

## Resolution of Support to Raise the Price of Tobacco Products in ND

Adopted by the Tobacco Free North Dakota Board of Directors August 26, 2024

**Whereas** according to the 2020 US Surgeon General's Report on Smoking Cessation<sup>i</sup>, 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** the US Surgeon General's Report *The Health Consequences of Smoking—50 Years of Progress* found a 10% increase in cigarette price will provide a 3–5% reduction in overall cigarettes consumed<sup>ii</sup>; and

Whereas commercial tobacco use remains North Dakota's leading preventable cause of death, and commercial tobacco kills more people than alcohol, AIDS, car crashes, illegal drugs, murders, and suicides combined<sup>iii</sup>; and

**Whereas** 5.9% of youth in North Dakota use cigarettes, and 200 North Dakota children (under 18) become new daily smokers each year<sup>iv</sup>; and

**Whereas** 15.1% (89,715) of adults in North Dakota smoke and nearly 1,000 North Dakotans will die each year from smoking and smoking-related diseases, including 27% of cancer deaths in ND that are attributed to commercial tobacco use<sup>v</sup>; and

**Whereas** Electronic Nicotine Delivery Systems, or ENDS, products are not currently approved by the FDA as a cessation device; and

**Whereas** 21.2% of youth in North Dakota used ENDS products in the previous 30 days, many of whom using flavored products that have been marketed to kids by the tobacco industry<sup>vi</sup>; and

**Whereas** ENDS have little to no regulation around content and flavorings, and ENDS products are not currently taxed 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** tobacco use in North Dakota imposes a severe economic burden, with smoking-caused direct healthcare costs amounting to \$379 million each year, smoking-caused productivity losses approximating \$715 million annually, and each household paying \$970 per year in state and federal taxes from smoking-caused government expenditures<sup>vii</sup>; and

**Whereas** each year, the North Dakota government Medicaid payments directly related to commercial tobacco use are \$61.1 million<sup>viii</sup>; 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 nation; and

Whereas the legislative body in North Dakota has rejected multiple pieces of legislation to increase our state's tobacco taxes since 1993; and defeated legislation as recently as 2021; and

**Whereas** the Tobacco Industry spends \$33.4 million each year marketing in ND and an undisclosed amount on lobbyists during the regular and interim sessions<sup>ix</sup>; 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 legislative efforts to reform North Dakota's tax on all tobacco products, including taxing ENDS as tobacco products.

Name of Organization Representative

Signature of Organization Representative

Date

## Sources:

<sup>i</sup> Surgeon General's Report on Smoking Cessation <u>https://www.hhs.gov/sites/default/files/2020-cessation-sgr-full-report.pdf</u>

<sup>ii</sup> The Health Consequences of Smoking—50 Years of Progress

https://www.ncbi.nlm.nih.gov/books/NBK179276/pdf/Bookshelf\_NBK179276.pdf

iii 2021-2023 Synthesis Report page 10 https://tfnd.org/wp-content/uploads/sites/26/2023/01/ND\_TPCP\_Synthesis\_Report\_FY23.pdf

iv ND Tobacco Dashboard https://www.hhs.nd.gov/health/community/tobacco/surveillance-data

<sup>&</sup>lt;sup>v</sup> Bullets 9, 10, 13 CTFK Toll of Tobacco in ND <u>https://www.tobaccofreekids.org/problem/toll-us/north\_dakota</u>

vi Bullets 9, 10, 13 CTFK Toll of Tobacco in ND https://www.tobaccofreekids.org/problem/toll-us/north\_dakota

vii For tax rates and rejected legislation bullet points, Legislative Council. https://ndlegis.gov/library-and-research/home

viii For tax rates and rejected legislation bullet points, Legislative Council. <u>https://ndlegis.gov/library-and-research/home</u>

<sup>&</sup>lt;sup>ix</sup> For tax rates and rejected legislation bullet points, Legislative Council. <u>https://ndlegis.gov/library-and-research/home</u>