



North Dakota Tobacco Prevention and Control Executive Committee

Center for Tobacco Prevention and Control Policy
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Written Report to the North Dakota Legislative Budget Section Meeting, September 20, 2012, From N.D. Center for Tobacco Prevention and Control Policy, Jeanne Prom, Executive Director
 The 2011 Legislature, pursuant to 2011 House Bill 1025, required the agency provide written reports to the interim budget section detailing information on expenditures for contract services, professional fees and services and grants. This report provides information as of September 13, 2012 and covers progress since the last report to the Budget Section June 19, 2012.

Expenditures to date, 2011-2013

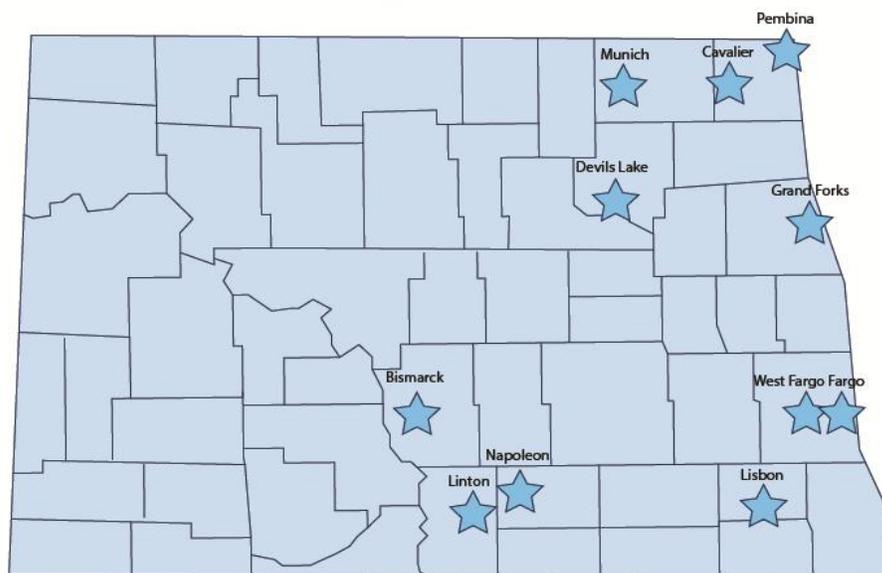
Appropriation for the current biennium: \$12,922,614. As of September 13, 2012: \$6,108,824.31 has been expended, including: grants -- \$4,509,047.17; professional fees -- \$954,682.99; salaries and wages -- \$466,207.55; and other operations -- \$178,886.60. Balance remaining: 6,813,789.69.

Recent outcomes – comprehensive smoke-free cities

Munich City Council passed a comprehensive smoke-free ordinance that took effect June 1, 2012. Altogether, 11 cities are smoke-free by city ordinance, bringing the percentage of North Dakota residents protected from the health hazards of secondhand smoke to 38 percent.

North Dakota 100% Smoke-Free Laws

As of September 1, 2012



BreatheND
 Saving lives, saving money. The voice of the people.

Meeting increasing demands for a comprehensive prevention policy program

- The Center continues to work with N.D. local public health units affected by the oil boom and discussed emerging tobacco use issues and how to meet the demands for a more comprehensive prevention policy approach.

K-12 comprehensive tobacco-free school district policies

- Four K-12 school districts adopted a comprehensive tobacco-free policy: Surrey Public School, Turtle Lake Mercer Public School, North Star Public School (Cando), and Midkota Public School (Binford).
- As of 6/30/2012, 111 school districts/private schools have adopted a comprehensive tobacco free school policy (23.4% of school districts) and 59,354 K-12 students are covered by a comprehensive tobacco free policy (57.36% of K-12 student population).
- Local public health units reported assessing 25 school policies this quarter. (A total of 175 K-12 school policy assessments were completed this grant year).

Higher education comprehensive smoke-free policy

- Bismarck Burleigh Public Health reported that Rasmussen Colleges (Bismarck and Fargo campuses) adopted a smoke-free campus policy.

Tobacco-free and smoke-free grounds policies, including county and recreation policy

- Richland County Commissioners approved a comprehensive tobacco-free policy in May (effective immediately) for all Richland County government property.
- The McHenry County 4H "Youth Achievement Days" declared all events and grounds tobacco free.
- Local public health units reported the following three new tobacco-free grounds policies (other than K-12 and higher education) in their service areas: Fargo Cass Public Health (Fargo), TNT Kids Fitness (Fargo) and Richland County Health Department (Wahpeton).
- In addition, the following smoke-free grounds policies were reported: South Westside Park (Harvey) and Eagles Club (Wahpeton).

Smoke-free policies

- The following alcohol establishments were reported by local public health units to have voluntarily adopted a smoke-free policy: Hebron Bar (Hebron), The Field (Adrian), Shady's (Jamestown), Bilmar Motel/Smugglers Bar & Grill (Rolla), Miss Dee's Restaurant & Saloon (Rolla), Chizzy's Bar (Leroy) and Valley City Eagles Club (Valley City).
- Sargent County District Health Unit reported that all six locations of Green Iron Equipment adopted a smoke-free policy for all vehicles.
- Hankinson Community Center opened its doors smoke-free in June.

Policies to Ask, Advise and Refer (AAR) to NDQuits (operated by department of health)

Center grants require LPHUs to work with local healthcare providers and the state department of health to refer patients to NDQuits.

