



The Consumer Advocates for Smoke-free Alternatives Association

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**Testimony of Alex Clark, CASAA CEO
Ohio House Ways and Means Committee
RE: HB 49 (Opposed)**

Mr. Chairman and distinguished Members of the Committee,

My name is Alex Clark. I am the Executive Director for The Consumer Advocates for Smoke-free Alternatives Association (CASAA). Thank you for the opportunity to speak to you today on behalf of our 7500+ members in Ohio.

I am here today to urge you to oppose certain provisions in HB 49 that would enact a 69% excise tax on vapor products and raise the wholesale tax on other tobacco products (OTP) from 17% to 69%. Specifically, we urge the committee to amend this bill by removing sections 5743.51, 5743.62, and 5743.63.

CASAA does not take a position on policies that affect the availability of combustible tobacco products. However, we are opposed to any legislation that would make access to vapor products and smoke-free tobacco products less affordable or otherwise less attractive to smokers than purchasing combustible cigarettes. Moreover, including vapor products in regulation intended to limit access to cigarettes is inappropriate as it considers these demonstrably less harmful products to be on equal footing with combustible products in terms of risk (RCP, 2016).

Ostensibly, imposing such high taxes on cigarettes is intended to deter use and recoup the financial burden on the state incurred by caring for sick smokers. But, governments should not be applying this policy to smoke-free products that have been shown to be at least 95% less harmful than combusted cigarettes (PHE, 2015) and effective in helping people quit smoking (Hartmann-Boyce, et al, 2016). Instead, policymakers should be exploring ways to promote low-risk products to smokers.

Another unintended consequence of imposing such a high tax on vapor products will be to drive Ohio consumers living in border counties to neighboring states. Even with a 40% wholesale tax on vapor products, Pennsylvania retailers will have an advantage over shops in eastern Ohio. If Ohio vapor retailers lose customers to shops in border states, many will be pressured to close. In addition to being a loss of access to a diversity of products, closed vapor shops means losing a vital community meeting place where many find support among former smokers.

Although this tax proposal may present the state with impressive revenue numbers on paper, the real cost of imposing these high taxes on low-risk vapor products and smokeless tobacco will be measured in lives.

Recommendation

CASAA urges the committee to amend HB 49 by removing the 69% excise tax that would be imposed on vapor products and smokeless tobacco. Additionally, we argue that extra taxes on smoke-free tobacco products are inappropriate and should be reduced to zero.

References

Royal College of Physicians. Nicotine without smoke: Tobacco harm reduction. London: RCP, 2016.

Public Health England. E-cigarettes: an evidence update. London: PHE, 2015.

Hartmann-Boyce J, McRobbie H, Bullen C, Begh R, Stead LF, Hajek P. Electronic cigarettes for smoking cessation. Cochrane Database of Systematic Reviews 2016, Issue 9. Art. No.: CD010216. DOI: 10.1002/14651858.CD010216.pub3

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