



## **House Finance and Taxation Committee**

**HB 1422**

**February 9, 2021**

Chairman Headland and Committee Members, I am Courtney Koebele and I serve as Executive Director for the North Dakota Medical Association. The North Dakota Medical Association is the professional membership organization for North Dakota physicians, residents, and medical students.

The North Dakota Medical Association is in support of HB 1422, increasing the state's tax on tobacco products. At its 2013 annual meeting, NDMA adopted a resolution supporting legislative action to raise North Dakota's tobacco tax as a proven way to prevent youth tobacco initiation, encourage a reduction of adult tobacco use, reduce health care costs, and provide an overall benefit to public health.

According to the Centers for Disease Control and Prevention (CDC) Office on Smoking and Health, tobacco use health care costs in North Dakota amount to \$326 million per year.

Physicians are on the front lines of trying to prevent and reduce tobacco use, counseling young patients not to start and supporting patients who have already started in their attempts to quit. Yet, they cannot do it alone.

Increasing tobacco taxes is one of the leading recommendations for states to use in preventing and treating tobacco addiction, particularly in adolescents. Therefore, preventing the uptake of tobacco use by making it less affordable is a better investment than waiting to treat smokers in adulthood.

However, it is important to recognize that tobacco tax increases will only reduce tobacco consumption if the increase is noticeable and beyond the range of being offset by tobacco industry discounts.

To show the effectiveness of how a strong tax increase can make an impact, in 2013, the Minnesota Legislature passed a law that increased the tax on cigarettes by \$1.60 per pack. A follow-up study - the Minnesota Youth Tobacco report – showed high school student cigarette usage dropped from 25.8 percent in 2011 to 19.3 percent in 2014. The latest high school cigarette usage rate for Minnesota is now 9.6 percent. (2017 Minnesota Youth Tobacco Survey).

NDMA supports HB 1422. I would be happy to answer any questions. Thank you.