

**Testimony before the Hawaii
Senate Committees on Health and Consumer Protection and Commerce
Regarding Regulating Electronic Cigarettes and Vapor Products
Lindsey Stroud, Policy Analyst
Taxpayers Protection Alliance
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Members of the Committee,

Thank you for your time today to discuss the issue of regulating electronic cigarettes and vapor products. My name is Lindsey Stroud and I am a Policy Analyst with the Taxpayers Protection Alliance (TPA). TPA is a non-profit, non-partisan organization dedicated to educating the public through the research, analysis and dissemination of information on the government's effects on the economy.

As lawmakers attempt to address youth use of age-restricted products, many policymakers are seeking to prohibit the sale of flavored e-cigarettes, as well as restrict online shipments. Although, addressing youth use is laudable, flavor bans are not effective in reducing youth e-cigarette use. Further such policies harm adults that rely on vapor products to quit smoking and remain smoke-free.

E-Cigarettes and Tobacco Harm Reduction

The evidence of harm associated with combustible cigarettes has been understood since the 1964 U.S. Surgeon General's Report that smoking causes cancer. Research overwhelmingly shows the smoke created by the burning of tobacco, rather than the nicotine, produces the harmful chemicals found in combustible cigarettes.¹ There are an estimated 600 ingredients in each tobacco cigarette, and "when burned, [they] create more than 7,000 chemicals."² As a result of these chemicals, cigarette smoking is directly linked to cardiovascular and respiratory diseases, numerous types of cancer, and increases in other health risks among the smoking population.³

For decades, policymakers and public health officials looking to reduce smoking rates have relied on strategies such as emphasizing the possibility of death related to tobacco use and implementing tobacco-related restrictions and taxes to motivate smokers to quit using cigarettes. However, there are much more effective ways to reduce tobacco use than relying on government mandates and "quit or die" appeals.

During the past 30 years, the tobacco harm reduction (THR) approach has successfully helped millions of smokers transition to less-harmful alternatives. THRs include effective nicotine delivery systems, such as smokeless tobacco, snus, electronic cigarettes (e-cigarettes), and vaping. E-cigarettes and vaping devices have emerged as especially powerful THR tools, helping nearly three million U.S. adults quit smoking from 2007 to 2015.

Indeed, an estimated 10.8 million American adults were using electronic cigarettes and vapor products in 2016.⁴ Of the 10.8 million, only 15 percent, or 1.6 million adults, were never-smokers, indicating that e-cigarettes are overwhelmingly used by current and/or former smokers.

E-cigarettes were first introduced in the United States in 2007 by Ruyan, a Chinese manufacturer.⁵ Soon after their introduction, Ruyan and other brands began to offer the first generation of e-cigarettes, called “cigalikes.” These devices provide users with an experience that simulates smoking traditional tobacco cigarettes. Cig-alikes are typically composed of three parts: a cartridge that contains an e-liquid, with or without nicotine; an atomizer to heat the e-liquid to vapor; and a battery.

In later years, manufacturers added second-generation tank systems to e-cigarette products, followed by larger third-generation personal vaporizers, which vape users commonly call “mods.”⁶ These devices can either be closed or open systems.

Closed systems, often referred to as “pod systems,” contain a disposable cartridge that is discarded after consumption. Open systems contain a tank that users can refill with e-liquid. Both closed and open systems utilize the same three primary parts included in cigalikes—a liquid, an atomizer with a heating element, and a battery— as well as other electronic parts. Unlike cig-alikes, “mods” allow users to manage flavorings and the amount of vapor produced by controlling the temperature that heats the e-liquid.

Mods also permit consumers to control nicotine levels. Current nicotine levels in e-liquids range from zero to greater than 50 milligrams per milliliter (mL).⁷ Many users have reported reducing their nicotine concentration levels after using vaping devices for a prolonged period, indicating nicotine is not the only reason people choose to vape.

Health Effects of Electronic Cigarettes and Vapor Products

Despite recent media reports, e-cigarettes are significantly less harmful than combustible cigarettes. Public health statements on the harms of e-cigarettes include:

Public Health England: In 2015, Public Health England, a leading health agency in the United Kingdom and similar to the FDA found “that using [e-cigarettes are] around 95% safer than smoking,” and that their use “could help reducing smoking related disease, death and health inequalities.”⁸ In 2018, the agency reiterated their findings, finding vaping to be “at least 95% less harmful than smoking.”⁹

The Royal College of Physicians: In 2016, the Royal College of Physicians found the use of e-cigarettes and vaping devices “unlikely to exceed 5% of the risk of harm from smoking tobacco.”¹⁰ The Royal College of Physicians (RCP) is another United Kingdom-based public health organization, and the same public group the United States relied on for its 1964 Surgeon General’s report on smoking and health.

The National Academies of Sciences, Engineering, and Medicine: In January 2018, the academy noted “using current generation e-cigarettes is less harmful than smoking.”¹¹

A 2017 study in *BMJ*’s peer-reviewed journal *Tobacco Control* examined health outcomes using “a strategy of switching cigarette smokers to e-cigarette use ... in the USA to accelerate tobacco control progress.”¹² The authors concluded that replacing e-cigarettes “for tobacco cigarettes would result in an estimated 6.6 million fewer deaths and more than 86 million fewer life-years lost.”

An October 2020 review in the *Cochrane Library Database of Systematic Reviews* analyzed 50 completed studies which had been published up until January 2020 and represented over 12,4000 participants.