- A total of 103 local public health unit staff and 52 medical providers were trained on the Ask, Advise and Refer guidelines to connect tobacco users to NDQuits. (A total of 217 local public health unit staff and 298 medical providers were trained this past grant year.)
- Upper Missouri District Health Unit reported that Quitnet numbers have increased from 34 enrollments last year at this time to 89 (161.8% percent increase from last year). Since receiving Center grants in FY2010, all health units have been required to Ask, Advise, and Refer clients to quitline and QuitNet (now identified as NDQuits).
- Sakakawea Medical Center (Hazen) implemented the PHS Guidelines – Ask, Advise and Refer.
- Nelson-Griggs District Health Unit reported that an area optometrist implemented the PHS Guidelines – Ask, Advise and Refer.
- First District Health Unit partnered with the pulmonary division of Trinity Hospital in the new chronic obstructive pulmonary disease (COPD) program.

Local coalitions

- Local public health units reported seven new tobacco coalitions this grant year and a total of 215 new coalition members across the state.
- Haley Thorson, Grand Forks local tobacco prevention coordinator and chair of the Grand Forks Tobacco-Free Coalition, was chosen as the North Dakota Public Health Association (NDPHA) Public Health Worker of the Year in recognition of her work in Tobacco Prevention Policy.

See citation at the end of this report for these and all data included in this report.

Grants and Professional Services Contracts and Fees, 2011-2013

The agency has issued and will continue to issue grants and contracts for the 2011-2013 biennium to build on this progress. The Advisory Committee continues to meet every other month to provide guidance on the full implementation of the state plan. The Executive Committee continues to meet at least monthly to provide oversight of the Center.

The Center currently manages three major grant programs (currently 59 grants/year) and multiple professional services contracts (8 contracts thus far this biennium), as described below and detailed on the attachments.

Tobacco Settlement State Aid Grants to all Local Public Health Units

- \$940,000.00 total for the biennium, \$585,668.00 expended thus far.
- 28 grants, one to each local public health unit (LPHU) using a noncompetitive formula.
- All counties receive funding.
- LPHUs adopted, implemented and evaluated a health unit policy to ask, advise and refer (AAR) tobacco users to the NDQuits. This involved developing and passing the policy, providing training to staff, incorporating the referral process into electronic medical records systems, and conducting an audit of charts to evaluate the policy's implementation in client-based programs.
- All 28 LPHUs now refer clients to the NDQuits.

Local Tobacco Control Policy Grants to all Local Public Health Units

- \$3,296,091.00 total for FY2012, \$3,129,354.65 expended.
- \$3,495,425.00 total for FY2013, \$159,403.41 expended thus far.
- In FY 2012, the Center managed 23 grants/year, one to each LPHU or LPHU collaborative (more than one LPHU cooperating as part of one grant), using noncompetitive formula and requiring an approved CDC Best Practice work plan.
- In FY 2013, the Center manages 24 grants/year, one to each LPHU or LPHU collaborative (more than one LPHU cooperating as part of one grant), using noncompetitive formula and requiring an approved CDC Best Practice work plan.
- All counties receive funding.

Special Initiative Grants and Other Grants to Implement CDC Best Practices

- \$1,528,074.00 awarded or approved and \$634,621.11 expended thus far.
- 7 grants to the following:
 - American Nonsmokers' Rights Foundation to provide training and technical assistance to communities on smoke-free efforts.
 - Minot State University to assist communities statewide on public education efforts on smoke-free and tobacco-free efforts.
 - American Lung Association in North Dakota, and
 - Tobacco Free North Dakota, and
 - Northern Lights Youth Services – 1 grant to each organization to provide education to members and to the public statewide on tobacco use prevention issues.

- First District Health Unit and City-County Health District for local policy planning and development.
- Only the CDC Best Practice strategies proven to prevent and reduce tobacco use at an accelerated rate are implemented.
- Some of the most effective strategies to keep kids from starting and to provide incentives for tobacco users to quit include:
 - making all workplaces, school campuses, and public places smoke- or tobacco-free;
 - educating the public about the health effects of secondhand smoke and the costs of tobacco use;
 - increasing the price of all tobacco products;
 - changing healthcare systems so providers always ask patients/clients about tobacco use, encourage tobacco users to quit, and connect those wanting to quit with the quitline/Net and nicotine replacement therapy.

Professional Services Contracts and IT Contractual, and Fees

- \$1,935,829.02 in 8 contracts/ITD work order requests thus far this biennium; \$942,706.75 expended thus far, not including non-contract payments for other additional professional services.
- Services further support the implementation of the new statewide comprehensive CDC Best Practice tobacco prevention program through the following contracts:
 - Department of Health – a contract to provide the Center with fiscal services for FY2012 was completed.
 - Odney – a continuing contract for health communications marketing services through December 2012. The contract provides public education on secondhand smoke, the costs of tobacco, and public information on program outcomes.
 - Nexus Innovations – four IT work order requests to provide data reports/maintenance, to plan for enhancements to the Progress Reporting System; and to upgrade PRS with those enhancements (online grant applications, reporting enhancements).
 - University of North Dakota – two contracts to conduct a study to help determine possible health outcomes from a smoke-free policy, and to conduct an evaluation were completed.
 - Public Health Law Center – two contracts, one for development of a case study report on the law that funds tobacco control efforts in North Dakota, and another for policy technical assistance and policy research and related training.
 - Research Triangle Institute (RTI) International – one contract to provide ongoing comprehensive evaluation of the implementation of the five-year *Saving Lives, Saving Money: North Dakota Comprehensive State Plan to Reduce Tobacco Use, 2012 Update*.

