
From: Alex McDonald <alex@icefogvapor.com>
Sent: Friday, May 08, 2026 12:23 PM
To: House Finance
Subject: Fwd: Responding to your message

Please submit this correspondence from Senator Sullivans office to the documents for SB24

Thanks,

Alex McDonald
Fairbanks, AK

Begin forwarded message:

From: "Senator Dan Sullivan" <Senator@sullivan.senate.gov>
Subject: Responding to your message
Date: April 21, 2022 at 7:54:42 AM AKDT
To: alex@icefogvapor.com



Dear Mr. McDonald,

Thank you for contacting me regarding S. 1314, the Tobacco Tax Equity Act. I appreciate your thoughts on this issue and welcome the opportunity to respond.

On April 22, 2021, S. 1314 was introduced by Senator Dick Durbin (D-IL) to reduce youth tobacco use by applying tax parity across all tobacco products. Additionally, the bill establishes the first federal tax on e-cigarettes.

The U.S. Centers for Disease Control and Prevention (CDC) notes that 72% of cigarette smokers in the United States live at or below poverty level. Requiring these low-income Americans to pay even more for products that are already among the most heavily taxed items in America is both excessive and unfair, even if done to curb tobacco use. Furthermore, many Alaskans have shared with me stories of how e-cigarettes assisted their

efforts to quit smoking. If taxes are raised on these products, I worry that it could exacerbate smoking issues by disincentivizing the use of these safer products.

S. 1314 has been referred to the Senate Committee on Finance, where it awaits action. While I am not a member of this Committee, I will be sure to keep your comments in mind as it is discussed in the Senate.

Thank you again for contacting me on this issue. If you have any more questions or concerns, please feel free to contact me or my staff. My office can be reached at 202-224-3004, or online at www.sullivan.senate.gov.

Sincerely,



Dan Sullivan
United States Senator



Results from the Annual National Youth Tobacco Survey (NYTS)

Youth and Tobacco
National Youth Tobacco Survey (NYTS)
FDA's Youth Tobacco Prevention Plan
Results from the Annual National Youth Tobacco Survey (NYTS)

Content current as of:
01/22/2025

Regulated Product(s)
Tobacco

On this page:

- 2024 Findings on Youth Tobacco Use
 - Findings on Youth Use for All Tobacco Products
 - Findings on Youth Use for E-Cigarette Products
 - Findings on Youth Use for Nicotine Pouch Products
- Public Health Education
- Goals of NYTS
- Previous National Youth Tobacco Survey

2024 Findings on Youth Tobacco Use

In October 2024, FDA and Centers for Disease Control and Prevention (CDC) released data from the 2024 National Youth Tobacco Survey (NYTS) on youth tobacco use in the Morbidity and Mortality Weekly Report: "[Tobacco Product Use Among Middle and High School Students — National Youth Tobacco Survey, United States, 2024](#)." In 2024, 2.25 million middle and high school students reported current use (use on one or more days during the past 30 days) of any tobacco product, compared to 2.80 million in 2023. This decline was largely attributable to the significant drop in the number of students who reported current e-cigarette use (2.13 million youth in 2023 compared to 1.63 million youth in 2024). Within the past year, a significant decline also occurred in current hookah use (290,000 in 2023 compared to 190,000 in 2024). Cigarette smoking reached the lowest level ever recorded by the survey, with only 1.4% of students reporting current use in 2024.

The findings showed current e-cigarette use decrease from 2.13 million (7.7%) youth in 2023 to 1.63 million (5.9%) youth in 2024. Furthermore, youth nicotine pouch use did not show a statistically significant change from 2023 (1.5% in 2023 and 1.8% in 2024). CDC's Morbidity and Mortality Weekly Report (*MMWR*), [Notes from the Field: E-Cigarette and Nicotine Pouch Use Among Middle and High School Students — United States, 2024](#), provides additional information.

In December 2024, CTP Director Dr. Brian King authored a new FDA Voices blog titled "[Youth Tobacco Product Use Continues to Decline as FDA Actions Build Momentum](#)." In this blog, Dr. Brian King reflects on why the 2024 NYTS release is a victory for public health and discusses the actions CTP has taken and will continue to take to further reduce youth tobacco use.