The authors found that there was “moderate-certainty evidence, limited by imprecision, that quit rates were higher in people randomized to nicotine [e-cigarettes] than in those randomized to nicotine replacement therapy.” The authors found that e-cigarette use translated “to an additional four successful quitters per 100.” The authors also found higher quit rates in participants that had used e-cigarettes containing nicotine, compared to the participants that had not used nicotine.

Notably, the authors found that for “every 100 people using nicotine e-cigarettes to stop smoking, 10 might successfully stop, compared with only six of 100 people using nicotine replacement therapy or nicotine-free e-cigarettes.”

Tobacco Economics 101: Hawaii

In 2019, 12.3 percent of adults in Hawaii smoked tobacco cigarettes, amounting to 137,232 smokers in 2019.¹³ When figuring a pack-per-day, more than one billion cigarettes were smoked in 2019 by Hawaiians, or about 2.7 million per day.¹⁴

In 2019, Hawaii imposed a \$3.20 excise tax on a pack of cigarettes.¹⁵ In 2019, Hawaii collected \$185.3 million in cigarette excise taxes, when figuring for a pack-a-day habit. This amounts to \$1,168 per smoker per year.

Hawaii spent \$4.5 million on tobacco control programs in 2019, or \$32.79 per smoker per year. This is only two percent of what the state received in excise taxes in 2019 from Hawaii adult smokers, based off a pack-a-day habit. When figuring amount spent on youth in the state, Hawaii spent \$15.01 per year on each resident under 18 years of age.

Vapor Economics 101: Hawaii

Electronic cigarettes and vapor products are not only a harm reduction tool for hundreds of thousands of smokers in the Aloha State, they’re also an economic boon.

According to the Vapor Technology Association, in 2018, the industry created 451 direct vaping-related jobs, including manufacturing, retail, and wholesale jobs in Hawaii, which generated \$18

million in wages alone.¹⁶ Moreover, the industry has created hundreds of secondary jobs in the Aloha State, bringing the total economic impact in 2018 to \$100,745,600. In the same year, Hawaii received more than \$9 million in state taxes attributable to the vaping industry. These figures do not include sales in convenience stores, which sell vapor products including disposables and prefilled cartridges. In 2016, average national sales of these products eclipsed \$11 million.¹⁷

Switching from combustible cigarettes to electronic cigarettes and vapor products will also reduce smoking-related health issues and save persons and states money. WalletHub estimated the “true cost of smoking” including “...cost of a cigarette pack per day, health care expenditures, income losses and other costs.”¹⁸ WalletHub estimated the true cost for smoker in Hawaii to be \$61,139 per-smoker per-year.

In 1995, 17.8 percent¹⁹ of Hawaii adults smoked combustible cigarettes, amounting to approximately 157,802 adults.²⁰ Among all adults in 1995, 15.1 percent (133,866 adults) reported smoking every day. In 2019, 12.3 percent of adults in the Aloha State were current smokers, amounting to 137,268 smokers. Further, 8.1 percent of Hawaii adults (90,396 adults) were daily smokers in 2019.

Among Hawaiian adults, current smoking decreased by 54.5 percent between 1995 and 2019. Moreover, there are an estimated 20,534 fewer smokers in 2019, compared to 1995, and 43,470 fewer daily smokers. Using the WalletHub figures, this reduction represents an estimated \$1.26 billion in yearly savings.

The substitution of e-cigarettes for combustible cigarettes could also save the state in health care costs.

It is well known that Medicaid recipients smoke at rates of twice the average of privately insured persons, according to the Centers for Disease Control and Prevention (CDC). In 2013, “smoking-related diseases cost Medicaid programs an average of \$833 million per state.”²¹

A 2015 policy analysis by State Budget Solutions examined electronic cigarettes’ effect on Medicaid spending. The author estimated Medicaid savings could have amounted to \$48 billion in 2012 if e-cigarettes had been adopted in place of combustible tobacco cigarettes by all Medicaid recipients who currently consume these products.²²

A 2017 study by R Street Institute examined the financial impact to Medicaid costs that would occur should a large number of current Medicaid recipients switch from combustible cigarettes to e-cigarettes or vaping devices. The author used a sample size of “1% of smokers [within] demographic groups permanently” switching. In this analysis, the author estimates Medicaid savings “will be approximately \$2.8 billion per 1 percent of enrollees,” over the next 25 years.²³

Hawaiian Youth Are Not Overwhelmingly Using Vapor Products Because of Flavors, Nor Using Internet to Purchase E-Cigarettes

Despite lawmakers' intentions, many Hawaiian youth are not using e-cigarettes because of flavors. According to the 2017 Hawai'i Youth Tobacco Survey (HYTS), in 2017, 39.4 percent of Hawaiian high school students reported having ever used an e-cigarette or vapor product and 20.9 percent reported having used an e-cigarette in the past 30 days.²⁴

When asked for reasons why to use e-cigarettes, 26.4 percent of high school students responded "flavors, such as mint, candy, fruit or chocolate." Conversely, 38 percent cited "other" and 12.7 percent responded that they used vapor products because "they are less harmful than other forms of tobacco, such as cigarettes."

In regards to where youth purchased their vapor products, among e-cigarette users only 7.8 percent reported purchasing an e-cigarette on the internet. Alternatively, 10.8 percent of high school students reported purchasing e-cigarettes at a "vape shop or store that sells only e-cigarettes," and whopping 60 percent reported purchasing vapor products from friends.

Flavors Are Not Main Driver of Youth E-Cigarette Use

Despite media alarmism, many American high school students are not overwhelmingly using vapor products due to flavors. Indeed, in analyses of state youth tobacco use surveys, other factors including social sources are most often cited among youth for reasons to use e-cigarettes and vapor products.

