

HB884

HOUSE COMMITTEE REPORT

(11)

Date Referred: January 14, 1992

FURTHER REFERRALS:

Date of Committee Action: 1/27/92
(Returned to Finance from Rules)

The FINANCE Committee considered:

HB 84

HOUSE BILL NO. 84

BAN SALE OF TOBACCO IN VENDING MACHINES

"An Act relating to the sale, exchange, or giving of tobacco and tobacco products."

RECOMMENDATIONS:

be replaced with add CS HB 84 (Fin) the same title a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

fiscal impact DCED 1-21-92
AK Court System 1-22-92

fiscal note(s) _____

zero fiscal note DOR 1-21-92

zero fiscal note(s) _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>[Signature]</i> Ulmer		<i>Mike Navarre</i> Navarre		X	
<i>[Signature]</i> Koponen		<i>Robert E. Phillips</i> R Phillips		X	
<i>Robert J. Larson</i> Larson		<i>Jacko</i> Jacko		X	
<i>Lay Brown</i> Brown		<i>William P. MacLean</i> MacLean		X	
<i>Max Boyer</i> Boyer		<i>Bob [Signature]</i>		X	

Mike Navarre Navarre
CO-CHAIRMAN'S SIGNATURE

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. CSHB 84

Revision Date: January 21, 1992
Title: Prohibiting sale of tobacco products by vending machine
Sponsor: Rep. Brown and Rep. Ellis
Requestor: _____

Department Affected: Department of Revenue
BRU: Revenue Operations
Component: Income and Excise Audit

COMPONENT SERIAL NO. 1 | 1 | 3

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LANDS & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
REVENUE FUND SOURCE	0.0	0.0	0.0	0.0	0.0	0.0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0.0	0.0	0.0	0.0	0.0	0.0
FEDERAL FUNDS	0.0	0.0	0.0	0.0	0.0	0.0
OTHER FUND SOURCE	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME	0.0	0.0	0.0	0.0	0.0	0.0
TEMPORARY	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of current year impact: 0.0

ANALYSIS: This fiscal note is an update of an earlier note. That fiscal note reflected the fact that there is no longer a fiscal cost to Revenue because the committee substitute deleted the requirement for the Department of Revenue to provide warning signs to licensees under AS 43.50.

Prepared By: Larry E. Meyers, Director Phone: 276-5364
Division: Income and Excise Audit Division Date: 1-21-92

Approved by Commissioner: Darrel J. Ravivinkal, Commissioner
Agency: Department of Revenue Date: 1/21/92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., & Impacted Agency(ies).

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

Bill No. CS HB 84 (Finance)

Revision Date: _____ Department Affected: Alaska Court System
 Title: An Act relating to the sale, exchange, BRU: Trial Courts
or giving of tobacco and tobacco products Components: _____
 Sponsor: Brown
 Requestor: House Finance COMPONENT SERIAL NO.

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EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS & CLAIMS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUNDS	0.0	0.0	0.0	0.0	0.0	0.0
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary)
 No fiscal impact.

Prepared by: C. S. Christensen III, Staff Counsel *CSC* Phone: 264-8228
 Division: Alaska Court System Date: 01/22/92

Approved by: Arthur H. Snowden, II, Administrative Director *AS* Date: 01/22/92
 Agency: Alaska Court System

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

STATE OF ALASKA
 1992 LEGISLATIVE SESSION

Revision Date: _____ Department Affected: Commerce & Economic Development
 Title: An Act relating to the offense of selling or giving tobacco to a minor... BRU: Occupational Licensing
 Component: Administration
 Sponsor: Reps. Brown, Ellis, B. Davis
 Requestor: House Finance COMPONENT SERIAL NO.