[Download Infographic](#)

2024 Findings on Youth Use for All Tobacco Products

Current Use

- 8.1% (2.25 million) of all students reported current use of tobacco products
 - 10.1% (1.58 million) of high school students reported current use of tobacco products
 - 5.4% (640,000) of middle school students reported current use of tobacco products
- 2.8% of students (760,000) reported current use of any combustible tobacco product
- 3.0% of students (840,000) reported current use of multiple (≥2) tobacco products

Most Commonly Used Tobacco Products

- E-Cigarettes (5.9%)
- Nicotine Pouches (1.8%)
- Cigarettes (1.4%)
- Cigars (1.2%)
- Smokeless Tobacco (1.2%)
- Other Oral Nicotine Products (1.2%)
- Heated Tobacco Products (0.8%)
- Hookahs (0.7%)
- Pipe Tobacco (0.5%)

Demographics

- Current Use (past 30 days) of Any Tobacco Product (middle and high school):
 - 16.3% of non-Hispanic American Indian or Alaska Native (AI/AN) students
 - 10.0% of Black students
 - 8.4% of Hispanic students
 - 9.0% of Multiracial students

2024 Findings on Youth Use for E-Cigarette Products

Current Use

- 5.9% of middle and high school students (1.63 million) reported current use of e-cigarettes
 - 7.8% (1.21 million) high school students and 3.5% (410,000) middle school students reported current use of e-cigarettes

Frequency of Use

- More than 1 in 4 (26.3%) of current youth e-cigarette users use an e-cigarette product daily
- More than 1 in 3 (38.4%) youth e-cigarette users report using e-cigarettes at least 20 of the last 30 days

Flavored E-Cigarette Use

- More than 8 out of 10 current e-cigarette users (87.6%) used flavored e-cigarettes, with fruit flavors being the most popular, followed by candy, desserts, or other sweets; mint; and menthol
- Over half (54.6%) of students currently using e-cigarettes reported using flavors with "ice" or "iced" in the name

Type of Device

- The most commonly used device among current e-cigarette users was disposables (55.6%), followed by prefilled/refillable pods or cartridges (15.6%)

Commonly Used Brands

- The most commonly reported brands reported among current e-cigarette users were: Elf Bar (36.1%), Breeze (19.9%), Mr. Fog (15.8%), Vuse (13.7%) and JUUL (12.6%)

2024 Findings on Youth Use for Nicotine Pouch Products

Current Use

- 1.8% of students (480,000) reported current use of nicotine pouches

Frequency of Use

- More than 2 in 10 (22.4%) youth nicotine pouch users report using nicotine pouches daily
- More than 1 in 4 (29.3%) youth nicotine pouch users report using nicotine pouches at least 20 of the last 30 day

Flavored Nicotine Pouch Use

- More than 8 out of 10 current nicotine pouch users (85.6%) used flavored nicotine pouches, with mint flavors being the most popular, followed by fruit

Commonly Used Brands

- The most commonly reported brands reported among current nicotine pouch users were: Zyn (68.7%), on! (14.2%), Rogue (13.6%), Velo (10.7%) and Juice Head ZTN (9.8%)

Public Education Campaigns

FDA conducts several [public education campaigns aimed at young audiences to prevent youth from tobacco initiation and use](#). FDA's longest-running campaign, "[The Real Cost](#)," educates teens on the health consequences of smoking cigarettes and in recent years has prioritized e-cigarette prevention messaging.

In the 2021 NYTS, 75.2% of middle and high school students reported having seen or heard any anti-tobacco public education campaign ad within the past year. An estimated 15.8 million (60.9%) students reported recognizing the FDA's "The Real Cost" campaign ad: by school level, almost two-thirds (65.8%) of high school students and more than half (54.8%) of middle school students reported recognizing "The Real Cost" campaign ad.

However, public health education campaigns are not the only messaging about tobacco products that youth receive and notice.

They might see advertisements for tobacco products while engaging in common activities – such as going to a convenience store, supermarket, or gas station; using the Internet; watching television or streaming services or going to the movies; or reading newspapers or magazines. In the 2021 NYTS, among youth who reported engaging in those common activities, 75.7% reported exposure to marketing or advertising for any tobacco product.

Among students who reported using social media, 73.5% had ever seen e-cigarette–related content.

Goals of NYTS

FDA is committed to a science-based approach that addresses public health issues associated with tobacco use. We collaborate with CDC on this nationally representative survey of middle and high school students that focuses exclusively on tobacco use behaviors and associated factors.

[Vaping Prevention and Education Resource Center](#)

NYTS was designed to provide national data on long-term, intermediate, and short-term indicators key to the design, implementation, and evaluation of comprehensive tobacco prevention and control programs.

For a deeper look at the agencies' collaboration on the study over the years, see CDC's "[Historical NYTS Data and Documentation](#)."