Sources and citation: North Dakota Center for Tobacco Prevention and Control Policy. (2012, September). *Written Report to the North Dakota Legislative Budget Section Meeting, September 20, 2012, From N.D. Center for Tobacco Prevention and Control Policy*. Bismarck, N.D. NOTE: This information includes data reported from local public health units and other organizations, as required by their grants and contracts with the Center, and other results of Center expenditures.



The Center, along with the North Dakota Department of Health, local public health units, and other partners, is charged with implementing North Dakota's comprehensive state tobacco prevention plan: *Saving Lives – Saving Money*. The plan's goals are to significantly reduce tobacco use and its health and economic consequences by using policies and programs proven to keep kids from starting to use tobacco, help tobacco users quit, and protect everyone from secondhand smoke.

**TOBACCO PREVENTION & CONTROL COMMITTEE
2011-2013 Grants**

Tobacco Settlement State Aid Grants

Contractor	Total Contract Amount	Expended to Date	Start Date	End Date	Description
Bismarck Burleigh Public Health	62,807.00	39,255.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
Cavalier County Health District	12,023.00	7,515.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
Central Valley Health District	33,967.00	21,230.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
City County Health Department	16,669.00	10,420.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
Custer District Health Unit	76,092.00	47,560.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
Dickey County District Health Unit	12,874.00	8,045.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
Emmons County Public Health	11,732.00	7,335.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
Fargo Cass Public Health	107,783.00	67,365.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
First District Health Unit	123,749.00	77,345.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
Foster County Health Department	11,596.00	7,250.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
Grand Forks Public Health Department	53,318.00	33,325.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
Kidder County District Health Unit	10,999.00	6,875.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
Lake Region District Health Unit	53,926.00	33,705.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
LaMoure County Public Health Unit	12,119.00	7,575.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
McIntosh District Health Unit	11,245.00	7,030.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
Nelson Griggs District Health	22,443.00	14,025.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
Pembina County Health Department	14,269.00	8,920.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
Ransom County Public Health Department	12,985.00	8,115.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
Richland County Health Department	20,121.00	12,575.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
Rolette County Public Health District	18,555.00	11,595.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
Sargent County District Health Unit	11,915.00	7,445.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
Southwestern District Health Unit	100,750.00	62,970.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
Steele County Public Health Department	10,697.00	6,685.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
Towner County Public Health District	10,875.00	6,795.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
Traill District Health Unit	14,734.00	7,368.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
Upper Missouri District Health Unit	62,890.00	39,305.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
Walsh County Health Department	16,704.00	10,440.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
Wells County District Health Unit	12,163.00	7,600.00	7/1/2011	6/30/2013	Tobacco State Aid to Local Public Health
Total Tobacco Settlement State Aid Grants	940,000.00	585,668.00			

FY 2012 Grants to Local Public Health - Local Tobacco Control Policy Grants

Contractor	Total Contract Amount	Expended to Date	Start Date	End Date	Description
Bismarck-Burleigh Public Health	320,412.00	311,313.14	7/1/2011	6/30/2012	Tobacco Grants to Local Public Health Fiscal Year 2012
Cavalier County Health District	43,444.00	43,444.00	7/1/2011	6/30/2012	Tobacco Grants to Local Public Health Fiscal Year 2012
Central Valley Health District	286,203.00	286,203.00	7/1/2011	6/30/2012	Tobacco Grants to Local Public Health Fiscal Year 2012
City County Health Department	97,387.00	97,387.00	7/1/2011	6/30/2012	Tobacco Grants to Local Public Health Fiscal Year 2012
Custer District Health Unit	207,261.00	195,710.20	7/1/2011	6/30/2012	Tobacco Grants to Local Public Health Fiscal Year 2012
Dickey County District Health Unit	48,330.00	48,330.00	7/1/2011	6/30/2012	Tobacco Grants to Local Public Health Fiscal Year 2012
Fargo Cass Public Health	529,911.00	484,507.24	7/1/2011	6/30/2012	Tobacco Grants to Local Public Health Fiscal Year 2012
First District Health Unit	339,060.00	333,175.58	7/1/2011	6/30/2012	Tobacco Grants to Local Public Health Fiscal Year 2012
Foster County Health Department	42,065.00	42,065.00	7/1/2011	6/30/2012	Tobacco Grants to Local Public Health Fiscal Year 2012
Grand Forks Public Health Department	278,048.00	277,923.42	7/1/2011	6/30/2012	Tobacco Grants to Local Public Health Fiscal Year 2012
Lake Region District Health Unit	129,543.00	113,541.17	7/1/2011	6/30/2012	Tobacco Grants to Local Public Health Fiscal Year 2012
Nelson Griggs District Health	53,815.00	33,676.69	7/1/2011	6/30/2012	Tobacco Grants to Local Public Health Fiscal Year 2012
Pembina County Health Department	31,652.00	31,652.00	7/1/2011	6/30/2012	Tobacco Grants to Local Public Health Fiscal Year 2012
Ransom County Public Health Department	49,698.00	49,698.00	7/1/2011	6/30/2012	Tobacco Grants to Local Public Health Fiscal Year 2012
Richland County Health Department	117,123.00	87,383.87	7/1/2011	6/30/2012	Tobacco Grants to Local Public Health Fiscal Year 2012
Rolette County Public Health District	77,800.00	77,800.00	7/1/2011	6/30/2012	Tobacco Grants to Local Public Health Fiscal Year 2012
Sargent County District Health Unit	44,168.00	43,646.54	7/1/2011	6/30/2012	Tobacco Grants to Local Public Health Fiscal Year 2012
Southwestern District Health Unit	193,310.00	193,310.00	7/1/2011	6/30/2012	Tobacco Grants to Local Public Health Fiscal Year 2012
Towner County Public Health District	37,707.00	37,707.00	7/1/2011	6/30/2012	Tobacco Grants to Local Public Health Fiscal Year 2012
Traill District Health Unit	43,835.00	36,841.55	7/1/2011	6/30/2012	Tobacco Grants to Local Public Health Fiscal Year 2012
Upper Missouri District Health Unit	201,393.00	190,484.72	7/1/2011	6/30/2012	Tobacco Grants to Local Public Health Fiscal Year 2012
Walsh County Health Department	68,080.00	65,003.48	7/1/2011	6/30/2012	Tobacco Grants to Local Public Health Fiscal Year 2012
Wells County District Health Unit	55,846.00	48,551.05	7/1/2011	6/30/2012	Tobacco Grants to Local Public Health Fiscal Year 2012
Total Local Tobacco Control Policy Grants FY 2012	3,296,091.00	3,129,354.65			

