



## THE TRIFECTA: THREE PROVEN STATE-LEVEL STRATEGIES TO REDUCE TOBACCO USE AND SAVE LIVES

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Tobacco use takes a huge toll in health, lives and money on every state in the nation. Tobacco-related health care bills cost the states and taxpayers billions of dollars each year under Medicaid and other state-funded health care programs. The good news is that state and local governments can reduce tobacco use, save lives, and save money by implementing proven solutions to the problem. Separately, each approach can help states, but putting into place all three strategies will maximize the benefits to the states.

### Higher Tobacco Taxes

Higher tobacco taxes are a win-win-win solution for the states: a health win that reduces smoking and saves lives; a fiscal win that raises much-needed revenue; and a political win that is popular with the public. Significant cigarette tax increases are proven to reduce smoking and save lives. They make cigarettes too expensive for many kids to buy and give smokers another incentive to quit. The higher the tax, the more lives saved—especially when a portion of the revenue is dedicated to funding tobacco prevention and cessation programs.

- Increased tobacco taxes are especially effective at reducing smoking among kids. Studies show that every 10 percent increase in the price of cigarettes reduces youth smoking by about 7 percent and overall cigarette consumption by about 4 percent.
- Every state that has significantly increased its tobacco tax has enjoyed substantial increases in revenue despite the inevitable declines in tobacco consumption. Along with the new revenue generated, the decline in tobacco use will also save the state millions of dollars in related healthcare costs over the long term.
- National and state polls across the country show overwhelming public support for tobacco tax increases, especially if the revenues are directed for tobacco prevention and cessation. This support extends across party lines and throughout all regions of the country.

### Well-Funded Tobacco Prevention and Cessation Programs

Comprehensive tobacco prevention and cessation programs prevent kids from starting to smoke, encourage and help adult smokers quit, address tobacco-related disparities and combat tobacco industry marketing. The Centers for Disease Control and Prevention (CDC) recommends that states establish tobacco control programs that include state and community interventions, public education campaigns and programs to help tobacco users quit. Unfortunately, no state currently funds prevention programs at CDC-recommended levels, and only nine states provide even half the recommended amount, despite the fact that the states collect nearly \$25 billion a year in tobacco-generated revenue from tobacco taxes and the 1998 state tobacco settlement.<sup>†</sup>

- Comprehensive tobacco prevention programs consistent with CDC guidelines prompt substantial reductions in smoking levels among both adults and kids. This is achieved by both increasing the number of people who quit or cutback smoking and reducing the numbers who start.
- National studies that look across states and control for as many of the relevant confounding factors as possible consistently show powerful, positive effects of tobacco prevention and cessation programs. In 2007, the Institute of Medicine and the President's Cancer Panel issued landmark reports that concluded there is overwhelming evidence that state comprehensive state

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\* For more information, see the Campaign's special report, <http://www.tobaccofreekids.org/reports/prices/>.

† For more information, see *A Decade of Broken Promises: The 1998 State Tobacco Settlement Ten Years Later*, <http://www.tobaccofreekids.org/reports/settlements/>.

tobacco control programs substantially reduce tobacco use and recommended that every state fund such programs at CDC-recommended levels.

- Studies have shown that the more that is spent on tobacco prevention, the lower the youth smoking rates and overall tobacco use. As a result, state tobacco prevention programs also reduce all the death, disease, disability and other harms caused by smoking and other tobacco use – and also save money by reducing tobacco-related health care costs.<sup>‡</sup>

### Smoke-Free Workplaces and Public Places

Secondhand smoke is scientifically proven to cause lung cancer, heart disease and serious respiratory illnesses and is responsible nationally for thousands of deaths each year. That's why a growing number of states and communities are passing comprehensive smoke-free workplace laws that protect everyone's right to breathe clean air.<sup>§</sup>

- Smoke-free policies are the only effective way to protect nonsmokers from secondhand smoke. After implementation of smoke-free laws, secondhand smoke exposure decreases substantially among employees of restaurants and bars and among the general public.
- Once smoke-free laws are in place, workers and the general public can benefit from immediate health benefits. Levels of indoor air pollution decrease by about 90%, providing significant benefits to respiratory and cardiac health. In fact, the Institute of Medicine (IOM) recently issued a landmark report concluding that smoke-free laws reduce the number of heart attacks and save lives.
- Polls across the U.S. show strong support for smoke-free laws – both before and after these laws take effect. Strong support from the public is one reason why compliance with smoke-free laws is high and these laws have been easily implemented in states across the country.
- Smoke-free laws can protect health without impacting business. Studies show that businesses in the hospitality industry do not lose jobs or taxable revenue when smoke-free policies are implemented. In fact, the Surgeon General's Report concluded that, "Evidence from peer-reviewed studies shows that smoke-free policies and regulations do not have an adverse economic impact on the hospitality industry."

### Success Stories

States that have implemented these three proven solutions have achieved significant reductions in youth and adult smoking. New York and Washington are two examples of state success stories.

- New York State increased its cigarette tax both in 2000 and 2002 and implemented a smoke-free workplace law at the end of March 2003. In addition, funding for the state's tobacco prevention and cessation program increased significantly in July 2006. As a result, the youth smoking rate dropped from 32.9 percent in 1997 to 13.8 percent in 2007 – a 58 percent decline over 10 years. Between 2000 and 2008, adult smoking declined by 22.6 percent.
- Washington State's tobacco prevention and cessation program has been consistently well-funded since it was implemented in 2000. Tobacco tax increases went into effect in January 2002 and July 2005, along with a smoke-free law that was implemented in December 2005. The additive effect of the three strong policies has led to a 30 percent decline in adult smoking and youth smoking has dropped by about half.

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<sup>‡</sup> See, e.g., TFK Factsheet, *Comprehensive Tobacco Prevention and Cessation Programs Reduce Tobacco Use*, <http://www.tobaccofreekids.org/research/factsheets/pdf/0045.pdf> and the references cited therein.

<sup>§</sup> For more information, see the Campaign's special report, <http://www.tobaccofreekids.org/reports/shs/>.