

To: Rep. Stephen Johnson, Chair of House Committee on Taxation

From: Gretchen H. Kunkel, Chair of the Policy Committee, Healthy Communities Wyandotte

Date: February 13, 2017

Re: Written testimony in support of House Bill 2315 (note only commenting on proposed tax increases on cigarettes and other tobacco products)

Thank you for this opportunity to submit written testimony in support of the proposed tax increases on cigarettes and other tobacco products in HB 2315.

I am writing on behalf of Healthy Communities Wyandotte (HCW), a coalition of more than 100 organizations and individuals dedicated to creating a healthier Wyandotte County. These members recognize that the "social determinants" of health—the conditions in which people live, learn, work, and play—have a strong impact on the health of a community.

One of the biggest contributors to poor health outcomes in Wyandotte County and Kansas is the use of cigarettes and other tobacco products. Roughly 25% of the adult population in Wyandotte County is a current smoker. This is an urgent issue for our community since tobacco addiction has led to devastating consequences for family and community health due to the expensive burden of healthcare and lost productivity.

While Governor Brownback's proposed \$1.00 per pack increase in the cigarette tax and increase in the tax on other tobacco products (OTP) will reduce smoking and tobacco related illnesses, there is opportunity for greater health benefits and additional revenue. HCW endorses a \$1.50 per pack increase in the cigarette tax with parity for OTP, at 65% of the wholesale price.

Increasing tobacco excise taxes is an evidence-based policy approach to accomplishing the critical public health goals of reducing the number of current and future smokers. The evidence is clear that a substantial tax increase both encourages adults to quit while also preventing pricesensitive youth from ever becoming addicted. Another small tobacco tax increase will likely do nothing to reduce smoking rates because tobacco companies can absorb small price increases.

Cigarette tax increases on the order of this proposed \$1.50 per pack measure are also a powerful economic tool, directly producing sustained increases in state tax revenues and resulting in large savings in health care costs if the amount of the tax increase is high enough. The tax on OTP, such as cigars and smokeless tobacco, has not changed since 1972.

For these reasons, we urge the members of the Committee on Taxation to support a substantial tax increase on cigarettes and Other Tobacco Products. Thank you, again, for the opportunity to submit this testimony.

Sincerely, gene HKI

Gretchen H. Kunkel