FY 2013 Grants to Local Public Health - Local Tobacco Control Policy Grants

Bismarck-Burleigh Public Health	324,239.00	17,728.64	7/1/2012	6/30/2013	Tobacco Grants to Local Public Health Fiscal Year 2013
Cavalier County Health District	43,976.00	-	7/1/2012	6/30/2013	Tobacco Grants to Local Public Health Fiscal Year 2013
Central Valley Health District	255,134.00	24,292.26	7/1/2012	6/30/2013	Tobacco Grants to Local Public Health Fiscal Year 2013
City County Health Department	105,050.00	1,514.98	7/1/2012	6/30/2013	Tobacco Grants to Local Public Health Fiscal Year 2013
Custer District Health Unit	221,008.00	28,833.64	7/1/2012	6/30/2013	Tobacco Grants to Local Public Health Fiscal Year 2013
Dickey County District Health Unit	48,512.00	-	7/1/2012	6/30/2013	Tobacco Grants to Local Public Health Fiscal Year 2013
Fargo Cass Public Health	523,542.00	18,163.94	7/1/2012	6/30/2013	Tobacco Grants to Local Public Health Fiscal Year 2013
First District Health Unit	373,559.00	-	7/1/2012	6/30/2013	Tobacco Grants to Local Public Health Fiscal Year 2013
Foster County Health Department	45,639.00	3,677.89	7/1/2012	6/30/2013	Tobacco Grants to Local Public Health Fiscal Year 2013

Contractor	Total Contract Amount	Expended to Date	Start Date	End Date	Description
Grand Forks Public Health Department	279,014.00	15,965.59	7/1/2012	6/30/2013	Tobacco Grants to Local Public Health Fiscal Year 2013
Kidder County District Health Unit	96,382.00	5,529.41	7/1/2012	6/30/2013	Tobacco Grants to Local Public Health Fiscal Year 2013
Lake Region District Health Unit	132,668.00	-	7/1/2012	6/30/2013	Tobacco Grants to Local Public Health Fiscal Year 2013
Nelson Griggs District Health	56,139.00	-	7/1/2012	6/30/2013	Tobacco Grants to Local Public Health Fiscal Year 2013
Pembina County Health Department	43,173.00	-	7/1/2012	6/30/2013	Tobacco Grants to Local Public Health Fiscal Year 2013
Ransom County Public Health Department	49,100.00	-	7/1/2012	6/30/2013	Tobacco Grants to Local Public Health Fiscal Year 2013
Richland County Health Department	99,848.00	-	7/1/2012	6/30/2013	Tobacco Grants to Local Public Health Fiscal Year 2013
Rolette County Public Health District	78,780.00	4,855.00	7/1/2012	6/30/2013	Tobacco Grants to Local Public Health Fiscal Year 2013
Sargent County District Health Unit	43,402.00	1,604.99	7/1/2012	6/30/2013	Tobacco Grants to Local Public Health Fiscal Year 2013
Southwestern District Health Unit	203,264.00	12,286.83	7/1/2012	6/30/2013	Tobacco Grants to Local Public Health Fiscal Year 2013
Towner County Public Health District	37,861.00	-	7/1/2012	6/30/2013	Tobacco Grants to Local Public Health Fiscal Year 2013
Traill District Health Unit	94,224.00	-	7/1/2012	6/30/2013	Tobacco Grants to Local Public Health Fiscal Year 2013
Upper Missouri District Health Unit	212,276.00	12,965.05	7/1/2012	6/30/2013	Tobacco Grants to Local Public Health Fiscal Year 2013
Walsh County Health Department	68,910.00	11,985.19	7/1/2012	6/30/2013	Tobacco Grants to Local Public Health Fiscal Year 2013
Wells County District Health Unit	59,725.00	-	7/1/2012	6/30/2013	Tobacco Grants to Local Public Health Fiscal Year 2013
Total Local Tobacco Control Policy Grants FY 2013	3,495,425.00	159,403.41			