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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	2.0	2.0	2.0	2.0	2.0	2.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	2.0	2.0	2.0	2.0	2.0	2.0

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

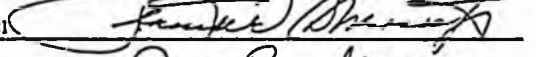
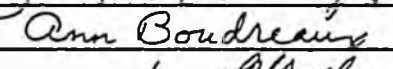
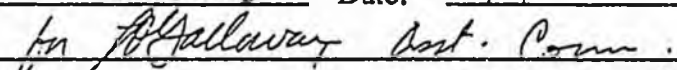
GENERAL FUND						
FEDERAL FUNDS						
OTHER - GF/PR	2.0	2.0	2.0	2.0	2.0	2.0
TOTAL	2.0	2.0	2.0	2.0	2.0	2.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary)
 The expenditure identified in this fiscal note results from Section 13 of the bill which requires making a consumer warning sign available to businesses that obtain the tobacco endorsement on their business license. An authorization from program receipts collected in the business licensing program is requested.

Prepared By: Jennifer Strickler  Phone: 465-2144
 Division: Occupational Licensing  Date: 01/21/92
 Approved by Commissioner: Glenn A. Olds 
 Agency: Department of Commerce & Economic Development Date: 1-20-92

Sectional Analysis

CS HB 84 (Fin)/Youth Tobacco Addiction Prevention Act

Section 1

Findings.

Section 2

Amends AS 11.76.100 (a) to establish that it is a violation to negligently sell, give or exchange tobacco products or to negligently maintain a tobacco product vending machine. Establishes a prohibition on vending machine sale of tobacco products unless consistent with the restrictions identified in Sec. 4.

Section 3

Effective January 1, 1995, amends AS 11.76.100 (a) to delete language referencing the sale of tobacco products through vending machines and provide that it is a violation to sell tobacco products through a vending machine.

Section 4

Until January 1, 1995, a person may maintain a tobacco vending machine located on premises licensed as a beverage dispensary under AS 04.11.090.

Section 5

Amends AS 11.76.100(d) to establish that the sale or gift of tobacco to a minor is a violation punishable by a fine of \$300.

Section 6

Until January 1, 1995, it is a violation for a person to fail to supervise a tobacco vending machine.

Section 7

Effective January 1, 1995, the sale of tobacco products through vending machines is prohibited. The court shall forward a record of any person

convicted to the Department of Commerce and Economic Development. A violation is punishable by a fine of \$300.

Section 8

Conforming amendment. Effective January 1, 1995, amends AS 43.50.010(a) to remove language referencing the sale of tobacco products through vending machines.

Section 9

Conforming amendment. Effective January 1, 1995, amends AS 43.50.010(b) to remove language referencing the sale of tobacco products through vending machines.

Section 10

Conforming amendment. Effective January 1, 1995, amends AS 43.50.020 to remove language referencing the sale of tobacco products through vending machines.

Section 11

Amends AS 43.50.070 to add that violation of the law regarding the criminally negligent sale or gift of tobacco to minors (AS 11.76.100) or the sale of tobacco products through vending machines (AS 11.76.107) are grounds for the suspension or revocation of a tobacco sales license under AS 43.50.010-180.

Section 12

Amends AS 43.50.075(d) to reference that a violation of AS 11.76.107 is grounds for suspension of a tobacco license endorsement.

Section 13

Amends AS 43.50.010 to add a new subsection to require the posting of warning signs on the premises where tobacco products are sold.

Section 14

Conforming amendment. Effective January 1, 1995, AS 11.76.100(b), regarding the interim restriction requiring placement of vending machines on premises licensed as a beverage dispensary; AS 11.76.100(c), language regarding the maintenance of a vending machine; and AS 43.50.030(c), regarding a license fee for tobacco vending machine operators are repealed.

Section 15

Prior to January 1, 1995, directs the supreme court to include on a schedule of bail amounts the fines resulting from violations of the law regarding tobacco sales or gifts to minors or through vending machines for violations under AS 11.76.100(d) and AS 11.76.107(b).

Section 16

Effective January 1, 1995, directs the supreme court to include on a schedule of bail amounts the fines resulting from violations of the law regarding tobacco sales through vending machines under AS 11.76.107(c).

Section 17

Effective date. Sections 3, 7, 8, 9, 10, 14, and 16 take effect January 1, 1995.