Previous National Youth Tobacco Surveys

- [2023 NYTS](#)
 - [Download 2023 NYTS Infographic](#)
- [2022 NYTS](#)

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The Relative Risks of Tobacco Products

Health Effects of Tobacco Use

[Nicotine Is Why Tobacco Products Are Addictive](#)

[How Smoking Affects Heart Health](#)

[Keep Your Air Clear: How Tobacco Can Harm Your Lungs](#)

The Relative Risks of Tobacco Products

[How Smoking Can Increase Risk for and Affect Diabetes](#)

[Chemicals in Tobacco Products and Your Health](#)

[What It's Like to Quit Smoking](#)

[How Smoking Affects Reproductive Health](#)

[How Smoking Can Contribute to Vision Loss and Blindness](#)

[How Tobacco Use Affects Oral Health](#)

[Health Fraud](#)

[Quitting Smoking and Other Tobacco Public Health Resources](#)

Content current as of: 05/06/2026

Regulated Product(s)
Tobacco

On this page:

- [What Is Meant by the “Relative Risks” of Tobacco Products?](#)
- [Are E-Cigarettes a Lower-Risk Alternative to Cigarettes?](#)
- [Are Nicotine Pouches a Lower-Risk Alternative to Cigarettes?](#)
- [What Options Are Available to Adults Who Smoke Cigarettes and Are Looking to Quit?](#)
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- [What Is CTP Doing to Educate Adults Who Smoke About the Relative Risks of Tobacco Products?](#)

Significant progress has been made in reducing cigarette smoking in the United States through comprehensive, population-level strategies. However, more than 30 million U.S. adults still smoke cigarettes, and smoking remains the leading cause of premature disease and death nationwide.

FDA's Center for Tobacco Products (CTP) is committed to protecting the health of all people in the United States through a comprehensive approach to reduce the burden of tobacco use. This includes timely and evidence-based public health education that complements the agency's regulatory actions.

In addition to preventing youth initiation and promoting cessation among people who use tobacco products, CTP is working to educate adults who smoke about the relative risks of tobacco products.

What Is Meant by “Relative Risks” of Tobacco Products?

No tobacco product is safe. However, the health risks for different tobacco products exist on a spectrum, which is sometimes referred to as a “continuum of risk.” Combusted, or smoked, tobacco products—such as cigarettes—are the most harmful type of tobacco product. Non-combusted products—such as e-cigarettes and other smokeless tobacco products—generally have lower health risks than cigarettes and other combustible tobacco products.

Before [introducing a new tobacco product](#) to the U.S. market, a company must submit a marketing application to the FDA and receive authorization. FDA scientists evaluate these applications to determine whether the product meets the applicable statutory standards. Tobacco products that may be legally marketed in the United States are listed in FDA's [Searchable Tobacco Products Database](#).

Additionally, to market a tobacco product as a [modified risk tobacco product](#) (MRTP), a MRTP application must be submitted to the FDA. An MRTP order applies only to specific products, not an entire class of tobacco products. An MRTP application generally must demonstrate that the product will significantly reduce harm and the risk of tobacco-related disease to individual tobacco users and benefit the health of the population as a whole.

Are E-Cigarettes a Lower-Risk Alternative to Cigarettes?

While e-cigarettes can generally be a lower-risk alternative for adults who smoke cigarettes, the use of e-cigarettes is not risk-free. These products deliver harmful chemicals and contain nicotine, which is highly addictive. Moreover, given the harmful chemicals found in e-cigarettes, further high-quality research on both short- and long-term health outcomes is needed.

Given that there is no safe tobacco product, youth and adults who do not use tobacco products should not start using e-cigarettes.

For adults who smoke, [switching completely from cigarettes to e-cigarettes may reduce exposure to many harmful chemicals](#) found in cigarettes. However, it is important that they switch completely from cigarettes to e-cigarettes to get the full health benefit. Long periods of dual use of cigarettes and e-cigarettes can result in harms to health similar to, or in addition to, the harms from exclusive use of cigarettes.

To date, [FDA has authorized 45 e-cigarettes](#). These products have undergone rigorous scientific review, including toxicologic assessments, and have been found by FDA to meet the statutory public health standard.

Are Nicotine Pouches a Lower-Risk Alternative to Cigarettes?

While nicotine pouches can generally be a lower-risk alternative for adults who smoke cigarettes, the use of nicotine pouches is not risk free. Nicotine pouches contain nicotine, which is highly addictive, and can deliver harmful chemicals.

