

# Support HB19-1333

## Strategy to reduce youth tobacco use

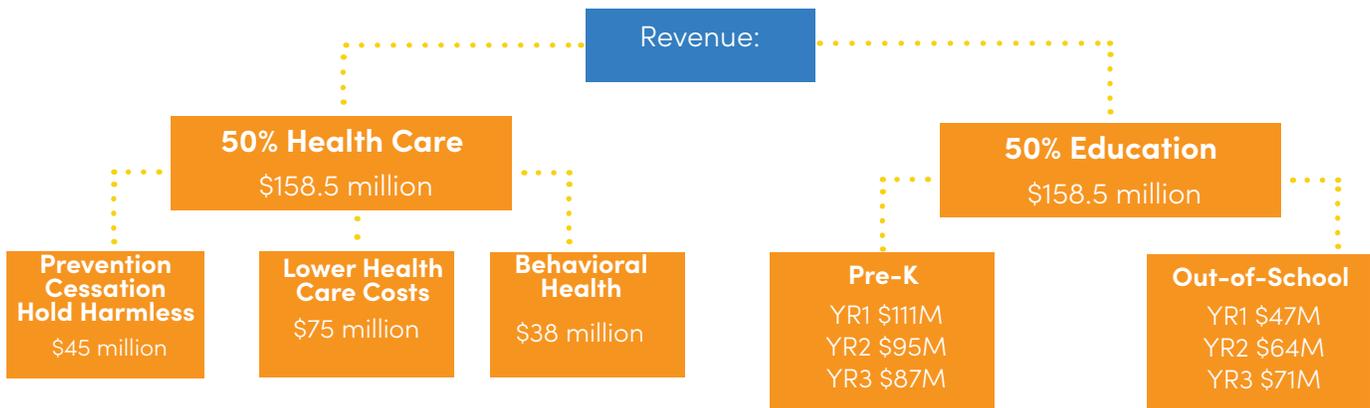
Sponsored by: Representative Caraveo & Senator Fields



### Nicotine and tobacco tax measure to reduce tobacco use and lower associated health care costs:

- 1 Colorado is facing a youth vaping epidemic.** We have among the highest teen e-cigarette use rates, with 26.2 percent of Colorado's teenagers reporting having used an e-cigarette before. This is nearly twice the national average. (source: Tobacco Free Kids)
- 2 Every 10 percent increase in the price of cigarettes leads to roughly a 7 percent decrease in youth usage.** Since nearly 9 out of 10 adult smokers begin smoking while in their teens, if one can reach adulthood without using tobacco products, then the probability of becoming a life-long smoker is greatly reduced.
- 3 Colorado's tax rate on cigarettes ranks 39th in the nation and we currently do not impose any excise tax on the liquid nicotine used in e-cigarettes.** Today in Colorado, a pack of cigarettes costs about \$5.60 and an equivalent amount of liquid nicotine for e-cigarettes is sold for about \$1.

### Nicotine & tobacco tax revenue distribution:



### Complete budget breakdown:

#### \$158.5 million for Health Care:

- Revenue for tobacco prevention, education, cessation, and to hold harmless existing tobacco funded programs
- Reduce the cost of health care by reducing premiums and out-of-pocket costs
- Mental health services for children and youth including school-based mental health services

#### \$158.5 million for Education:

- Expand and enhance Colorado Preschool Program to serve more children and improve the quality of early learning opportunities
- Expand opportunities for children and youth outside of school through the Expanded Learning Opportunities Program

Current tax rates vs. proposed tax rates	Currently	Proposed
Cigarettes	\$0.84 per pack	\$2.59 per pack
E-cigarettes (liquid nicotine)	0% of listed manufacturer price	62% of listed manufacturer price
Other tobacco products	40% of listed manufacturer price	62% of listed manufacturer price

**The tobacco industry has historically targeted low-income populations and communities of color.** Studies show that significant cigarette tax increases are even more effective in reducing smoking among lower-income populations and communities of color. Revenue from tobacco tax will be reinvested into health and child-related programs that help adults quit smoking, keep kids from starting, and aid families who have been historically targeted by tobacco companies.

**Higher tobacco taxes can reduce long-term costs related to smoking, which are an extreme financial burden on the state.** Tax increases can promote healthy behaviors and deter individuals from beginning smoking in the first place. Since most smoking-related diseases take years to develop, health care cost savings will continue to grow over time; since lower-income people are a proportionally large percentage of smokers in Colorado, smoking reductions will lower state Medicaid program expenditures drastically.

### Smoking-Caused Monetary Costs in Colorado

(source: Tobacco Free Kids)

Tax burden from smoking-caused government expenditures

**\$654/household**

Medicaid costs caused by smoking

**\$386.3 million**

Annual health care costs directly caused by smoking

**\$1.89 billion**

**Vote YES on HB19-1333 to combat youth vaping and cigarette use, lower health care costs associated with smoking, and increase revenue for health care and education programs.**

## Supporter List

