



Resolution to Raise North Dakota's Tobacco Tax

Adopted by Tobacco Free North Dakota Board of Directors on October 2, 2020

Whereas according to the 2014 US Surgeon General's Report, increasing tobacco excise taxes have proven highly effective in preventing initiation among youth, reducing tobacco use by promoting cessation among current users, discouraging relapse among former users, and reducing consumption among those who continue to use tobacco; and

Whereas tobacco use remains North Dakota's leading preventable cause of death, killing more people than alcohol, AIDS, car crashes, illegal drugs, murders, and suicides combined; and

Whereas 8.3% of youth in North Dakota use cigarettes, and 200 North Dakota children (under 18) become new daily smokers each year, of whom more than 14,000 will die prematurely because of this addiction; and

Whereas 33.1% of youth in North Dakota use electronic nicotine delivery systems (ENDS), otherwise known as e-cigarettes, of whom many will develop a lifelong addiction to nicotine/tobacco products, resulting in the health costs related to such; and

Whereas ENDS have little to no regulation around content, flavorings, and marketing appealing to youth, and stealth-use products and tactics advertised to youth; and

Whereas ENDS are not currently classified as tobacco products in North Dakota even though they deliver nicotine in the same way for the same purpose as other tobacco products; and

Whereas ENDS are not currently approved by the FDA as a cessation device, and

Whereas 19.8% (115,100) of adults in North Dakota smoke and nearly 1,000 North Dakotans will die each year from smoking and smoking-related disease, including 27% of cancer deaths in ND that are attributed to tobacco use; and

Whereas tobacco use in North Dakota imposes economic burden, with smoking-caused direct healthcare costs amounting to \$326 million each year, smoking-caused productivity losses approximating \$232.6 million annually, and each household paying \$768 per year in state and federal taxes from smoking-caused government expenditures; and

Whereas each year, the North Dakota government Medicaid payments directly related to tobacco use are \$56.9 million; and

Whereas the current cigarette tax of \$0.44 per pack, pipe tobacco and cigar tax at 28% of the

wholesale purchase price, and snuff tax at \$0.60 per ounce, ranking North Dakota one of the four cheapest tobacco states in the nation³ is dangerous to our state's citizens; and

Whereas the legislative body in North Dakota has not enacted legislation to increase our state's tobacco taxes since 1993; and defeated legislation as recently as 2015; and

Whereas the Tobacco Industry spends \$38.2 million each year marketing in ND; and

Whereas this resolution addresses commercial tobacco, which is different from traditional tobacco used in American Indian spiritual and ceremonial practices;

Now therefore be it resolved, _____ supports increasing the tobacco tax in North Dakota as a proven way to prevent youth tobacco initiation, encourage a reduction of adult tobacco use, reduce health care costs, and provide an overall benefit to public health. Further, _____ endorses the 2021 legislative effort to reform North Dakota's tax on all tobacco products by a proportional amount, and to include classifying ENDS as tobacco products so they are taxed as such.

Name of Organization Representative

Signature of Organization Representative

Date

2014 Surgeon General's Report on Smoking and Health <https://www.surgeongeneral.gov/library/reports/50-years-of-progress/50-years-of-progress-bysection.html>

ii The Toll of Tobacco in the United States, Campaign for Tobacco Free Kids
<https://www.tobaccofreekids.org/problem/toll-us>

iii Campaign for Tobacco-Free Kids, Key State-Specific Tobacco Data and Rankings June 7, 2018
<https://www.tobaccofreekids.org/assets/factsheets/0176.pdf>

iv High School Youth Behavior Risk Survey North Dakota 2015 and United States 2015 Results
<https://nccd.cdc.gov/youthonline/App/Results.aspx?TT=G&OUT=0&SID=HS&QID=QQ&LID=ND&YID=2015&LID2=XX&YID2=2015&COL=&ROW1=&ROW2=&HT=QQ&LCT=&FS=S1&FR=R1&FG=G1&FSL=&FRL=&FGL=&PV=&C1=ND2015&C2=XX2015&QP=G&DP=1&VA=CI&CS=N&SYID=&EYID=&SC=DEFAULT&SO=ASC&pf=1&TST=True>

v President's Cancer Panel's 2007 report, Promoting Healthy Lifestyles,
<http://archive.tobacco.org/news/251230.html>

vi The Toll of Tobacco in North Dakota, Campaign for Tobacco Free Kids
https://www.tobaccofreekids.org/problem/toll-us/north_dakota

vii ND Office of the State Tax Commissioner