Given that there is no safe tobacco product, youth and adults who do not use tobacco products should not start using nicotine pouches.

For adults who smoke, switching completely from cigarettes to nicotine pouches may reduce exposure to many harmful chemicals found in cigarettes. However, it is important that they switch completely from cigarettes to nicotine pouches to get the full health benefit.

To date, [FDA has authorized 26 nicotine pouch products](#). These products have undergone rigorous scientific review and have been found by FDA to meet the statutory public health standard.

What Options Are Available to Adults Who Smoke Cigarettes and Are Looking to Quit?

For adults who currently smoke cigarettes, fully quitting the use of all forms of tobacco products would most benefit their health. Evidence-based, [FDA-approved medications](#)—including nicotine replacement therapy (NRT), bupropion, and varenicline—have been proven to be safe and effective. These approved medications, along with behavioral counseling, should be the first line of therapeutic treatment for adults seeking to quit smoking. Behavioral counseling and medication are independently effective and combining them increases the likelihood of cessation.

As part of its efforts to encourage quitting among adults, CTP has developed [cessation education materials](#) for a wide range of audiences. CTP also partners with the National Cancer Institute's [smokefree.gov](#), which provides quitting support to people who use tobacco products.

For adults who smoke and choose to switch to another tobacco product that isn't as harmful as a cigarette, it is important that they switch completely from cigarettes to get the full health benefit. Since there is no safe tobacco product, eventual abstinence from all tobacco products should be the end goal.

Why Is It Important for Adults Who Smoke to Understand the Relative Risks of Tobacco Products?

Many people who use tobacco products have misperceptions about the varying risks of tobacco products, which may prevent them from switching to a lower-risk alternative. Adults who smoke who fully switch from cigarettes to a lower-risk alternative can generally reduce their health risk and exposure to toxic and cancer-causing chemicals.

What Is CTP Doing to Educate Adults Who Smoke About the Relative Risks of Tobacco Products?

The concept of relative risk is complex, and it is important to ensure efforts to educate adults who smoke on this topic are evidence-based and likely to achieve desired outcomes, while also minimizing impact on unintended audiences, including youth.

CTP is continuing to build scientific knowledge through research to inform the development of educational strategies and approaches, including potential messaging. A priority of this research is identifying effective ways to reach intended audiences while minimizing the impact of any potential consequences on unintended audiences.

Studies are planned on messages related to the relative risks of tobacco products that include participation by adults who smoke, as well as research among health care providers in primary care settings who may play a key role in the delivery of potential messaging. For example, on August 21, 2024, NIH's National Cancer Institute (NCI) awarded a grant to [Johns Hopkins University and University of Pennsylvania to support research for four FYs \(2024-2027\)](#). This research will investigate the effects of continuum of risk messaging on tobacco use behavior and other relevant outcomes among audiences for whom messaging could be potentially useful (i.e., adults who use combustible products) and on those for whom the messaging could have negative consequences (e.g., youth).

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Top

Feedback



May 5, 2026

To: House Finance Committee

From: Lon Garrison, Executive Director, Association of Alaska School Boards (AASB)

RE: SB 24 TOBACCO/NICOTINE/E-CIG AGE; E-CIG TAX

Chair Foster and members of the House Finance Committee,

For the record, my name is Lon Garrison, Executive Director of the Association of Alaska School Boards (AASB). I am writing today in support of Senate Bill 24 TOBACCO/NICOTINE/E-CIG AGE; E-CIG TAX.

AASB's support for SB 24 is grounded primarily in its clear and direct alignment with one of our four core legislative priorities: **Student Achievement and Wellness**. At its core, this bill is about prevention—reducing youth access to addictive nicotine products and addressing a growing threat to student health that is increasingly visible in our schools.

Across Alaska, school districts are confronting the rapid rise of electronic smoking products among students. These products are increasingly found in our schools—they are present in classrooms, bathrooms, and school grounds, and they are affecting student behavior, attention, and overall readiness to learn. SB 24 represents a meaningful step toward addressing that reality by aligning state law with federal standards, strengthening enforcement, and reducing access for youth.

Our support is firmly rooted in AASB's adopted beliefs and resolutions in *Where We Stand 2026*.

First, **B.17 – Declaring Children the Top Priority of Alaska** affirms that the health, safety, and well-being of our children must come first in public policy decisions. SB 24 directly advances that principle by targeting a known and growing risk to student health.

