

MEMORANDUM

TO: Members of the Senate Committee on Appropriations
FROM: Kathryn O'Neill, Administrator, Vermont Tobacco Evaluation and Review Board
SUBJECT: H.490 Appropriation Change to the Tobacco Evaluation and Review Board
(VTERB)
DATE: April 14, 2015

H.490 as passed by the Vermont House of Representatives removes proposed language that would have eliminated the independent nature of the Vermont Tobacco Evaluation and Review Board (VTERB) and would have removed its powers and duties for independent oversight and evaluation of Vermont's Tobacco Control Program.ⁱ We are pleased to see the restoration of VTERB independence and of the comprehensive program evaluation, as recognition of its value in guiding and evaluating the state's tobacco control program and policies based on research and best practice.

Because the VTERB operations budget sits with the Agency of Human Services (AHS), it is crucial to restore the small amount of funding to that Agency in order to successfully and fully restore the work of VTERB. In FY15 AHS received \$224,698.00 as its portion tobacco Master Settlement Agreement (MSA) dollars for Board operations, which includes a full-time administrator, and a contract for external evaluation services. That budget line is nearly zeroed out in H.490, leaving only \$25,000 for FY16ⁱⁱ. **Preserving the structure of VTERB must also mean preserving the AHS budget line that pays for Board operations.** VTERB itself cannot absorb this loss of MSA dollars to AHS through a realignment of funds from other Departments and Agencies within the Tobacco Control Program. We respectfully request a restoration of the MSA dollars allocated to AHS as part of the comprehensive tobacco control program three-year level-funding sustainability agreement (FY14-FY16) established by the FY13 appropriations billⁱⁱⁱ.

As Vermont presses for a healthier future with less costly health care, we cannot afford to lose any more Tobacco Litigation Master Settlement Agreement dollars dedicated to prevention which have been proven to advance health and in turn help avoid costly health care interventions. Tobacco use prevention, cessation and control efforts are essential in reducing future costs of health care. Vermont's Tobacco Control Program has been a leader in demonstrating its effectiveness and we know reducing tobacco use means health care savings, employer savings, and tax payer savings.

Respectfully Submitted.

Vermont's Comprehensive Tobacco Control Program (as of 1/29/2015):				
Agency/Department	Sustainability Funding Plan FY14-16	Actual FY14	Actual FY15	Proposed FY16
Department of Health	\$ 2,684,878.00	\$ 2,695,884.00	\$ 2,695,884.00	\$ 2,650,884.00
Department of Education	\$ 757,597.00	\$ 766,541.00	\$ 766,541.00	\$ 766,541.00
Department of Liquor Control	\$ 238,303.00	\$ 218,444.00	\$ 218,444.00	\$ 218,444.00
Tobacco Evaluation and Review Board (includes program evaluation)	\$ 291,127.00	\$ 223,127.00	\$ 224,698.00	\$ 25,000.00
Total:	\$ 3,971,905.00	\$ 3,903,996.00	\$ 3,905,567.00	\$ 3,660,869.00
Notes:				
FY14: H.530/Act 50 (2013):				
Dept of Health: 2,393,377 MSA plus \$302,507 Global Commitment				
TERB reduction (\$68,000) took place during FY14 budget adjustment				
FY15: H.885/Act 179 (2014)				
Dept of Health: 2,393,377 MSA plus \$302,507 Global Commitment				
TERB: while no actual reduction, it was funded at the same level as FY14 after the budget adjustment				
FY16 Governor's Proposal:				
Dept of Health: Reduce by \$45,000 (\$25K GC and \$20K MSA)				
TERB: Reduce by \$199,698.000				

ⁱⁱⁱ Tobacco Prevention, Cessation and Control Program budget recommendations from VT Tobacco, Evaluation & Review Board [18 V.S.A. Sec. 9505 (9)] [Agency of Human Services]
http://www.leg.state.vt.us/jfo/jfc/2013/2013_09_11/2013_09_11_Tobacco_Board_%20Memo.pdf