Special Initiative Grants

Northern Lights Youth Services	40,000.00	38,177.49	9/1/2011	6/30/2012	SIG - Statewide Organization
Minot State University	780,983.00	359,982.70	8/1/2011	6/30/2013	Other
American Lung Association	246,501.00	62,575.36	7/1/2011	6/30/2013	Special Initiative Grants
Tobacco Free North Dakota	238,780.00	109,053.35	7/1/2011	6/30/2013	SIG - Statewide Organization
City-County Health District	24,988.00	12,478.90	9/15/2011	6/30/2013	SIG - Policy Development
First District Health	25,000.00		9/15/2012	6/30/2013	SIG - Policy Development
Northern Lights Youth Services	41,822.00		8/1/2012	6/30/2013	SIG - Statewide Organization
American Nonsmokers' Rights Foundation	130,000.00	52,353.31	7/1/2011	6/30/2013	SIG - Policy Development
Total Special Initiative Grants	1,528,074.00	634,621.11			

Total Grant Payments for 2011-2013 Biennium	9,259,590.00	4,509,047.17			
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TOBACCO PREVENTION & CONTROL COMMITTEE
2011-2013 Professional Services Contract and IT Contractual

Contractor	Total Contract Amount	Expended to Date	Start Date	End Date	Description
Odney Advertising	1,096,904.02	637,198.42	1/1/2011	12/31/2012	Health Communications Marketing Services
ND Department of Health	19,179.00	19,179.00	7/1/2011	6/30/2012	Fiscal Agent Services
Nexus Innovation	196,408.00	175,434.98	7/1/2011	6/30/2013	Upgrades to PRS
UND Center for Rural Health	58,667.00	58,646.78	7/1/2011	12/31/2011	2009-2011 Comprehensive Program Evaluation
University of North Dakota	2,725.00	2,708.21	10/15/2011	11/15/2011	Heart Attack Study
Public Health Law Center, Inc.	38,075.00	30,109.01	8/15/2011	6/30/2013	Tobacco Control Policy Legan Technical Assistance and Training
Public Health Law Center, Inc.	63,000.00	19,430.35	8/15/2011	6/30/2013	Case Study Research - ND Legis. Funding State Tobacco Control Efforts
Research Triangle Institute (RTI International)	460,871.00		7/20/2012	9/30/2013	Comprehensive Evaluation
Total Professional Fee and IT contracts 2011-2013 Biennium	1,935,829.02	942,706.75			

Non-Contracts (Paid through 3-7-2012)

State Auditors Office		8,470.00			Audit Fees for the 2011-2013 Biennium
Attorney General's Office		3,506.24			Attorney Fees for the 2011-2013 Biennium
Total Non- Contract Payments		11,976.24			



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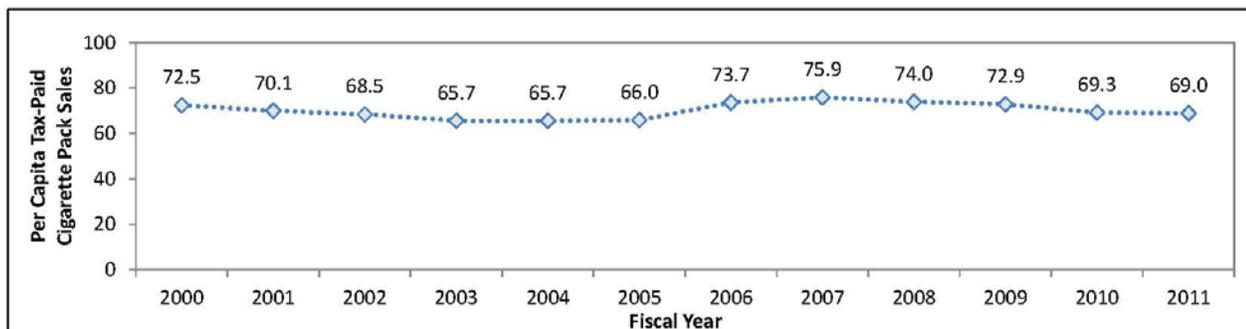
Addendum

Measures of tobacco tax revenue in North Dakota and tobacco use by North Dakota residents

The Budget Section requested an explanation in this report of cigarette and tobacco tax revenue increases in correlation with reports stating that tobacco use rates are decreasing. The information provided below is similar to a report provided to the Budget Section at the September 15, 2011 meeting.