CS FOR HOUSE BILL NO. 84 (2d FINANCE)
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:
 Referred:

Sponsor(s): REPRESENTATIVES BROWN, Ellis, B.Davis

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the offense of selling or giving tobacco to a minor; requiring certain
 2 retailers to post a tobacco warning sign; relating to the suspension or revocation of a
 3 license to sell, purchase, possess, or acquire cigarettes; and relating to supervision of
 4 cigarette vending machines."

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 * Section 1. FINDINGS. The legislature finds that

7 (1) smoking is responsible for the largest preventable cause of premature death and
 8 disability in the United States and responsible for 390,000 deaths annually, nearly one person each
 9 minute;

10 (2) the use of cigarettes causes more premature death than AIDS, the use of heroin,
 11 cocaine, alcohol, fire, automobile accidents, homicides, and suicides combined;

12 (3) it has been estimated that approximately 1,000,000,000 packs of cigarettes are sold
 13 illegally to children in this country each year;

14 (4) each year in the state, there are approximately 1,360 person-years of potential life lost

1 as a result of smoking-attributable deaths with direct and indirect costs in excess of \$100,000,000 due
2 to smoking-related death and disability, contributing to a national cost of about \$52,000,000,000 a year;
3 and

4 (5) young residents of the state are particularly at risk because 90 percent of smokers
5 begin cigarette addiction before they reach the age of 19, the legal smoking age in the state, and the
6 younger the age at which one begins to smoke, the more likely that a person will become a long-term
7 smoker and develop smoking-related diseases.

8 * Sec. 2. AS 11.76.100(a) is amended to read:

9 (a) A person commits the offense of selling or giving tobacco to a minor if the person
10 is 19 years of age or older and

11 (1) negligently [KNOWINGLY] sells, exchanges, or gives a cigarette, a cigar,
12 tobacco, or a product containing tobacco to a person under 19 years of age; or

13 (2) maintains a vending machine that dispenses cigarettes, cigars, tobacco, or
14 products containing tobacco [AND THAT IS ACCESSIBLE TO PERSONS UNDER 19 YEARS
15 OF AGE].

16 * Sec. 3. AS 11.76.100(b) is repealed and reenacted to read:

17 (b) Notwithstanding the provisions of (a) of this section, a person who maintains a
18 vending machine is not in violation of (a)(2) of this section if the vending machine is

19 (1) located on premises licensed as a beverage dispensary under AS 04.11.090
20 or licensed as a club under AS 04.11.110;

21 (2) located at least 25 feet from the nearest exit from the licensed premises; the
22 requirement in this paragraph does not apply to a fire or emergency exit; and

23 (3) in a location that is directly and continually supervised by a person employed
24 on the licensed premises during the hours the vending machine is accessible to the public.

25 * Sec. 4. AS 11.76.100(d) is amended to read:

26 (d) Selling or giving tobacco to a minor is a violation and upon conviction is
27 punishable by a fine of not less than \$300.

28 * Sec. 5. AS 11.76 is amended by adding a new section to read:

29 Sec. 11.76.107. FAILURE TO SUPERVISE CIGARETTE VENDING MACHINE. (a)

30 A person commits the offense of failure to supervise a cigarette vending machine if the person
31 owns premises licensed as a beverage dispensary under AS 04.11.090 or licensed as a club under

1 AS 04.11.110 and with criminal negligence fails to have an employee supervise a vending
2 machine on those premises that dispenses cigarettes, cigars, tobacco, or products containing
3 tobacco as required by AS 11.76.100(b)(3).

4 (b) Failure to supervise a vending machine is a violation and upon conviction is
5 punishable by a fine of not less than \$300.

