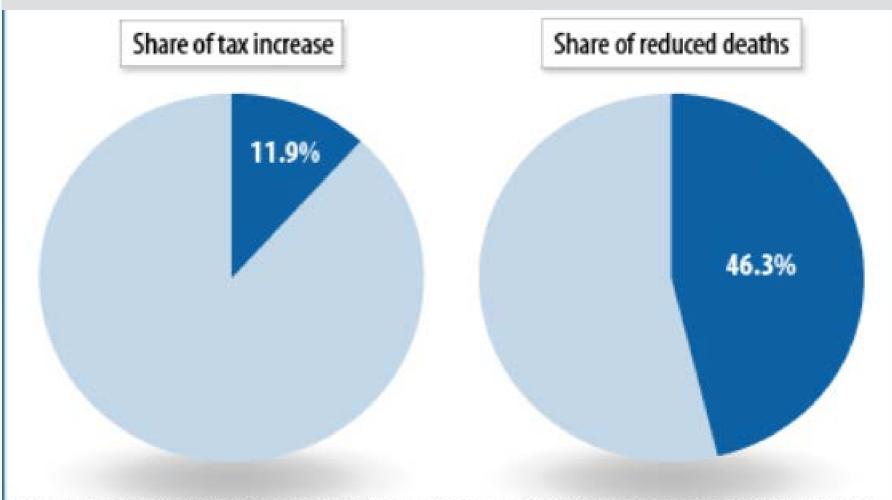
That is to say: low-SES individuals have higher smoking rates than middle- to high-SES individuals, meaning their expenditures for cigarettes account for a greater share of their household budget, so a tax would further squeeze their budgets.

#### THE REALITY

One leading study estimates that people with incomes below the median reduce their cigarette consumption by four times more than people with incomes above the median in response to cigarette price increases. Because low-income people are more sensitive to changes in tobacco prices, they will be more likely than highincome people to smoke less, quit, or never start in response to a tax increase. This means that the health benefits and ongoing cost savings resulting from the tax increase would be progressive.

#### Figure 2

Low-SES People Paid 12 Percent of the 2009 Tobacco Tax Increase But Received 46 Percent of the Health Benefits



Note: Policymakers in 2009 raised the federal tobacco tax from 39 cents per pack to \$1.01 to help fund the Children's Health Insurance Program.

Source: Frank Chaloupka, "The Science Behind Tobacco Taxation," presented August 16, 2012 at the National Conference on Tobacco and Health, Kansas City MO.

Center on Budget and Policy Priorities | cbpp.org

## COUNTERARGUMENTS

#### TAX AVOIDANCE

#### THE CONCERN

When adult tobacco consumers react to tax increases by shifting their purchases across state or city lines or other sources, legitimate retailers and wholesalers lose sales and revenues.

#### THE REALITY

A study from Tobacconomics found that that concerns about cigarette smuggling in response to a cigarette tax increase are "greatly exaggerated."

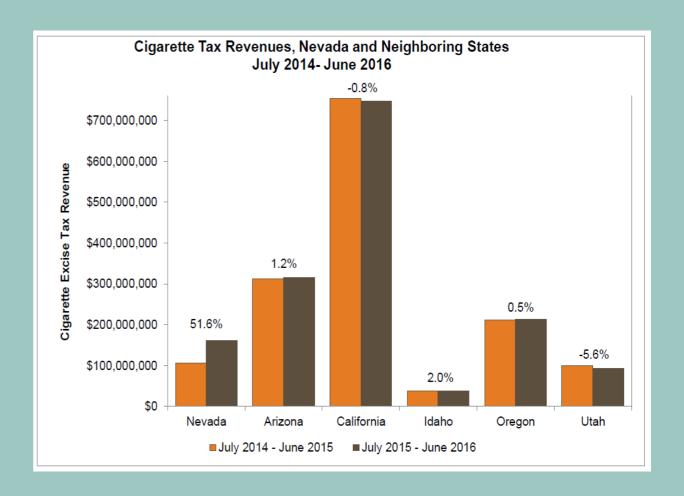
#### **TOBACCONOMICS STATES:**

"Every state that has passed a significant cigarette tax increase has enjoyed a substantial, sustained increase in its state cigarette tax revenues" – and nearby states have not.

## COUNTERARGUMENTS

#### **CASE STUDY: NEVADA**

After Nevada raised its
tobacco tax higher than
neighboring states, many
worried that people would cross
state lines for cheaper tobacco,
but Nevada was actually the
only state whose cigarette
revenue increased after the tax
was implemented.



# HOW TO USE THIS IN YOUR WORK

# WHY YOU SHOULD TALK ABOUT TOBACCO PRICING IN YOUR COMMUNITY

- One of the most effective ways to reduce tobacco's burden
- You are the tobacco control expert in your community; therefore you have a responsibility to educate your community
  - Part of STEPP's unified strategy



# HOW TO USE THIS IN YOUR WORK

# HOW YOU SHOULD TALK ABOUT TOBACCO PRICING IN YOUR COMMUNITY

- Educate your community about tobacco use issues, burdens and disparities
- Educate your community about why tobacco pricing matters – who it helps and how
- Focus on the issue of tobacco <u>price generally</u> not tobacco <u>taxes</u> specifically



# HOW TO USE THIS IN YOUR WORK

# DOS AND DON'TS OF TALKING ABOUT TOBACCO PRICING

#### DO...

- Educate your community on the reality of tobacco's burden even today
- Educate your community on why tobacco pricing matters
- Provide resources to share with people who have more questions

#### DON'T...

- Assume everyone understands how tobacco price impacts use and prevalence
- Talk about taxes STEPP grantees are not authorized to advocate for tax increases, only to educate about the benefits of price increases

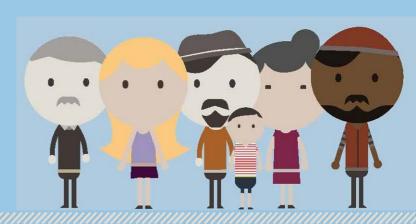


## **MESSAGING TOOLKIT**

What it is and how to use it



## PRACTICE



Here are four scenarios to get you thinking about incorporating this in your work. Consider role playing with your team:

**Activity A:** Think about a program goal you might have in the next year. Describe groups you'll be working with in your community, and how you might educate them about the benefits of tobacco price increases.

**Activity B:** Create an elevator speech tailored to the audience identified in the first activity.

**Activity C:** A board member of your health department is concerned that a tax will actually hurt low-SES families in your community. What do you need to tell them? Develop a few talking points addressing this argument that appeals to health-equity minded audiences.

**Activity D:** A coalition member believes that increasing the price of tobacco products is an unfair tax hike that people will likely just avoid. Develop a few talking points addressing this argument that appeals to economic-minded audiences.



Do you feel prepared to begin educating your community about price?

What else do you need to be prepared?





# QUESTIONS?

