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Tobacco use remains the leading cause of preventable death in the United States, killing an estimated 490,000 Americans and 1,440 Delawareans each year. Delaware's healthcare costs associated with smoking is over \$530 million.²

Data on tobacco use among high school and middle school students from the 2024 National Tobacco Youth Survey, continues to show high levels of use with more than 2.25 million youth using a tobacco product, including e-cigarettes. Nearly 90% of the youth survey respondents who use e-cigarettes reported using flavored e-cigarettes including mint and menthol. Nicotine exposure during adolescence can harm brain development, including affecting memory and learning. Flavored tobacco products remain the primary gateway for youth addiction, including an influx of new products entering the market such as nicotine pouches which come in youth appealing flavors and are marketed via social media influencers. The survey also revealed that nicotine pouches are the 2nd most common product used by youth with nearly 500,000 middle and high school students using these products. In Delaware, 14.4% of high school students use an electronic smoking device and 18.3% use a tobacco product. The tobacco industry has continued to target youth users with marketing of flavored tobacco products which makes them appealing to youth, with many of them not realizing that these products contain nicotine. As a result, we are setting our kids up for a lifetime of addiction and losing the opportunity for the first tobacco-free generation.

One of the most effective ways to reduce tobacco use is to significantly increase the tax on all tobacco products, including e-cigarettes. While we appreciate the Governor's willingness to address tobacco taxes in his budget, the tax increase proposed in Governor Meyer's budget of \$0.50 is not enough to have public health benefits. We, as trusted public health experts, believe that based on a number of factors including surrounding states, the infrequency that tobacco taxes are raised (2017), and Delaware's current tobacco use rate; an increase of \$1.50 per pack of cigarettes and close to equalizing the tax on other tobacco products at 45% of wholesale would have much stronger public health impacts. These impacts include a decrease in youth use by 10% preventing 700 youth from becoming adults who smoke, 2,700 people who would quit and approximately \$43 million in long term healthcare savings. We support these proposed significant increases as outlined in House Bill 215, as insignificant or gradual increases in the price of tobacco products can be easily counteracted with industry tactics such as coupons and price discounts. The bill also modernizes definitions to ensure that the onslaught of new products entering the market, like nicotine pouches which contain high levels of dangerous and addictive nicotine are included in Delaware's tax structure moving forward.

As part of the effort to combat youth tobacco use, taxing all tobacco products at a nearly comparable rate to combustible cigarettes which House Bill 215 does is imperative, as youth smokers are especially price conscious, therefore keeping the price of tobacco products high is one of the most effective steps we can take to prevent youth tobacco use. When the price of cigarettes goes up, youth smoking rates decline. We encourage states to look at evidence-based policy measures to address this epidemic, including increasing the price of these products.

We believe that by increasing the tobacco tax in Delaware by \$1.50 per pack and to 45% of wholesale for most other products will have the greatest public health impact. Several studies and other state examples have consistently disproven concerns surrounding cross-border sales of tobacco products. According to the American Cancer Society Cancer Action Network every state that has significantly increased their tobacco tax has experienced substantial increases in state revenue. People are creatures of habit, and while some consumers may initially experiment with purchasing their products elsewhere, most consumers return to their original buying habits purchasing their products closer to home. Studies also show that consumers prefer to buy their cigarettes in smaller quantities. The important thing to remember is 68% of people who smoke want to quit. Significantly increasing taxes on tobacco products prevent people from beginning to use a tobacco product and will encourage people to quit, and allocating some of the revenue from the tax increase to enhance the state's cessation and prevention services will amplify the public health benefits.

In the recent release of the American Lung Association's <u>State of Tobacco Control</u>, it was noted that the funding for Delaware's Tobacco Control and Prevention (TCP) program at approximately \$10.9 million (inclusive of \$991,511 of federal CDC funds) remained stable, however it is still lower than the Centers for Disease Control and Prevention's (CDC) recommended level of \$13 million, at 84.1%. We strongly support sustaining this funding especially considering the significant youth use of electronic smoking devices, and the attack of new products entering the market targeting children such as nicotine pouches. Funding at this level is needed to continue to develop educational programs and outreach to prevent youth from initiating tobacco use and encourage people who currently smoke to quit and not switch. We encourage revenue from tobacco tax increases to be used to support tobacco control and prevention efforts in the state. Dedicated state appropriations are now more important than ever, as with the recent announcement of the elimination of CDC's Office on Smoking and Health through staff layoffs by the Trump Administration, the approximately \$1 million in federal funding allocated through that program to Delaware is highly likely to discontinue.

Our organizations thank Speaker Minor Brown for her leadership on this issue and thank the members of the General Assembly for your continued commitment to the health and wellbeing of the residents of Delaware, we urge you to support House Bill 215 to increase the cigarette tax rate by \$1.50 and create near parity among the tax on related products.

Sincerely,

African American Tobacco Control Leadership Council American Cancer Society Cancer Action Network American Heart Association American Lung Association in Delaware Bayhealth Campaign for Tobacco-Free Kids

ChristianaCare

Delaware Academy of Medicine/Delaware Public Health Association

Delaware Chapter of the American Academy of Pediatrics

Delaware Healthcare Association

Impact Delaware Tobacco Prevention Coalition

Medical Society of Delaware

Parents Against Vaping

¹U.S. Department of Health and Human Services. Eliminating Tobacco-Related Disease and Death: Addressing Disparities—A Report of the Surgeon General. Atlanta, GA: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2024.

2 American Lung Association 2024 State of Tobacco Control Delaware. www.lung.org/sota