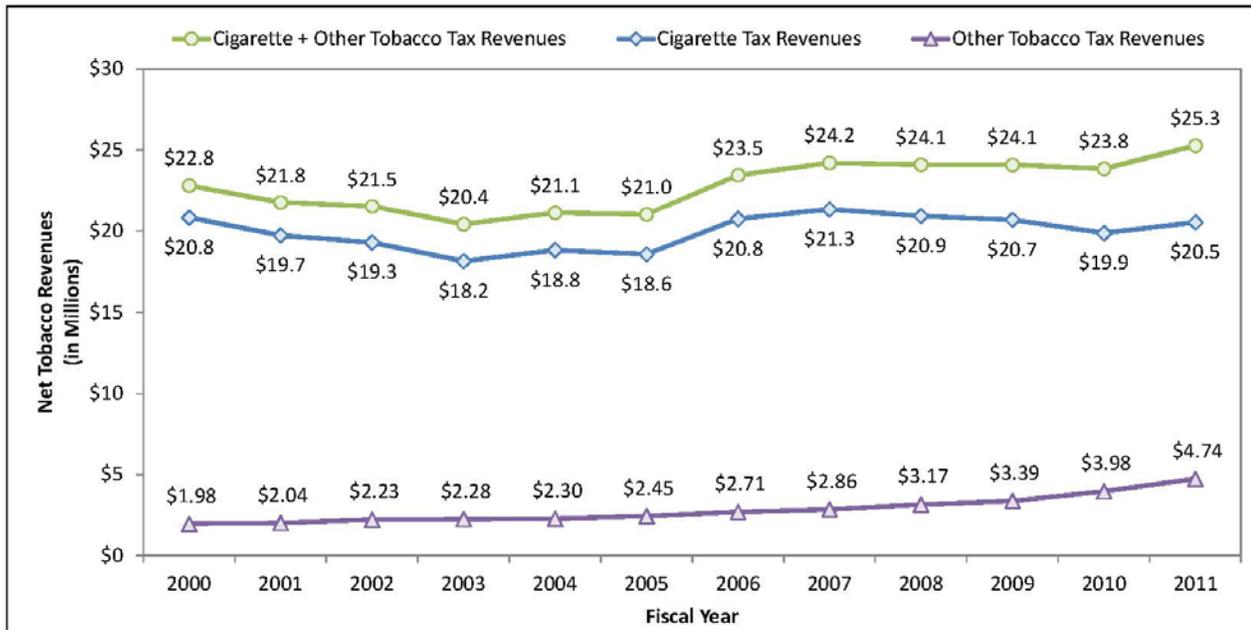
- Tobacco tax revenue and tobacco use rates are correlated; *however*, the major difference between the two measures is: *North Dakota residency*. Tobacco tax revenues include the entire universe of tobacco sales within our borders, not just sales to North Dakota residents. Tobacco use rates as reported in the North Dakota Behavioral Risk Factor Surveillance System (BRFSS) are of *North Dakota residents only*.
- To arrive at the most accurate connection between tobacco tax revenues and tobacco use by North Dakota residents, data should cover the same time frame and control for tobacco sales to non-North Dakota residents.
 - Two limitations to achieving this pure comparison exist: 1) Tobacco tax revenue derived from tobacco sales to *North Dakota residents only* is not available; and 2) North Dakota BRFSS data are not immediately available, but are reported annually for the previous calendar year.
- A more accurate “real time” measurement of tobacco use by North Dakota residents is to compare actual tobacco sales to current residents. This provides a generous per capita sales rate, because it does not control for non-resident tobacco sales.

The number of cigarette packs sold *per capita* in North Dakota is downward sloping



Sources: State of North Dakota, Office of state Tax Commissioner; United States Census Bureau

Tax revenue from cigarettes and other tobacco sold in North Dakota is increasing

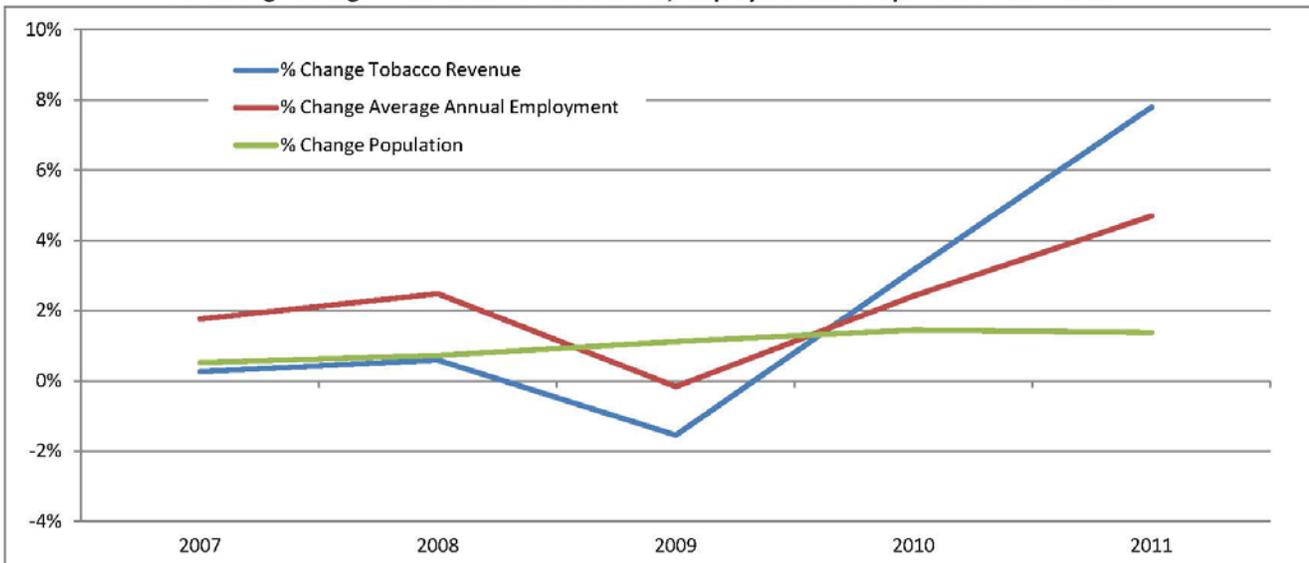


Sources: State of North Dakota, Office of State Tax Commissioner

North Dakota population and employment have increased

- The North Dakota population has increased by more than 34,000 from 2006 to 2011.
- North Dakota average annual employment increased by more than 41,000 over the same period.
- North Dakota is experiencing an oil boom, and recently experienced major flooding. At the same time, population, employment and tax revenues have increased.