Second, **B.15 – Prevention and Early Intervention** reflects our belief that proactive, preventative measures are both more effective and more responsible than reacting after harm has occurred. This bill is fundamentally a prevention strategy—using age restrictions, education, and policy alignment to reduce the likelihood that young people become addicted to nicotine in the first place.

Third, **Resolution 3.5 – Education on the Dangers of Tobacco and Electronic Nicotine Delivery Systems** speaks directly to the issue before you. AASB has long supported efforts to educate students about the risks associated with these products. SB 24 complements that work by reinforcing it with policy.



Additionally, **Resolution 3.17 – Student Wellness** and **3.29 – Positive Youth Development and Support** emphasize the importance of creating conditions in which students can thrive physically, emotionally, and academically. Reducing youth nicotine use supports all of these outcomes.

Importantly, SB 24 does this work without placing a direct, unfunded mandate on school districts. That matters. Our districts are already operating under significant fiscal constraints. We appreciate that the primary mechanisms in this bill—enforcement, taxation, and regulation—appropriately reside at the state level.

At the same time, we would encourage continued attention to how the Tobacco Use Education and Cessation Fund can support school-based prevention and cessation efforts. If implemented thoughtfully, this could further strengthen the partnership between public health and public education.

In closing, SB 24 aligns with AASB’s priorities and values. It supports student wellness, reinforces prevention, and helps create healthier learning environments across Alaska.

Lon Garrison
Executive Director
Association of Alaska School Boards

May 5, 2026

**Testimony of Guy Bentley
Managing Director of Consumer Freedom, Reason Foundation**



**Alaska State Legislature House Finance Committee
Hearing on Senate Bill 24**

Co-chairs Foster and Merrick, Vice Chair Ortiz, and committee members,

Thank you for the opportunity to submit testimony on Senate Bill 24, which would establish a 25 percent tax on the retail price of e-cigarettes. My name is Guy Bentley, and I am the managing director of consumer freedom at Reason Foundation, a 501(c)3 nonprofit think tank. The Consumer Freedom Project analyzes and promotes policy solutions that enhance public health while minimizing unintended consequences and preserving consumer choice.

I appreciate the opportunity to share our perspective on why Alaska should refrain from imposing such a punishingly high tax on e-cigarettes and keep its tax policies in line with the growing scientific consensus that e-cigarettes represent one of the most significant opportunities to reduce smoking-related death and disease.

The case for tobacco harm reduction

Smoking remains the leading cause of preventable death and disease in Alaska, responsible for an estimated 600 deaths annually. According to the most recent available data, Alaska's smoking rate is above the national average at 14.7 percent. Many of these smokers have tried to quit using traditional cessation methods such as nicotine patches and gums, which have a failure rate exceeding 90%, and have been unable to do so.¹ For these individuals, e-cigarettes offer a viable path away from the most dangerous form of nicotine delivery: the combustible cigarette.

The scientific basis for tobacco harm reduction is well established. The principal harm from tobacco use stems not from nicotine itself, which, while addictive, is not the primary cancer-causing agent. The cancer risk is from the combustion of tobacco and the inhalation of the resulting smoke. Products that deliver nicotine without combustion, such as e-cigarettes, pose a fraction of the risk of cigarettes. The U.S. Food and Drug Administration (FDA) recognizes a "continuum of risk" regarding nicotine products, with cigarettes being the most dangerous and non-combustible alternatives being far less harmful.²

¹ Hartmann-Boyce, J., et al. "Nicotine Replacement Therapy Versus Control for Smoking Cessation." Cochrane Database of Systematic Reviews. Issue 5, Art. No.: CD000146. 2018. <https://pubmed.ncbi.nlm.nih.gov/29852054/>

² U.S. Food and Drug Administration. "FDA Announces Comprehensive Regulatory Plan to Shift Trajectory of Tobacco-Related Disease, Death." July 2017. <https://www.fda.gov/news-events/speeches-fda-officials/protecting-american-families-comprehensive-approach-nicotine-and-tobacco-06282017>

This framework underpins the agency’s regulatory approach, which requires all new nicotine products to demonstrate that they are “appropriate for the protection of public health” before they can be legally sold. To date, the FDA has authorized multiple e-cigarettes. Each of these authorizations reflects a determination that the product provides a net benefit to public health, taking into account both current tobacco users and the potential impact on non-users, including youth.

International evidence supports tobacco harm reduction

The United States is not alone in recognizing the public health potential of safer nicotine products. Some of the most compelling evidence comes from international experience.