Connecticut

For example, in 2017, of Connecticut high school students that had ever used an e-cigarette, 23.9 percent reported "flavors" as a reason for use. Conversely, 41.6 percent reported using vapor products because a "friend or family member used them," and 33 percent cited "some other reason."²⁵ In 2019, among all Connecticut high school students, 5.2 percent reported using e-cigarettes because of "flavors," 18.2 percent cited "other," and 12.9 percent reported using e-cigarettes because of friends and/or family.²⁶

Maryland

According to results from the 2018 YRBS, Maryland high school students reported using flavored vapor products, but flavors weren't overwhelmingly cited by e-cigarette users as a reason for use.²⁷ When asked about the "main reason" Maryland high school users used flavors only 3.2 percent responded "flavors." Conversely, 13 percent reported because "friend/family used them," 11.7 percent reported "other," and 3.8 percent reported using e-cigarettes because they were less harmful than other tobacco products.

Montana

In 2019, among all Montana high school students, only 7 percent reported using vapor products because of flavors, compared to 13.5 percent that reported using e-cigarettes because of "friend or family member used them."²⁸ Further, 25.9 percent of Montana high school students reported using vapor products for "some other reason."

Rhode Island

In 2019, among all students, only 4.5 percent of Rhode Island high school students claimed to have used e-cigarettes because they were available in flavors, while 12.5 cited the influence of a friend and/or family member who used them and 15.9 percent reported using e-cigarettes “for some other reason.”²⁹

Vermont

In 2017, among current e-cigarette users, only 17 percent of Vermont high school students reported flavors as a reason to use e-cigarettes. Comparatively, 35 percent cited friends and/or family members and 33 percent cited “other.”³⁰

In 2019, among high school students that were current e-cigarette users, only 10 percent of Vermont youth that used e-cigarettes cited flavors as a primary reason for using e-cigarettes, while 17 percent of Vermont high school students reported using e-cigarettes because their family and/or friends used them.³¹

Virginia

Lastly, in 2017, among all Virginia high school students, only 6.2 percent reported using e-cigarettes because of flavors, while 11.3 percent used them because a friend and/or family member used them.³² In 2019, among all Virginia high school students, only 3.9 percent reported using e-cigarettes because of flavors, 12.1 used for some other reason, and 9.6 used them because of friends and/or family members.³³

Effects of Flavor Bans

Flavor bans have had little effect on reducing youth e-cigarette use and may lead to increased combustible cigarette rates, as evidenced in San Francisco, California.³⁴

In April 2018, a ban on the sale of flavored e-cigarettes and vapor products went into effect in San Francisco and in January, 2020, the city implemented a full ban on any electronic vapor product. Unfortunately, these measures have failed to lower youth tobacco and vapor product use.

Data from an analysis of the 2019 Youth Risk Behavior Survey show that 16 percent of San Francisco high school students had used a vapor product on at least one occasion in 2019 – a 125 percent increase from 2017 when 7.1 percent of San Francisco high school students reported using an e-cigarette.³⁵ Daily use more than doubled, from 0.7 percent of high school students in 2017, to 1.9 percent of San Francisco high school students reporting using an e-cigarette or vapor product every day in 2019.

Worse, despite nearly a decade of significant declines, youth use of combustible cigarettes seems to be on the rise in Frisco. In 2009, 35.6 percent of San Francisco high school students reported ever trying combustible cigarettes. This figure continued to decline to 16.7 percent in 2017. In 2019, the declining trend reversed and 18.6 percent of high school students reported ever trying a

combustible cigarette. Similarly, current cigarette use increased from 4.7 percent of San Francisco high school students in 2017 to 6.5 percent in 2019.

An April 2020 study in *Addictive Behavior Reports* examined the impact of San Francisco’s flavor ban on young adults by surveying a sample of San Francisco residents aged 18 to 34 years.³⁶ Although the ban did have an effect in decreasing vaping rates, the authors noted “a significant increase in cigarette smoking” among participants aged 18 to 24 years old.

Other municipal flavor bans have also had no effect on youth e-cigarette use.³⁷ For example, Santa Clara County, California, banned flavored tobacco products to age-restricted stores in 2014. Despite this, youth e-cigarette use *increased*. In the 2015-16 California Youth Tobacco Survey (CYTS), 7.5 percent of Santa Clara high school students reported current use of e-cigarettes. In the 2017-18 CYTS, this *increased* to 10.7 percent.

Youths Are Not Relying On Internet for E-Cigarette Products

Despite many claims, most youth are not purchasing tobacco and vapor products online. Indeed, in analysis of state Youth Risk Behavior Surveys, youth are relying on social sources – including friends and family members – to obtain vapor products.

Arkansas

In 2019, among all Arkansas high school students, only 1.1 percent of reported using the internet to get their own vapor product.³⁸ Alternatively, 7.3 percent of Arkansas high school students reported borrowing them and 5.1 percent reported that someone else bought them.

Maryland

In 2018, among all Maryland high school students, only 1.3 percent reported using the internet to get their own electronic cigarette or vapor product.³⁹ Further, 9.7 percent of Maryland high school students reported borrowing vapor products, and 4.3 percent reported that someone else bought them.

Montana

In 2019, among all Montana high school students, 0.7 percent reported using the internet to get their own electronic cigarette or vapor product.⁴⁰ Moreover, 10.6 percent of Montana high school students reported borrowing vapor products and 6.9 percent reported giving “someone else money to buy them for me.”