Percentage Change in ND Tobacco Tax Revenue, Employment and Population: 2007 - 2011



Sources: State of North Dakota, Office of State Tax Commissioner; United States Census Bureau; North Dakota Job Service

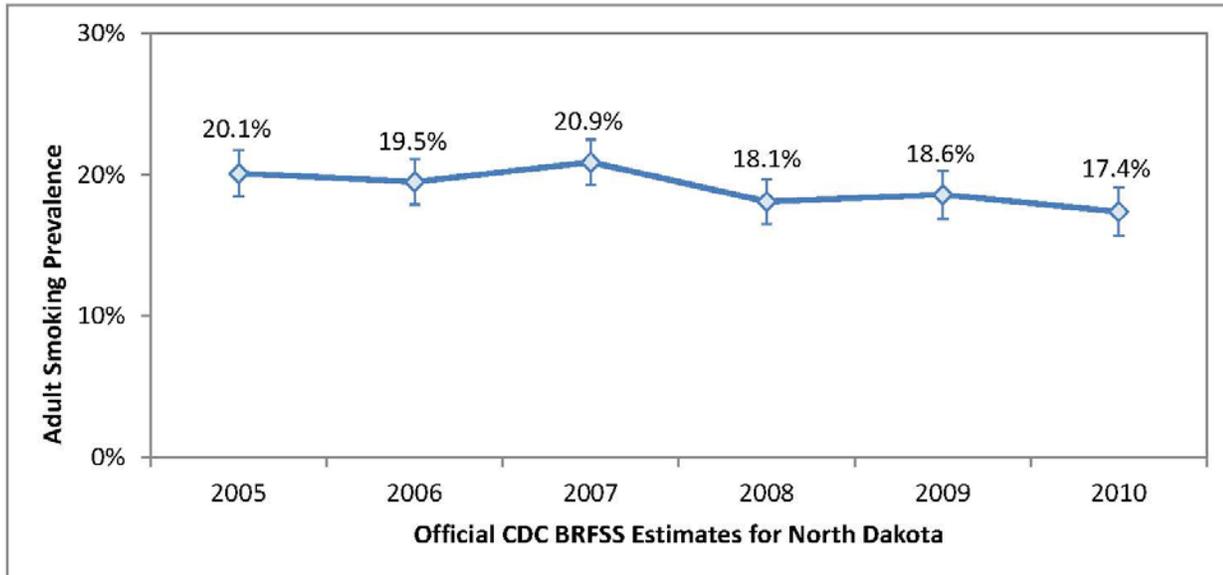
Smoking rates are highest in mining, accommodation/foodservice, and construction industries

- The U.S. Centers for Disease Control and Prevention reports that nationwide, smoking by industry is highest in mining (30%), accommodation and foodservice (30%), and construction (29.7%). Within occupation group, construction and extraction workers record the highest smoking rate (31.4%),

followed by workers in food preparation and serving related (30%), transportation and material moving (28.7%), installation/maintenance/repair (27.2%) and production (26.1%). These rates are significantly higher than the average adult smoking rate in North Dakota for any recent year. (September 30, 2011, U.S. Centers for Disease Control and Prevention, Morbidity and Mortality Weekly Report)

Smoking by North Dakota adult residents is sloping downward

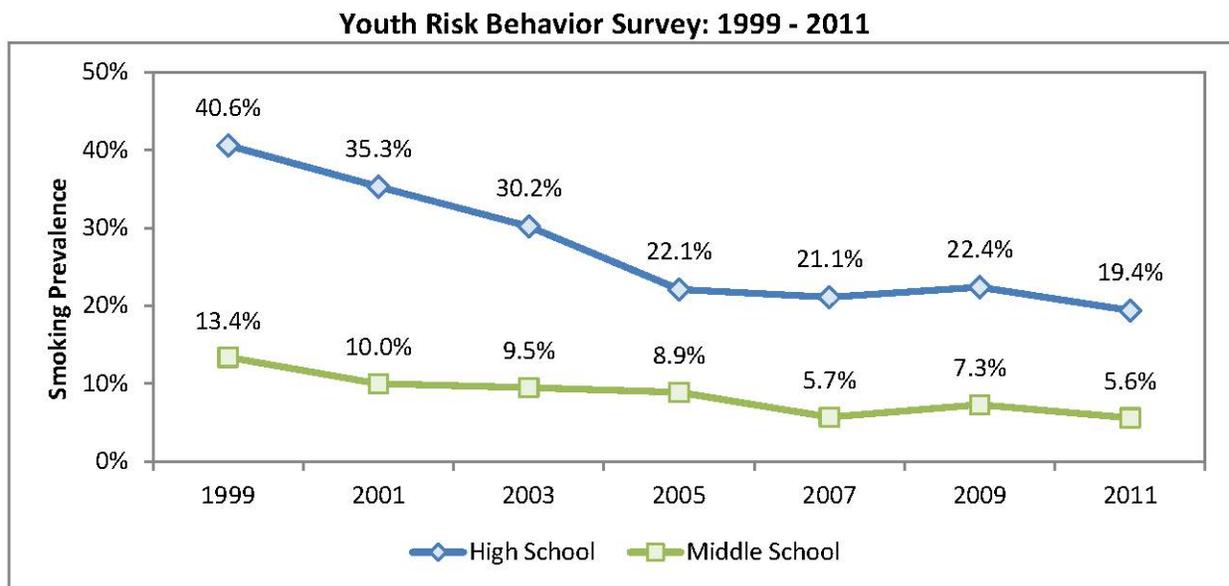
- Available comparable trend data on adult tobacco use shows use by North Dakota adults has been decreasing by percentage points over time.



