



## Testimony Re: S2114 – Little Cigar Tax

Senate Finance Committee

March 3, 2020

Katie Orona, Policy Analyst

Mr. Chairman and members of the Committee, thank you for the opportunity to provide testimony today. Rhode Island KIDS COUNT would like to voice its support for Senate Bill 2114 which would require the tax imposed on little cigars be imposed in the same manner as the tax imposed on cigarettes, that little cigars be sold in packs of twenty (20), and that 25% of such tax revenue would be applied to smoking cessation programs.

### Tobacco Use Among Rhode Island Youth

The use of tobacco and nicotine products by Rhode Island youth is a serious public health issue. Rhode Island KIDS COUNT has been tracking youth who report using tobacco and nicotine products for years. While tremendous progress has been made to decrease youth cigarette use, overall use of tobacco among Rhode Island youth is still a great concern. Data from the 2019 Youth Risk Behavior Study show that 5% (1,604) of Rhode Island high school students currently smoke cigars, cigarillos, or little cigars.<sup>1</sup>

Little cigars are the same size and shape as cigarettes and are packaged in a similar way but are taxed differently than cigarettes. In Rhode Island, little cigars are typically taxed at 80% of wholesale cost. Unlike cigarettes, little cigars have flavorings, making them appealing to youth. According to the Centers for Disease Control, in 2018, 44% of middle and high school students who used cigars in the past 30 days reported using a flavored cigar.<sup>2</sup> This bill would increase the tax on little cigars and is an important step to reducing tobacco use among youth in RI.

### Adverse Health Effects

Little cigars contain the same toxic and carcinogenic compounds found in cigarettes. Regular cigar smoking is associated with an array of negative health consequences including lung diseases, cancers of the lung, esophagus, and oral cavity, gum disease, tooth loss, among others.

### Funding for Tobacco Cessation and Prevention Programs

Tobacco excise taxes are a potential funding stream for state tobacco control and prevention programs. Between SFY 2002-2019, Rhode Island cigarette tax revenue increased from \$79.4 million to \$139.8 million and state tobacco control funding decreased from \$3 million to \$395,637. Only 0.3% of the cigarette tax in SFY 2019 went toward tobacco control and smoking cessation programs. This bill will help ensure that 25% of the revenue generated from the tax imposed on little cigars are annually allocated for important public health tobacco programming.

For all these reasons, we urge you to pass S2114. Thank you for the opportunity to testify.

#### References

<sup>1</sup>Rhode Island Department of Health, Youth Risk Behavior Survey, 1997-2019

<sup>2</sup>Cigars. (2020). Retrieved 3 March 2020, from <https://www.cdc.gov>