



February 19, 2024

To: House and Senate Appropriations Committees

From: Tina Zuk, Government Relations Director, American Heart Association

Re: Proposed FY2025 Budget

We would appreciate your consideration and support for the following budget requests on behalf of the American Heart Association.

- 1. Please support allocating additional funding of \$776,829.21 to the Vermont Department of Health, for the Tobacco Control Program for youth tobacco cessation and education, utilizing Vermont's 2023 JUUL Settlement Payment.**

We request your committees make this appropriation based on repeated testimony that was given to the House Human Services Committee on S.18 flavored tobacco legislation that there is great need for additional tobacco prevention and cessation resources as numerous Vermont youths have become addicted to nicotine from vaping and more needs to be done to help them quit.

School nurses testified that there is no consistent approach across school districts to address nicotine addiction when youths are caught vaping. Physicians testified that they are struggling to help students quit nicotine and vaping because nicotine replacement therapies are directed to be used by adults. SAP and recovery counselors testified about successful cessation efforts that take time and one on one counseling to build trust.

Though Vermont annually receives more than \$25 million from the Master Settlement Agreement (MSA) with the tobacco industry, only a tiny fraction of the funds are used to help prevent Vermonters from using tobacco or help them quit. VDH's Tobacco Control Program has received \$2,692,021 from the legislature for the past few years with only \$1,088, 918 appropriated from Master Settlement funds.

The legislature has appropriated one-time funds of \$500,00 recently, and VDH has made great use of these funds in trying to address the youth vaping epidemic, as highlighted in its recent [report to the legislature](#). But, clearly, this isn't enough with 22% of Vermont high school seniors vaping and middle school the largest area of increased usage.

Vermont's recent settlement with JUUL, which came as a result of the company targeting youth with its product, provides payments from JUUL to the state for six years:

Payment of \$772,789.01 by December 31, 2022;

Annual payments of **\$776,829.21 by December 31, 2023** and December 31, 2024;

Annual payments of \$1,165,243.82 by December 31, 2025 and December 31, 2026; and

A final payment of \$3,573,414.38 by December 31, 2027.

We are requesting that your committees direct this year's payment of \$776,829.21 to VDH's Tobacco Control Program to be utilized for tobacco cessation and education.

This funding will help to provide the consistency in treatment that witnesses said is currently lacking. It could also provide funding for media to direct youth and adults to cessation services and educate parents about the dangers of electronic vaping products and the need for physician involvement to help their children quit. History shows that quit attempts rise in parallel with increased media expenditures promoting 802Quits services.

Targeted funding based on the CDC's best practices is effective. The Tobacco Control Program is well-positioned to make the decision on the best use of the funds and it's track record shows success.

With Vermont now spending \$404 million annually to treat tobacco-caused diseases, it's important that we make a greater investment in the Tobacco Control Program.

2. Please support S.18, legislation to eliminate the sale of flavored tobacco and find an additional source of revenue that isn't based on the addiction of Vermont youth.

As Health Commissioner Levine testified before the Ways and Means Committee, Vermont could expect to realize savings from Vermonters who quit using tobacco following enactment of S.18 that would surpass the revenue lost from the measure.

Following enactment of its tobacco flavor law, Massachusetts realized a 1% decline in adult smoking. According to the Vermont Department of Health, a 1% decline in Medicaid smoking alone would result in \$8.3 million in savings in a year, and a 2% decrease would double the health care savings to \$16.6 million. These are real numbers based on previous decreases in smoking in Vermont's Medicaid population.

In 2022, VT Medicaid spending was \$1.9 billion. Between 2021-2022, there was a 2% decrease in smoking among Medicaid members, a \$16.6 million cost savings to VT Medicaid in 2023.

Other compelling economic and health arguments to advance S.18 include:

- **Tobacco-associated healthcare costs far exceed tobacco revenue.** Compared to the healthcare costs and the human toll caused by tobacco use in VT, the loss in tax revenue from tobacco sales would be a drop in the bucket.



- Annual tobacco-associated cancer healthcare costs alone at **\$188 million** eclipses the annual tobacco tax revenue of **\$75 million (~\$5.5 million from flavored products)**. These economic benefits don't include the future cost savings of reducing youth initiation of vaping and smoking.

- **Tobacco control and prevention pay off.** Analysis by RTI and the Vermont Department of Health show \$245 million was saved in tobacco-associated healthcare costs from the start of our state efforts (2001) through 2014. **More recently, through collaboration with DVHA and partners, VT has been able to reduce smoking rates among Medicaid-insured, saving \$19 million in healthcare costs, 2017-2023.**

3. Please support efforts to establish a paid family and medical leave program in Vermont.

Paid leave policies lead to healthier babies and birthing parents, including that nursing parents with access to paid leave are more likely to breast feed. And paid leave policies may lead to fewer preterm and low-birthweight babies, especially for Black mothers.

These policies may also have long-term health benefits for children, partly due to on-schedule medical check-ups during the first few months of life.

Also, people need sufficient time to recover from serious medical conditions. Almost half of all heart attack survivors return to work after 4 weeks but recovery might take up to 6 months.

Vermonters support this help for Vermont families. Nearly 80% of voters age 40+ support creating a state paid family and medical leave program here in Vermont. That includes a majority of voters in every political party, income level, and county in the state.

Thank you in advance for considering our requests.