Source: Behavioral Risk Factor Surveillance System: 2005 - 2010; Centers for Disease Control; North Dakota Department of Health

Smoking by North Dakota youth is decreasing

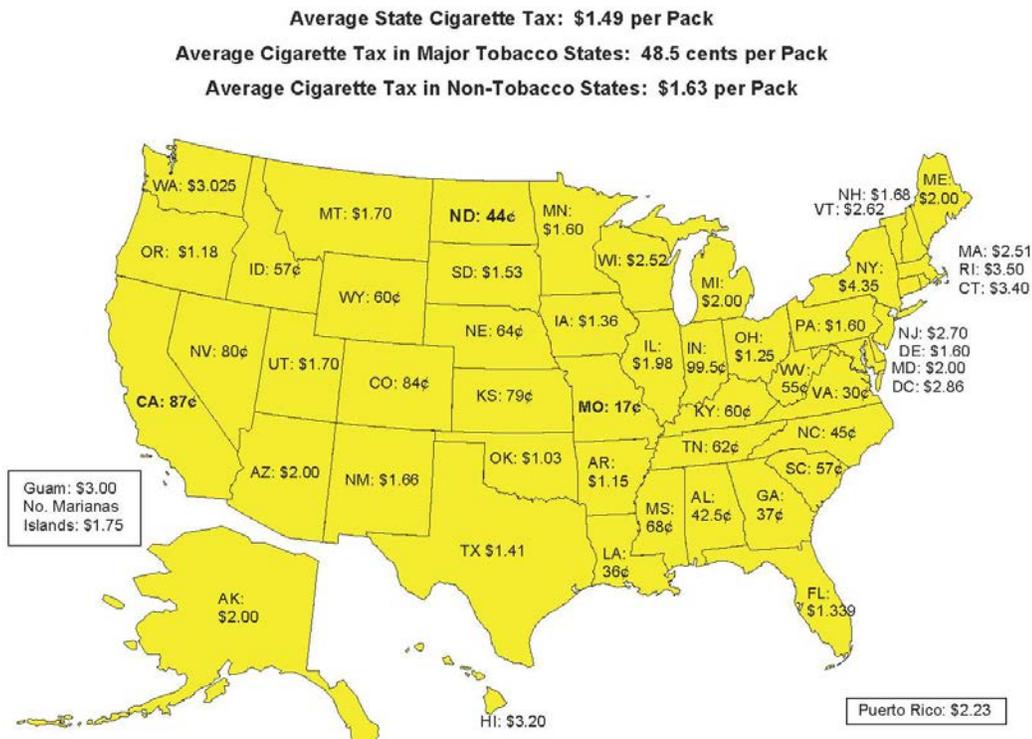
- Smoking by youth who are students in North Dakota middle and high schools has been decreasing.



Source: Youth Risk Behavior Survey: North Dakota Department of Public Instruction

North Dakota taxes tobacco at a very low rate compared to border states, national average

- Since 1993, North Dakota and the Standing Rock Sioux Tribe have taxed cigarettes at 44 cents/pack. Currently, this is significantly lower than the tobacco tax rates in Montana, Minnesota and South Dakota, and more than a dollar lower than the national average. Cheap tobacco encourages cross-border sales and entices youth to begin using tobacco. (Source: Campaign for Tobacco Free Kids)



Tobacco use in North Dakota is affected by social norms, marketing, prevention

- While 11 North Dakota cities have comprehensive smoke-free ordinances, the state smoke-free law, passed in 2005, still allows smoking in several categories of workplaces and public places.
- Each year, the tobacco industry spends about \$10.5 billion marketing its products nationwide – that's \$28 million each day or over \$1 million per hour -- primarily through price discounts, promotional allowances, coupons, and other point-of-sale advertising. The tobacco industry continues to entice new and continuing users with products that dissolve or are otherwise easy to conceal when used. New products are often flavored and sold in small, bright packages similar to candy. (U.S. Federal Trade Commission, 2011)
- The need for a comprehensive approach to prevent tobacco use is even more relevant as North Dakota experiences changes in population, employment, and industry.

Sources and citation: North Dakota Center for Tobacco Prevention and Control Policy. (2012, September). *Written Report to the North Dakota Legislative Budget Section Meeting, Addendum, September 20, 2012, from N.D. Center for Tobacco Prevention and Control Policy, Bismarck, N.D.*