The United Kingdom has been a global leader in embracing tobacco harm reduction as official public health policy. Public Health England (now the Office for Health Improvement and Disparities) has repeatedly stated that e-cigarettes are approximately 95% less harmful than smoking.³ The U.K. government has actively encouraged smokers to switch to e-cigarettes as a cessation tool, and the National Health Service offers e-cigarettes as part of its quit-smoking services. The U.K.’s Medicines and Healthcare products Regulatory Agency has also approved a medicinally licensed e-cigarette for prescription to smokers.

New Zealand has similarly embraced tobacco harm reduction. The New Zealand government’s Smokefree 2025 action plan explicitly recognized the role of vaping as a tool to help smokers quit, and the country’s regulatory framework taxes e-cigarettes at significantly lower rates than combustible cigarettes.⁴ New Zealand’s Ministry of Health has stated that vaping products are “significantly less harmful than smoking tobacco” and has supported the availability of these products as part of its broader strategy to reduce smoking prevalence. This approach has contributed to a dramatic decline in smoking rates, with daily smoking among adults falling from 13.2% in 2018 to 6.8% in 2023.

The case for risk-proportionate taxation

The rationales for taxing cigarettes are well established: to offset the external costs smokers impose on non-smokers through increased healthcare expenditures, to deter use, and to discourage youth initiation. However, these rationales do not apply with equal force to products that pose a fraction of the risk of cigarettes. Taxing safer nicotine alternatives at rates comparable to cigarettes is counterproductive because it eliminates the financial incentive for smokers to switch, thereby keeping more people smoking.

The literature consistently shows that higher taxes on safer nicotine products like e-cigarettes result in more cigarette smoking. An analysis of Minnesota’s 95% wholesale tax on e-cigarettes found 32,400 additional smokers than there would have been without the

³ McNeill, A., et al. “Nicotine Vaping in England: 2022 Evidence Update.” Office for Health Improvement and Disparities. September 2022. <https://www.gov.uk/government/publications/nicotine-vaping-in-england-2022-evidence-update/nicotine-vaping-in-england-2022-evidence-update-main-findings>

⁴ New Zealand Ministry of Health. “Vaping Facts.” 2024. <https://info.health.nz/health-topics/keeping-healthy/smoking-and-vaping>

tax.⁵ A separate analysis found that for every e-cigarette pod eliminated by an e-cigarette tax, 1.9 additional cigarette packs are sold.⁶

Research on young adults aged 18 to 25 found that e-cigarette taxes were associated with reduced vaping but were similarly associated with increases in smoking, with the authors concluding that “the unintended effects of ... taxation may considerably undercut or even outweigh any public health gains.”⁷

These substitution effects are not surprising. Because safer nicotine products are substitutes for cigarettes, policies that make them more expensive relative to cigarettes predictably drive consumers back to the more dangerous product. Risk-proportionate taxation is essential to ensuring that the tax system supports rather than undermines public health. Taxing lower-risk products at comparable rates to cigarettes sends a perverse signal to consumers that the products are equally dangerous, compounding the problem of risk misperception.

Taxes on safer nicotine products should always be substantially lower than those on cigarettes, if they are taxed at all.¹¹ The wider the tax gap between cigarettes and safer alternatives, the stronger the incentive for smokers to switch, improving their short- and long-term health.

Conversely, taxing safer alternatives at rates comparable to cigarettes removes this economic incentive and disproportionately burdens the populations most in need of affordable harm-reduction options. High taxes on safer nicotine products represent one of the most regressive forms of taxation, penalizing consumers for making a choice that improves their health and reduces the burden on the healthcare system.

SB 24’s retail vapor tax is substantial at 25 percent and would compound the already high taxes on e-cigarettes that most Alaskans face. Anchorage Borough and Matanuska-Susitna Borough impose a 55 percent wholesale tax on vapor products, while Juneau, Petersburg, and Northwest Arctic Borough impose a 45 percent wholesale tax. Should SB 24 pass, in Anchorage, a pack of four e-cigarette pods authorized by the FDA would cost around three times as much as a pack of cigarettes. Such high taxes significantly reduce the incentive to switch from the most dangerous form of nicotine to one that is substantially safer.

⁵ Saffer, H., Dench, D., Grossman, M., Dave, D. “E-Cigarettes and Adult Smoking: Evidence from Minnesota.” *Journal of Risk Uncertainty*. June 2020.

