

## SUPPORT H 5732: Raise the Rhode Island cigarette excise tax by \$1 and dedicate a portion of the new revenue to fund tobacco prevention and cessation programs for Rhode Islanders

The most effective proven approach to reducing death and disease caused by smoking and other tobacco use is a three-pronged strategy combining:

- 1. Comprehensive smoke-free and tobacco-free laws;
- 2. Regular and significant increases in tobacco taxes; and
- 3. Fully-funding evidence-based tobacco prevention and cessation programs.

H 5732, sponsored by Representative Arthur Handy, provides 2 out of the 3 best practices for reducing tobacco use: Higher prices and a meaningful investment in prevention and cessation services.

Rhode Island has not made a significant increase in its cigarette tax since 2009. Over 1600 Rhode Islanders die each year from tobacco-related diseases.

## A \$1 cigarette tax increase is a win-win-win solution for Rhode Island:

- 1. FINANCIAL WIN Projected New Annual Revenue from Increasing the Cigarette Tax by \$1.00 Per Pack: \$17.85 million.
- **2. HEALTH WIN** A \$1 cigarette tax increase will motivate 3,300 Rhode Islanders to quit smoking for good and will **stop 2,300 kids from** *ever* **becoming addicted** to cigarettes. And provide \$3.1 million in new revenue to fund needed **tobacco prevention and cessation** programs and services.
- **3. POLITICAL WIN** Cigarette tax are popular with voters. It generates significant state revenue without raising sales tax, income tax or property tax, improves health outcomes for Rhode Islanders, and reduces healthcare costs.

We respectfully urge you to protect our state's proud commitment to tobacco control and public health by approving H 5732.

## Questions or more information:

Contact Karina Holyoak Wood, Policy Director, American Lung Association in RI: 401-533-5179 or kwood@lungne.org

<sup>&</sup>lt;sup>1</sup> "New Revenues, Public Health Benefits & Cost Savings from a \$1 Cigarette Tax Increase in Rhode Island" Campaign for Tobacco Free Kids and the American Cancer Society Cancer Action Network, February 11, 2015. NOTE: Revenues still increase because the higher tax rate per pack will bring in more new revenue than is lost from the tax-related drop in total pack sales.

ii "New Revenues, Public Health Benefits & Cost Savings from a \$1 Cigarette Tax Increase in Rhode Island" Campaign for Tobacco Free Kids and the American Cancer Society Cancer Action Network, February 11, 2015. Projections are based on research findings that each 10% increase in the retail price of cigarettes reduces youth smoking by 6.5%, adult prevalence by 2%, and total cigarette consumption by about 4% (adjusted down to account for tax evasion effects). Revenues still increase because the higher tax rate per pack will bring in more new revenue than is lost from the tax-related drop in total pack sales.