New Hampshire

In 2019, among all New Hampshire high school student, 0.5 percent reported using the internet to get their own electronic cigarette or vapor product.⁴¹ Further, 13.9 percent of New Hampshire high school students reported borrowing vapor products, and 5.8 percent reported that someone else bought them.

Vermont

In 2019, among Vermont high school students that reported current e-cigarette use and were under the age of 18, only 3 percent reported using the internet to get obtain vapor products. Further, 52 percent of Vermont high school students that were current e-cigarette users reported borrowing them and 26 percent reported giving “someone else money to buy them.”⁴²

Menthol Bans Have Little Effect on Smoking Rates, Lead to Black Markets, Lost Revenue and Will Create Racial Tension

Beyond e-cigarettes, policymakers’ fears about the role of menthol and flavorings in cigarettes and cigars are overblown and banning these products will likely lead to black markets.

Data from the National Health Interview Survey (NHIS) finds nearly a third of all American adult smokers smoke menthol cigarettes. In a 2015 NHIS survey, “of the 36.5 million American adult smokers, about 10.7 million reported that they smoked menthol cigarettes,” and white menthol smokers “far outnumbered” the black and African American menthol smokers.⁴³

Although lawmakers believe banning menthol cigarettes will deter persons from smoking those, such a ban will likely lead to black markets. A 2012 study featured in the journal *Addiction* found a quarter of menthol smokers surveyed indicated they would find a way to purchase, even illegally, menthol cigarettes should a menthol ban go into place.⁴⁴ Further, there is little evidence that smokers would actually quit under a menthol ban. A 2015 study in *Nicotine & Tobacco Research* found only 28 percent of menthol smokers would give up cigarettes if menthol cigarettes were banned.⁴⁵

Moreover, there is no evidence to suggest that menthol cigarettes lead to youth tobacco use. Analysts at the Reason Foundation examined youth tobacco rates and menthol cigarette sales.⁴⁶ The authors of the 2020 report found that states “with more menthol cigarette consumption relative to all cigarettes have *lower* rates of child smoking.” Indeed, the only “predictive relationship” is between child and adult smoking rates, finding that “states with higher rates of adult use cause higher rates of youth use.”

Lawmakers should take note that menthol sales bans will strain minority communities. Although white Americans smoke more menthol cigarettes than black or African Americans, “black smokers [are] 10-11 times more likely to smoke” menthol cigarettes than white smokers.⁴⁷

Given African Americans’ preference for menthol cigarettes, a ban on menthol cigarettes would force police to further scrutinize African Americans and likely lead to unintended consequences.

A 2015 analysis from the National Research Council examined characteristics in the illicit tobacco market.⁴⁸ The researchers found that although lower income persons were less likely to travel to purchase lower-taxed cigarettes, “having a higher share of non-white households was

associated with a lower probability of finding a local tax stamp” and “neighborhoods with higher proportions of minorities are more likely to have formal or informal networks that allow circumvention of the cigarette taxes.”

Lawmakers in New Hampshire should reexamine the case of Eric Garner, a man killed in 2014 while being arrested for selling single cigarettes in the city. In a 2019 letter to the New York City council, Garner’s mother, as well as Trayvon Martin’s mother, implored officials to “pay very close attention to the unintended consequences of a ban on menthol cigarettes and what it would mean for communities of color.”⁴⁹ Both mothers noted that a menthol ban would “create a whole new market for loosies and re-introduce another version of stop and frisk in black, financially challenged communities.”

Conclusion & Policy Recommendations:

It is disingenuous that lawmakers would purport to protect public health yet restrict access to safer products. Rather than restricting access to tobacco harm reduction products and flavored vapor products, lawmakers should encourage the use of e-cigarettes and work towards earmarking adequate funding for smoking education and prevention programs.

- To address youth use of age-restricted products, as well as adult use of deadly combustible cigarettes, Hawaii must allocate additional funding from revenue generated from existing excise taxes and settlement payments.
- Hawaii’s education and health departments must work with tobacco and vapor product retailers to ensure there are no sales of age-restricted products to minors. Any solution to address such strategies must include all actors – not only proponents of draconian prohibitionist policies.
- Lawmakers’ must face the reality of a larger illicit market in the wake of a ban on flavored tobacco and vapor products – prohibition does not automatically translate into reduced use, just different markets.

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TOBACCO & VAPING 101: HAWAII



BY: LINDSEY STROUD

Combustible cigarette use among American youth and adults have reached all-time lows, but many policymakers are concerned with the increased use of electronic cigarettes and vapor products, especially among youth and young adults.

This paper examines smoking rates among adults in the Aloha State, youth use of tobacco and vapor products, and the effectiveness of tobacco settlement payments, taxes, and vapor products on reducing combustible cigarette use.

