

To: Chairman Johnson and Members of the House Taxation Committee

From: Sheldon Weisgrau, Interim Executive Director

Date: March 15, 2018

RE: Support of HB 2231

Thank you, Chairman Johnson and members of the Committee for allowing me the opportunity to provide testimony in support of HB 2231.

My name is Sheldon Weisgrau and I am the Interim Executive Director of the Alliance for a Healthy Kansas. The Alliance is a broad-based statewide coalition of organizations and individuals that have come together to improve the health of Kansans. Our first policy goal is to improve access to care by expanding KanCare, the Kansas Medicaid program. Alliance members include business leaders, doctors and hospitals, social service and safety net organizations, faith communities, chambers of commerce, advocates for health care consumers, and thousands of other Kansans.

Tobacco use is the leading preventable cause of death in Kansas and there is overwhelming evidence that increasing its cost drives down use, especially among teenagers. That alone should be enough to support passage of this bill.

Tobacco use also contributes to increased morbidity and high health care costs. Much of these costs are borne by employers, and in turn, their employees. Government, and therefore taxpayers, through programs such as KanCare, also pays for much of these costs. Passage of this legislation will therefore create millions of dollars in direct long-term savings to businesses and the state budget. At the same time, decreased tobacco use will result in decreased morbidity and mortality and better health, which will increase worker productivity and reduce health care costs.

Beyond these benefits, HB 2231 will raise more than \$85 million per year in revenue, with nearly all of it devoted to the State General Fund. I note that the most recent fiscal note for SB 38, the KanCare expansion bill, puts the cost at about \$23 million for the first two years. An increase in tobacco taxes is enough to fully fund expansion and have ample additional dollars to use for other state needs.

Raising tobacco taxes has strong political support. Using the additional revenue for health-related programs, such as expanding KanCare, strengthens this support. This legislation, along with legislation to expand KanCare, are good health policy, good fiscal policy, and smart politics. On behalf of the Alliance for a Healthy Kansas, I urge you to support HB 2231.