

March 15, 2019

To: Senate Committee on Finance
From: Elizabeth Hamlin, Director of Advocacy in Vermont
Subj: H.47 The taxation of electronic cigarettes

The American Lung Association 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, including electronic cigarettes. 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.

E-cigarettes are the most commonly used tobacco product among youth. Electronic cigarette use has increased by a staggering 78 percent among high school students from 2017 to 2018 resulting in the United States Surgeon General to call youth e-cigarette use an epidemic. Tobacco product tax parity creates a level-playing field and discourages people, especially youth, from initiation, and encourages people to quit instead of switch

In Vermont, 15% of 9-12th graders use e-cigarettes compared to 11% who smoke cigarettes.¹ 1 in 8 Vermont high school students report using e-cigarettes and 1 in 3 Vermont high schoolers have tried them. 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

¹ Vermont Department of Health, [2017 Youth Risk Behavior Survey](#).

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

ingredients a user is inhaling, the greater the toxicity³. 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

“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.

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 increase the tax on electronic cigarettes to 92% of wholesale to help to protect Vermont kids from the harms of tobacco use.

If you have any questions, please contact me at Elizabeth.Hamlin@lung.org or 518-545-5045.

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.