TAXPAYERS PROTECTION ALLIANCE

TABLE OF CONTENTS

Adult Smoking Rates • P. 2

Youth Tobacco and Vapor
Rates • P. 2

Cigarette Tax Revenue • P. 3
Master Settlement Agreement
• P. 3

Tobacco Control Funding • P. 4
E-Cigarettes' Effectiveness in
Hawaii • P. 4

Policy Implications • P. 5

Supplemental Graphs • P. 6

References • P. 7

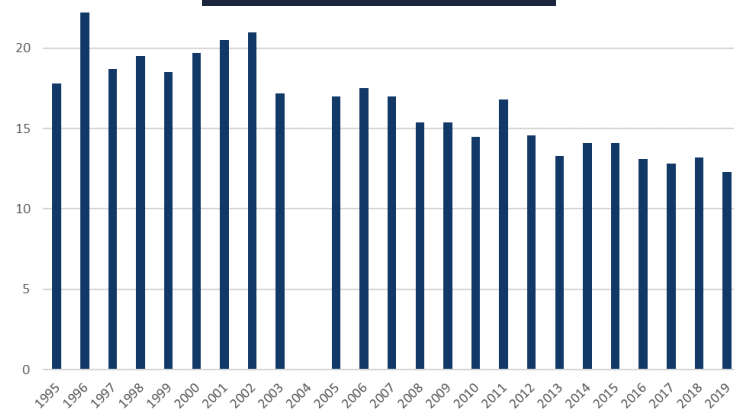
ADULT SMOKING RATES

In 1995, 17.8 percent^[1] of Hawaii adults smoked combustible cigarettes, amounting to approximately 157,802 adults.^[2] Among all adults, in 1995, 15.1 percent (133,866 adults) reported smoking every day.

In 2019, 12.3 percent of adults in the Aloha State were current smokers, amounting to 137,268 smokers. Further, 8.1 percent of Hawaii adults (90,396 adults) were daily smokers in 2019.

Among Hawaiian adults, current smoking decreased by 54.5 percent between 1995 and 2019. Moreover, there are an estimated 20,534 fewer smokers in 2019, compared to 1995, and 43,470 fewer daily smokers.

PERCENTAGE OF ADULTS WHO SMOKE



AMONG HAWAII ADULTS, CURRENT SMOKING DECREASED BY 54.5 PERCENT BETWEEN 1995 AND 2019.



YOUTH COMBUSTIBLE CIGARETTE USE HAS DECREASED 83.6 PERCENT SINCE 1995.

YOUTH TOBACCO AND VAPING RATES

The most recent data on youth tobacco and vapor product use in Hawaii comes from the 2019 Youth Risk Behavior Survey.^[3] In 2019, 48.3 percent of Hawaiian high school students reported ever-trying e-cigarettes, 30.6 percent reported past 30-day use, and 7.9 percent reported using vapor products daily.

Youth combustible cigarette use is at an all-time low. In 2019, only 17.8 percent of Hawaiian high school students reported ever using cigarettes, this a 74.1 percent decrease from 1995, when 68.8 percent of Hawaiian high school students reported having tried cigarettes. Further current use has declined by 83.6 percent, from 32.4 percent of Hawaiian high school students reporting having used a cigarette in the past 30 days, to only 5.3 percent in 2019.



CIGARETTE TAX REVENUE

Between 2000 and 2020, Hawaii collected an estimated \$2.175 billion in tobacco taxes and licensing fees.[4] During the same 20-year time period, the Aloha State increased the cigarette excise tax rate nine times between 2002 and 2011. The excise tax on cigarettes has increased by 220 percent, from \$1.00 per pack before July 1, 2020 to \$3.20 per pack, effective July 1, 2021.

In 2020, Hawaii collected an estimated \$112 million in tobacco taxes and licensing fees, this is a 164.8 percent increase from \$42.3 million collected in 2000, but a 19.3 percent decrease from the \$138.8 million in taxes collected in 2011. Indeed, annual cigarette tax revenues has declined on average 2.6 percent since 2011.

***BETWEEN 2000 AND 2020,
HAWAII COLLECTED AN
ESTIMATED \$2.175 BILLION
IN TOBACCO TAXES.***

MASTER SETTLEMENT AGREEMENT

In the mid-1990s, Hawaii sued tobacco companies to reimburse Medicaid for the costs of treating smoking-related health issues. And, in 1998 with 45 other states, Maryland reached “the largest civil litigation settlement in U.S. history” through the Master Settlement Agreement (MSA).[5]

Under the MSA, states receive annual payments – in perpetuity – from the tobacco companies, while relinquishing future claims against the participating companies. Between 1998 and 2020, Hawaii collected \$988 million in MSA payments.[6]



***BETWEEN 1998 AND 2020, HAWAII RECEIVED AN
ESTIMATED \$988 MILLION IN MSA PAYMENTS.***

VERY LITTLE TOBACCO CONTROL FUNDING

Tobacco taxes and tobacco settlement payments are justified to help offset the costs of smoking, as well as prevent youth initiation. Like most states, Hawaii spends very little of existing tobacco moneys on tobacco control programs – including education and prevention.

Between 2000 and 2020, Maryland allocated only \$168.9 million towards tobacco control programs.[7] This is only seven percent of what Maryland collected in cigarette taxes in the same 20-year time span and only 17.6 percent of MSA payments. To put it in further perspective, in 20 years, Hawaii allocated only five percent of tobacco settlement payments and taxes on programs to prevent tobacco use.

***IN 20 YEARS, HAWAII
ALLOCATED ONLY SEVEN
PERCENT OF TOBACCO
SETTLEMENT PAYMENTS
AND TAXES ON
PROGRAMS TO PREVENT
TOBACCO USE.***

VAPOR PRODUCT EMERGENCE CORRELATES WITH LOWER YOUNG ADULT SMOKING

Electronic cigarettes and vapor products were first introduced to the U.S. in 2007 “and between 2009 and 2012, retail sales of e-cigarettes expanded to all major markets in the United States.”[8] Examining data from the Centers for Disease Control and Prevention’s Behavioral Risk Factor Surveillance Survey finds that e-cigarettes’ market emergence has been more effective than MSA payments in reducing smoking rates among young adults in Hawaii.