⁶ Cotti, C., Courtemanche, C., Maclean, J.C., Nesson, E., Pesko, M.F., Tefft, N.W. “The Effects of E-Cigarette Taxes on E-Cigarette Prices and Tobacco Product Sales: Evidence from Retail Panel Data.” *Journal of Health Economics*. 86: 102676. December 2022. <https://pmc.ncbi.nlm.nih.gov/articles/PMC11268994/>

⁷ Abouk, R., Courtemanche, C., Dave, D., et al. “Intended and Unintended Effects of E-Cigarette Taxes on Youth Tobacco Use.” *Journal of Health Economics*. January 2023. <https://pubmed.ncbi.nlm.nih.gov/36565585/>

Conclusion

We respectfully urge the House Finance Committee to consider the following principles as Alaska approaches the issue of tobacco taxation: First, taxes on non-combustible nicotine products should be substantially lower than taxes on combustible cigarettes. Second, avoid following the example of states that have imposed punitive taxes on safer nicotine alternatives; the empirical evidence shows that this leads to increased cigarette smoking and worse public health outcomes. Third, policymakers should consider the regressive nature of high taxes on safer nicotine products and the disproportionate impact on lower-income smokers who would benefit most from affordable alternatives to cigarettes.

Ensuring Alaska's tax policy aligns with the FDA's scientific framework and the international evidence on tobacco harm reduction would represent sound fiscal and public health policy.

Thank you for your time and consideration.

Guy Bentley

Managing Director of Consumer Freedom
guy.bentley@reason.org



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May 4, 2026

House Finance Committee
Alaska State Capitol Juneau, Alaska 99801
Sent via email to House.Finance@akleg.gov

Re: Senate Bill 24

Dear Members of the House Finance Committee:

The Campaign for Tobacco-Free Kids submits this letter in support of the following policies included in SB 24: securing funding for Alaska's tobacco and prevention control program, aligning Alaska's tobacco sales law with the federal minimum age of 21, and implementing a tax on electronic cigarettes at a percentage of retail price. We also respectfully submit several proposed changes. The Campaign for Tobacco-Free Kids is the nation's largest non-profit, non-governmental advocacy organization solely devoted to reducing tobacco use and its deadly toll by advocating for public policies that prevent kids from using tobacco and help smokers quit.

Tobacco remains this nation's number one preventable cause of premature death and disease, killing more than 490,000 Americans annually, including 600 in Alaska. Cigarette smoking and e-cigarette use among youth in Alaska surpasses national rates. Each year, more than 1,000 kids in Alaska try cigarettes for the first time.¹ We must do everything we can to prevent tobacco use among young people.

Nicotine is addictive, and young people are more susceptible to nicotine addiction than adults. The U.S. Surgeon General has stated that "the potential long-term cognitive effects of exposure to nicotine in this age group are of great concern."² Nicotine can harm brain development, which continues until about age 25. Nicotine exposure during adolescence, a critical window for brain development, impacts attention, memory, learning, mood and impulse control and may have lasting adverse consequences for brain development.³ According to the CDC, nicotine also primes the brain for addiction to other drugs.⁴ Delaying the age when young people first try tobacco will reduce the risk that they transition to regular tobacco use and ultimately reduce their risk for serious and deadly health conditions. Investing in a comprehensive tobacco prevention program, raising the minimal legal sale age to 21, and raising prices on tobacco products including e-cigarettes are all evidence-based policies that will prevent initiation and reduce tobacco use.

Alaska's Tobacco Prevention and Control Program has been successfully helping current smokers to quit and preventing youth from ever starting for over twenty years. It's important to protect state funds for

tobacco prevention and cessation services that have been helping Alaskans to quit smoking and preventing young people from ever starting. State funded prevention and cessation programs are critical to reducing tobacco use in the state and benefit high-risk populations, including lower socioeconomic groups and young people.

State spending on tobacco cessation and treatment is more important than ever, given the devastating federal cuts to federal tobacco prevention programs. The CDC has also historically provided critical resources for the state's tobacco prevention efforts. Cuts to federal funding could put quit services, community grants and programs that raise awareness about the health risks of tobacco products at risk. The tobacco industry will stop at nothing to addict the next generation of customers to increase profits, making Alaska's prevention program critical to reducing smoking and the prevalence of cancer, heart disease, chronic obstructive pulmonary disease (COPD), and other serious and costly diseases. Investing in tobacco prevention programs is also cost-effective. Preventing youth from starting tobacco use and helping adults to quit can reduce health care spending by reducing the need for hospitalizations and other medical services related to treating tobacco-caused disease.

