

April 11, 2018

To: Senate Committee on Finance
From: Rebecca Ryan, Sr. Director, Health Education & Public Policy
Subj: H.922 – Sections 10-10a, electronic cigarette excise tax

The American Lung Association in Vermont supports taxing electronic cigarettes at the same rate as other tobacco products (92% of the wholesale price) and equivalent of the cigarette tax (\$3.08 per pack). We believe all tobacco products should be taxed at the same rate.

Why is it important to tax electronic cigarettes the same as other tobacco products and cigarettes?

- 1) **To prevent kids from taking up tobacco products, including cigarettes.**
- 2) **To protect kids from harmful toxins.**

Increasing the price of tobacco through higher tobacco taxes is one of the most effective ways to prevent youth from using tobacco. Economic studies in peer-reviewed journals have documented that significant tobacco excise tax increases (by at least 10% of the total pack price) prevent youth from smoking and motivate smokers to quit smoking. Small tax increases (as Vermont has done in recent years) have limited public health benefit because tobacco companies easily undercut these increases with price discounting strategies.

“We are concerned that students are developing nicotine addiction through peer pressure to have a Juul or similar product for the “cool” factor.”

-Excerpt from a letter to South Burlington High School parents from the school’s prevention coordinator and school resource officer, January 2018

Over the past few years, the JUUL e-cigarette has become the top seller among e-cigarette brands. It looks like a flash drive, which allows kids to discreetly use it. Increasing the tax on e-cigarettes to the same tax rate as other tobacco products would help reduce the use of JUUL and other e-cigarettes attractive to kids.

- E-cigarettes are the most commonly used tobacco product among youth now. **In Vermont, 15% of 9-12th graders use e-cigarettes compared to 11% who smoke cigarettes.¹**

¹ Vermont Department of Health, [2015 Youth Risk Behavior Survey](#).

- The National Academies of Science, Engineering and Medicine concluded that there is “substantial evidence” that **if a youth or young adult uses e-cigarettes, they are at increased risk of using traditional cigarettes.**²
- **Even in small doses, inhaling the two primary ingredients found in e-cigarettes – propylene glycol and vegetable glycerin – is likely to expose users to high level of toxins. The more ingredients a user is inhaling, the greater the toxicity**³.
- **Secondhand emissions contain nicotine, ultrafine particles, flavorings such as diacetyl, a chemical linked to serious lung disease, volatile organic compounds** such as benzene, which is found in car exhaust, and heavy metals, such as nickel, tin and lead.⁴
- **Almost all e-cigarettes contain nicotine, which is addictive.** According to the U.S. Surgeon General, nicotine poses dangers to youth, pregnant women and fetuses for show there is no safe level of nicotine exposure. Nicotine also alters adolescent brain development, and can prime the brain for other addictions, including cocaine and methamphetamine.⁵

Raising the price of electronic cigarettes by increasing the excise tax to equal the excise tax on other tobacco products and cigarettes will help to deter youth from ever starting to use electronic cigarettes and reduce the likelihood of teens turning to traditional cigarettes. We hope you will vote to double the tax to 92% of wholesale to help to protect Vermont kids from the harms of tobacco use, including electronic cigarettes.

Thank you for the opportunity to testify. If you have any questions, please contact me at rebecca.ryan@lung.org or 802-876-6862.

² The National Academies of Science, Engineering and Medicine, [Public Health Consequences of E-cigarettes](#), January 2018.

³ Sassano MF, Davis ES, Keating JE, Zorn BT, Kochar TK, Wolfgang MC, et al. (2018) Evaluation of e-liquid toxicity using an open-source high-throughput screening assay. PLoS Biol 16(3): e2003904.

<https://doi.org/10.1371/journal.pbio.2003904>

⁴ U.S Department of Health and Human Services, E-cigarette Use Among Youth and Young Adults: A Report of the Surgeon General – Executive Summary. Atlanta, GA; U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease and Health Promotion, Office on Smoking and Health, 2016.

⁵ U.S Department of Health and Human Services, [E-cigarette Use Among Youth and Young Adults: A Report of the Surgeon General](#) – U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease and Health Promotion, Office on Smoking and Health, 2016.