In 1998, among current adult smokers in Hawaii, 24 percent were 18 to 24 years old. In 2008, this had decreased by 22.1 percent, to 18.7

percent of adult smokers in Hawaii being between 18 to 24 years old. And, 10 years after e-cigarette’s market emergence in 2009, smoking rates among current smokers aged 18 to 24 years old decreased by 32 percent. Indeed, in 2009, among current smokers in Hawaii, 15.3 percent were between 18 to 24 years old. In 2019, only 10.4 percent of current smokers were 18 to 24 years old.

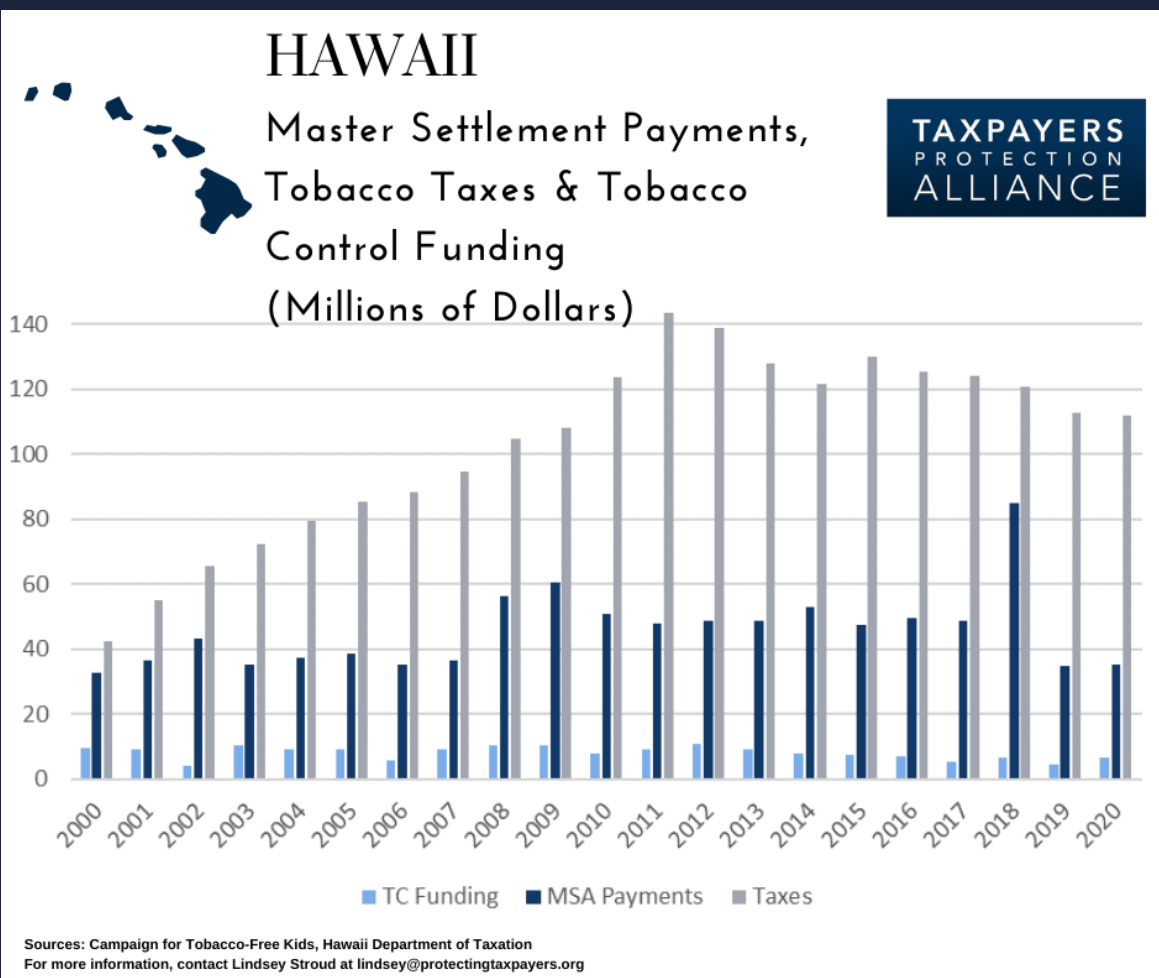
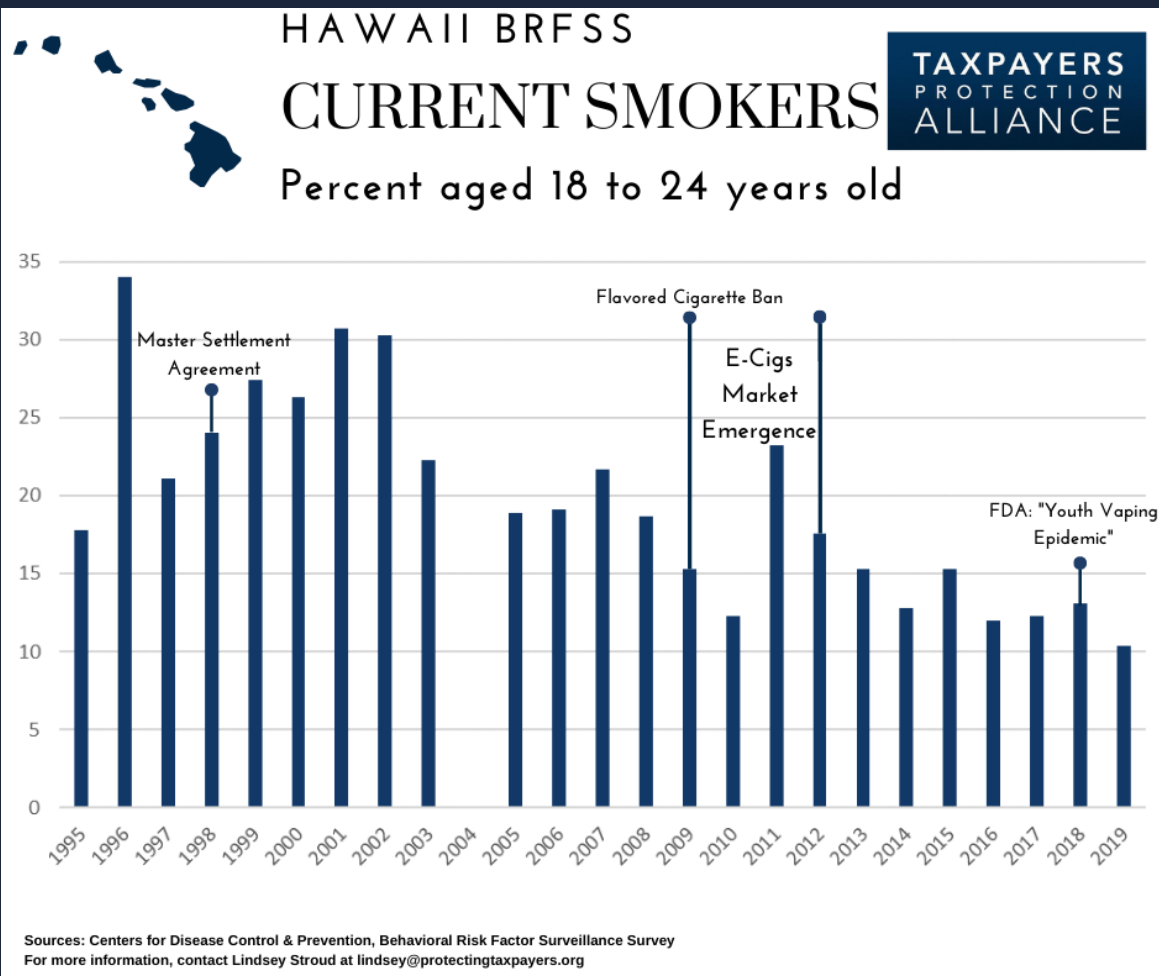
Further e-cigarettes’ market emergence was associated with a larger decline in average annual percent decreases among all current smokers. Between 1998 and 2008, the percentage of current smokers decreased on average 1.64 percent each year. Between 2009 and 2019, annual percentage declines average at 19 percent.