Raising the legal age for the sale of tobacco products to 21 in Alaska is an important step to protect youth and young adults from the unrelenting efforts of the tobacco industry to addict them. In December 2019, Congress passed a federal law raising the tobacco age to 21 nationwide. Doing the same in Alaska is necessary to strengthen enforcement and further limit youth access to these harmful products. By ensuring consistency with federal law, the state's compliance efforts are enhanced, reducing underage tobacco sales. Raising the tobacco sale age will help protect our youth from a lifetime of addiction to a deadly product. About 95 percent of adult smokers begin smoking before they turn 21, and about 80 percent first try it before age 18.⁵ The ages of 18 to 21 are a critical period when many smokers move from experimental smoking to regular, daily use. Moreover, tobacco companies aggressively target young adults ages 18 to 21 through a variety of marketing activities because they know it is a critical time period for solidifying tobacco addiction.⁶ Tobacco companies have known for decades that if they don't capture new users by the age of 21, it is unlikely that they ever will.

We do however have concerns with the Youth Purchase Use or Possession (PUP) penalties and provisions found in Sections 3, 4, and 26. Penalties should focus on the retailer while penalties for underage purchase, use or possession of tobacco products should be eliminated.

While PUP laws aim to discourage, through punitive measures, underage youth from possessing, using and purchasing tobacco products, they have not been proven to work. Rather than regulating the retailers who profit from tobacco sales – in particular the unlawful sales to youth – PUP laws ineffectively regulate and penalize the consumers (youth). Punishment has not been found to be an effective strategy for addressing addiction and may even be counterproductive. According to the Centers for Disease Control and Prevention, providing access to counseling interventions for tobacco cessation and education is more likely to help youth quit

We support the proposal to tax e-cigarettes at a percentage of retail price. Decades of studies show that significantly increasing prices of tobacco products, including through taxes, can reduce and prevent youth use of tobacco products, since youth are more sensitive to changes in price than adults.⁷

It is important to tax these products based on price, rather than volume because research has shown that a price-based tax has a bigger impact on e-cigarette prices.⁸ Since e-cigarettes are being sold in every shape and size, a price-based tax better accommodates the variation in products. This type of tax will generate more stable revenue, especially as prices increase through inflation or company price increases. In addition, since the tax on other tobacco products is already set at a percentage-of-price rate, this method is already familiar to the Department of Revenue for tax collection and enforcement, making it easier to administer.⁹

Today's e-cigarettes are bigger, stronger, and cheaper than ever before. They contain more flavored nicotine liquid and last longer, have higher nicotine concentration, and cost less than earlier generations of products.¹⁰ Keeping prices of these addictive products high, through a significant percentage-of-price tax, will make it harder for youth to access them.

The industry and its allies may claim that a lower tax is needed to drive people from smoking to e-cigarettes and that adding a new tax to e-cigarettes will drive people to cigarette smoking. However, these products have not been taxed for years in Alaska or have been subject to much lower taxes than cigarettes in other states, yet the adult use rates for these products have risen extremely slowly, which isn't what you would expect if the price/tax differential made a big impact. Meanwhile, e-cigarette use rates among youth rose very quickly, and even though rates have declined in recent years, e-cigarettes are still the most commonly used product among youth.¹¹ Research shows that a significant e-cigarette tax increase will have more of an impact on a young person's ability to purchase these products compared to adults.¹² Furthermore, leading public health authorities in the United States have found that there is not enough evidence to recommend e-cigarettes or nicotine pouches for smoking cessation.¹³

Additional changes will strengthen this bill. We also suggest amending parts of Section 10 and Section 19 because they will likely face federal pre-emption. In Section 10 we suggest the following definition of nicotine:

"Nicotine" means any form of the chemical nicotine, including any salt or complex, regardless of whether the chemical is naturally or synthetically derived, and includes nicotinic alkaloids and nicotine analogs.

Given the potential for federal preemption challenges to some of the provisions in section 19, namely, packaging, labeling, and sales restrictions concerning nicotine concentration and additives, inclusion of a severability clause is important to preserve the legislature's intent and ensure the continued operation of the remainder of the statute if any portion is held invalid.

While you are making many difficult decisions for Alaska, this should be an easy one. It's time to protect prevention and cessation program funding, increase the price of tobacco products, and align Alaska's

tobacco sales law with the federal minimum age of 21. SB 24 takes strides towards stronger tobacco policies and provides essential cessation services to decrease consumption or stop addiction to tobacco from forming.

Sincerely,



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¹ <https://www.tobaccofreekids.org/problem/toll-us/alaska>

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