

March 24, 2015

To: Senate Assessment and Taxation Committee

Senator Les Donovan, Chair

From: Diane M. Daldrup

State Director Program & Government Affairs

Re: Senate Bill 233 – Tobacco Tax Increase

March of Dimes Foundation

Diane M. Daldrup State Director Program & Government Affairs

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I write on behalf of the March of Dimes in support of SB 233 which will increase the Kansas cigarette tax by \$1.50 per pack and will bring the tax on other tobacco products to a comparable level. The tobacco tax in Kansas has not been raised since 2003 and at only 79 cents per pack it ranks 38th in the nation. This increase will generate a projected \$87 million in new revenue for the state and will serve as an effective deterrent against current and future tobacco use among teens and adults.

The mission of the March of Dimes is to improve the health of women of childbearing age, infants, and children by preventing birth defects, premature birth, and infant mortality. Prematurity is the leading cause of death in the first month of life, and a major determinant of illness and disability among infants, including developmental delays, chronic respiratory problems and blindness.

While we do not yet know all of the causes leading to premature birth, the science on tobacco use is clear. Women who smoke during pregnancy are more likely than nonsmokers to have a preterm or low birth weight baby. Kansas' preterm birth rate is at 10.8%, which is significantly higher than the Healthy People 2020 objective of 9.6%. Premature birth affects 1 in every 9 babies born Kansas, making it one of the most serious health problems facing our state today. The average first year costs, including both inpatient and outpatient care is approximately 10 times greater for preterm (\$49,000) than for term infants (\$4,500). In addition, exposure to secondhand smoke during pregnancy and after birth increases the risk of sudden unexplained infant death (SUID), a key contributor to infant mortality. We know that pregnant women's exposure to smoke in our state is real and significant. In 2013, 12.5% of pregnant women (4,800 total) reported smoking during their pregnancy.

The good news is that prematurity associated with smoking while pregnant is preventable. <u>Smoking is the single most modifiable risk factor for adverse pregnancy outcomes in developed countries</u>. Whatever we can do to discourage women from smoking while pregnant and protect pregnant women and babies from the impacts of secondhand smoke is extremely worthwhile.

The March of Dimes Greater Kansas Chapter has joined the effort to raise the state tobacco tax by \$1.50 knowing that the five-year projected health care cost savings from fewer smoking-affected pregnancies and births would be \$3.62 million, which is higher than savings related to lung cancer (\$1.35 million) or heart attack and stroke (\$2.65 million).

Increasing tobacco taxes is a proven, effective way to prevent and reduce tobacco use. The World Health Organization recommended in 2014 that the tax rate on cigarettes should reach at least 75% of total cigarette prices. Public health benefits are proportional to the size of the price increase with a 7% decline in tobacco use for every 10% price increase. Considering this, passage of SB 233 to increase the cigarette tax by \$1.50 would significantly improve birth outcomes in our state.

On behalf of the pregnant women and babies we work to protect, the March of Dimes urges the committee to support SB 233. Please help us protect the health of our tiniest Kansans! Thank you for all that you do to support the health of Kansas residents.