



Garry Beltz
Member, American Heart Association Board of Directors, Canton, Ohio
Senate Finance Committee, Written Testimony
May 31, 2017

Chairman Oelslager, Vice Chair Manning, Ranking Member Skindell and Members of the Committee:

My name is Garry Beltz. I am speaking to you today as a heart disease survivor and on behalf of the American Heart Association as a member of the Canton Board of Directors. I have suffered 8 heart attacks, have undergone quadruple bypass surgery, have had both a pacemaker and defibrillator implanted, and had 18 stents placed. I've had over 32 heart procedures in my lifetime.

As you may know, the use of tobacco products remains the leading cause of preventable disease and death in the nation, claiming nearly half a million American lives and more than 20,000 Ohioans every year. If current trends continue, more than 250,000 Ohio kids alive today will die prematurely from a tobacco-related disease. Despite progress that has been made over the years, reducing tobacco use and protecting the next generation from nicotine addiction remains critical for Ohio – critical for our health, and also critical for our economy.

Tobacco-related illnesses are expensive and harmful for all of us. In Ohio, smoking is estimated to cost \$5.64 billion in direct health care costs, including \$1.72 billion in Medicaid costs.

The Ohio Department of Health's State Health Improvement Plan highlights the need to reduce tobacco use in Ohio. This can be accomplished by increasing Ohio's cigarette tax by \$1.00 per pack which would generate \$313.08 million in much needed revenue for the state as well as:

- Reduce youth smoking by 11.2%
- Prevent 50,300 kids under 18 from becoming adult smokers
- Help 64,900 current adult smokers quit
- Prevent 32,400 premature smoking-caused deaths
- Provide \$2.34 billion in long-term health care cost savings from adult and youth smoking declines
- Reduce the number of smoking-affected pregnancies by 12,200 over a five-year period.

State tobacco taxes are one of the most predictable sources of revenue that states receive. Furthermore, significant tobacco tax increases, such as \$1.00 per pack, always produce substantial net new revenues. In every single instance where a state has passed a significant tax increase, the state has enjoyed a substantial increase to its state cigarette tax revenues, well above what they would have received absent any rate increase. This occurs, despite significant declines in smoking rates and taxed pack sales, because the increased tax per pack brings in much more new revenue than is lost by the declines in the number of taxed packs.



Additionally, investing in tobacco prevention and cessation programs will revive Ohio's successful program, prevent youth from starting to use tobacco, and help current smokers quit. Tobacco prevention is one of the smartest and most fiscally responsible investments that states can make on behalf of its citizens. The Centers for Disease and Control and Prevention (CDC) recommends an annual investment of \$132 million for Ohio's Tobacco Use Prevention and Cessation Program. We would like to see the state allocate just \$35 million towards these efforts. Cutting the smoking cessation funds, as passed in the House, will ease the budget short term. Long-term, Ohioans will see more of their tax dollars go up in smoke as increases in future healthcare expenditures in the state will top \$99 million.

A comprehensive increase in tobacco excise taxes is a health win that reduces tobacco use, saves lives, raises revenue for cash-strapped states like Ohio, and lowers health care costs. I urge you to please support increasing the tobacco excise tax by \$1.00 per pack. Increasing tobacco taxes and investing in tobacco prevention makes dollars and sense.

Thank you.