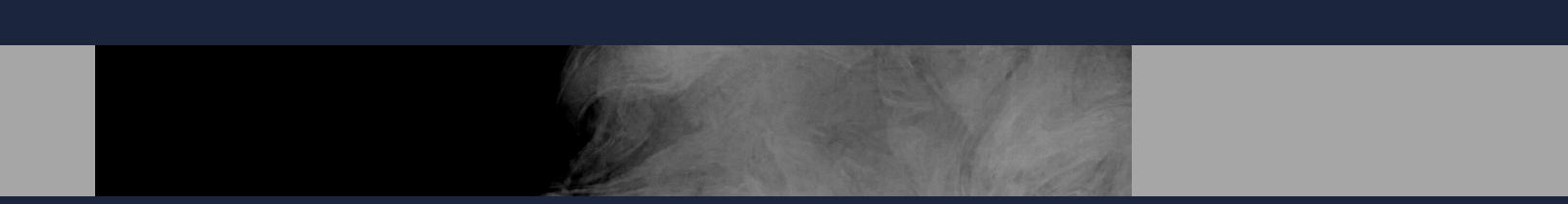
***10 YEARS AFTER E-CIGARETTES’
MARKET EMERGENCE IN 2009,
SMOKING RATES AMONG CURRENT
SMOKERS AGED 18 TO 24 YEARS
OLD DECREASED BY 32 PERCENT.***

POLICY IMPLICATIONS:

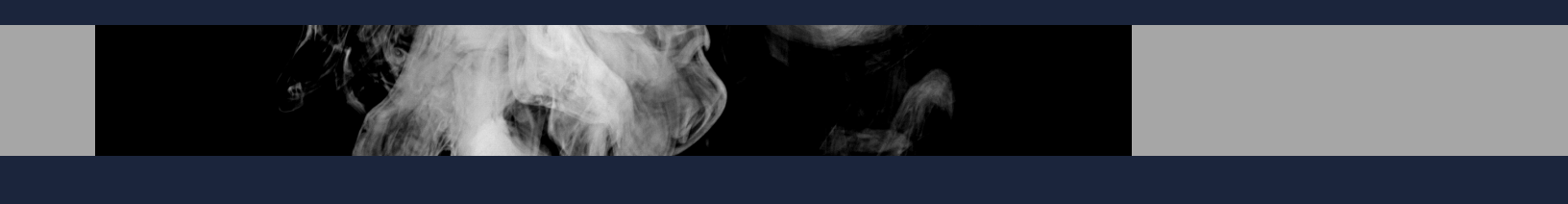
- In 2019, 12.3 percent of Hawaii adults smoked combustible cigarettes, this is a 54.5 percent decrease from 1995. Further, youth combustible cigarette use has decreased by 83.6 percent, from 32.4 percent of high school students reporting current combustible cigarette use in 1995, to 5.3 percent in 2019.
- Hawaii spends very little on tobacco control programs, including prevention and education. In 20 years, the Aloha State allocated only \$168.9 million toward tobacco control programs. This is only five percent of what the state received in tobacco settlement payments and tobacco taxes in the same 20-year time period.
- E-cigarettes appear more effective than MSA payments in reducing smoking rates among young adults in Hawaii.
- 10 years after the MSA, smoking rates decreased among 18- to 24-year-olds by 22.1 percent. 10 years after e-cigarettes market emergence, smoking rates among 18 to 24 years old decreased by 32 percent.

