

Investing in Tobacco-Free Youth

Protect Children, Save Lives, Reduce Healthcare Costs



The Problem

- **Ohio youth are using cigars and smokeless tobacco.** “Other tobacco products” (OTP), which includes non-cigarette forms of tobacco like cigars, smokeless tobacco, and hookah tobacco, are a growing problem in Ohio. While high school students have decreased their use of cigarettes, they have not decreased their use of smokeless tobacco or cigars. These products come in candy flavors and kid-friendly packaging and are often displayed in convenience stores near candy and snacks.
- **Young African Americans, Appalachian Ohioans, and young males are especially at risk.** Little cigar use is especially high among young, African-American males, and smokeless use is a special problem for males in Appalachian Ohio. Among males 18 to 24, over 37% use some form of tobacco product other than cigarettes.
- **The tobacco industry spends \$2 million in Ohio every day.** The tobacco industry is serious about funding in Ohio. It spends over \$2 million a day promoting smoking and chewing tobacco to Ohioans, even in places kids go, like convenience stores. Columbus is the test market for a new kind of smokeless tobacco called Snus marketed by RJ Reynolds, and in 2007, U.S. Smokeless Tobacco sent mailers to smokers in Ohio encouraging them to use smokeless tobacco when in smoke-free public places.
- **Youth tobacco prevention programs are threatened.** Because of insufficient funding, Ohio has been unable to adequately help smokers quit and keep kids from starting. This situation was worsened when tobacco money was sold to investors in 2007; the youth tobacco prevention programs in schools, anti-tobacco programs in communities around Ohio, and the tobacco Quitline and other stop smoking help will soon cease to exist without further funding.
- **Tobacco hurts Ohio’s economy and drives up insurance and Medicaid costs.** Smoking costs Ohio over \$7 billion every year. Ohioans pay over \$4 billion in healthcare costs annually; \$1.4 billion of that amount is the portion covered by the state Medicaid program. The average Ohio household pays \$642 in state and federal taxes related to smoking-caused government expenditures annually.

The Solution

- **Correct the other tobacco tax inequity.** When legislators increased the cigarette tax in 2003 and 2005, they failed to also raise the “other tobacco products” (OTP) tax which covers non-cigarette forms of tobacco. Legislators should correct this error so that the OTP tax equals 55% of wholesale price, equivalent to the current cigarette tax. (The current OTP tax rate is 17%.) The legislature should then link the OTP tax to the cigarette tax, so that no corrections will be needed in the future.
- **The correction would dramatically reduce youth tobacco use.** The correction would decrease the overall consumption of other tobacco products by over 13%, and 25% fewer youth would use the products, a dramatic decline.
- **Dedicate the income to tobacco prevention and community programs and reduce tobacco use in Ohio.** The income resulting from this correction, approximately \$50 million a year, should be dedicated to the Ohio Tobacco Prevention Foundation to continue the high quality tobacco prevention and cessation programs they fund in communities around the state and expand to cover area without programs. Although this amount equals less than the tobacco industry spends in one month in Ohio, the funding helps Ohio reach toward the goal of funding programs at the level recommended by the Centers for Disease Control (CDC).
- **Legislators can save lives and save money.** For every thousand kids kept from smoking by tobacco prevention programs, future healthcare costs decline by roughly \$16 million. For every thousand adults prompted to quit, future health costs drop by roughly \$8.5 million.

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