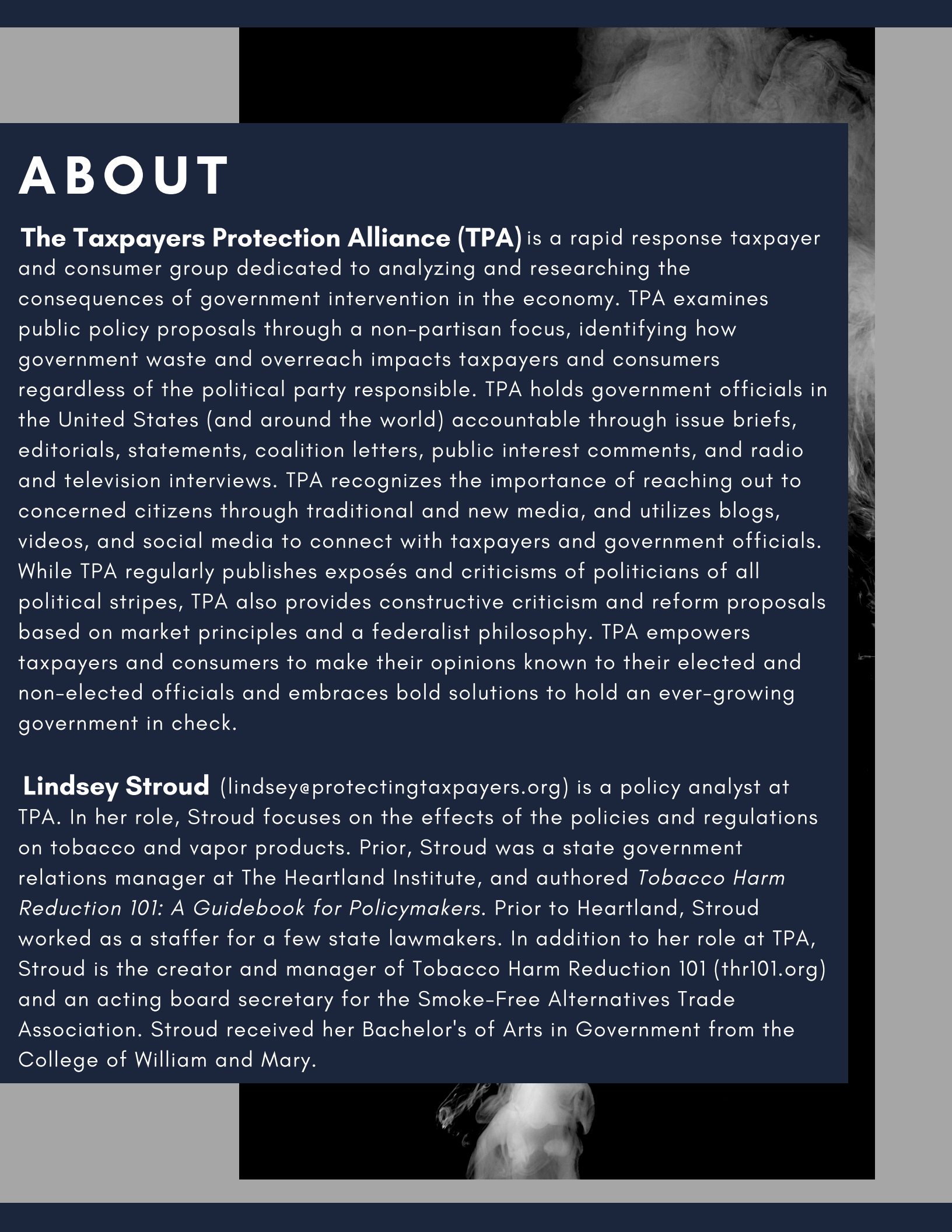






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ABOUT

The Taxpayers Protection Alliance (TPA) is a rapid response taxpayer and consumer group dedicated to analyzing and researching the consequences of government intervention in the economy. TPA examines public policy proposals through a non-partisan focus, identifying how government waste and overreach impacts taxpayers and consumers regardless of the political party responsible. TPA holds government officials in the United States (and around the world) accountable through issue briefs, editorials, statements, coalition letters, public interest comments, and radio and television interviews. TPA recognizes the importance of reaching out to concerned citizens through traditional and new media, and utilizes blogs, videos, and social media to connect with taxpayers and government officials. While TPA regularly publishes exposés and criticisms of politicians of all political stripes, TPA also provides constructive criticism and reform proposals based on market principles and a federalist philosophy. TPA empowers taxpayers and consumers to make their opinions known to their elected and non-elected officials and embraces bold solutions to hold an ever-growing government in check.

Lindsey Stroud (lindsey@protectingtaxpayers.org) is a policy analyst at TPA. In her role, Stroud focuses on the effects of the policies and regulations on tobacco and vapor products. Prior, Stroud was a state government relations manager at The Heartland Institute, and authored *Tobacco Harm Reduction 101: A Guidebook for Policymakers*. Prior to Heartland, Stroud worked as a staffer for a few state lawmakers. In addition to her role at TPA, Stroud is the creator and manager of Tobacco Harm Reduction 101 (thr101.org) and an acting board secretary for the Smoke-Free Alternatives Trade Association. Stroud received her Bachelor's of Arts in Government from the College of William and Mary.