6 * Sec. 6. AS 43.50.070 is amended to read:

7 Sec. 43.50.070. REVOCATION OF LICENSES. The department may suspend or revoke
8 a license issued under AS 43.50.010 - 43.50.180 (1) for a criminally negligent violation of
9 AS 11.76.100, 11.76.107 or a violation of AS 43.50.010 - 43.50.180 or a regulation of the
10 department adopted under AS 43.50.010 - 43.50.180; (2) if a licensee ceases to act in the
11 capacity for which the license was issued; or (3) if a manufacturer, distributor, or wholesale
12 distributor negligently sells tobacco or products containing tobacco to a nonlicensed retailer or
13 a retailer whose license endorsement under AS 43.70.075 has been suspended. A person whose
14 license is suspended or revoked may not sell cigarettes or permit cigarettes to be sold during the
15 period of the suspension or revocation on the premises occupied or controlled by that person. A
16 disciplinary proceeding or action is not barred or abated by the expiration, transfer, surrender,
17 renewal, or extension of a license issued under AS 43.50.010 - 43.50.180. The department shall
18 comply with the provisions of the Administrative Procedure Act (AS 44.62).

19 * Sec. 7. AS 43.70.075(d) is amended to read:

20 (d) If a person who holds an endorsement issued under this section, or an agent or an
21 employee of a person who holds an endorsement issued under this section acting within the scope
22 of the agency or employment, has been convicted of violating AS 11.76.100 or 11.76.107, or
23 violates a provision of this section or a regulation implementing this section adopted under
24 AS 43.70.090, the department shall suspend the endorsement for a period of

25 (1) 45 days; or

26 (2) 90 days, if within the past 24 months the person has been previously convicted
27 of violating AS 11.76.100 or 11.76.107, or a provision of this section or a regulation
28 implementing this section adopted under AS 43.70.090.

29 * Sec. 8. AS 43.70.075 is amended by adding a new subsection to read:

30 (f) A person who holds a license endorsement issued under this section shall post on the
31 licensed premises a warning sign as described in this subsection. A warning sign required by this

1 subsection must be at least 11 inches by 14 inches and must read, in lettering at least one-half
2 inch high, "WARNING: Tobacco products are highly addictive. Cigarettes cause lung disease
3 and cancer. Smoking during pregnancy may result in fetal injury, premature birth, and low birth
4 weight. The sale of tobacco products to persons under age 19 is illegal." The sign must also
5 include a depiction of a pack of cigarettes at least two inches high defaced by a red diagonal
6 diameter within a surrounding red circle. A person holding an endorsement issued under this
7 section shall display the sign in a manner conspicuous to a person purchasing or consuming
8 tobacco products on the licensed premises. The department shall, without charge, furnish
9 warning signs required under this section to a person who holds an endorsement issued under this
10 section or a person who requests the sign with the intention of displaying it.

11 * Sec. 9. The supreme court shall include on a schedule of bail amounts the fine established under
12 AS 11.76.100(d) and 11.76.107(b) for a violation of those sections.

SPONSOR STATEMENT

House Bill 84 — Youth Tobacco Addiction Prevention Act

House Bill 84

HB 84 has three basic elements:

- HB 84 would restrict the sale of tobacco products through vending machines. It is estimated that about sixty percent of current smokers started by age 14, and 90 percent by age 19. Purchasing trials in Alaska as well as other states have found that children routinely succeed in purchasing cigarettes through vending machines. By restricting tobacco product vending machine sales, tobacco product sales to minors would require direct merchant supervision through over-the-counter sales.
- HB 84 would require the placement of warning signs stating that it is illegal to sell tobacco sales to individuals under age 19.
- HB 84 streamlines the enforcement process for illegal tobacco product sales to minors by: 1) setting the fine for illegal tobacco sales at \$300 and allowing for citations to be issued for a violation; and 2) amending the standard of liability (from the current "knowing sale" to minors to a "negligence" standard).

HB 84 has the backing of the American Cancer Society, American Lung Association, Alaska Federation of Natives, the Alaska Native Health Board, Tanana Chiefs Conference, the Bristol Bay Area Health Corporation, the Anchorage Municipal Health and Human Services Commission and other professional health providers and individuals. The legislation was developed in consultation with a representative of vending industry interests.

Children and Tobacco

According to a report by the U.S. Inspector General, each day more than 3,000 minors start smoking; more than one million new teenage smokers each year, approximately *one new teenage smoker every 30 seconds*.

Sixty percent of current smokers started by age 14, 90 percent by age 19. Studies have found that children routinely succeed in purchasing cigarettes through vending machines. By restricting vending machine sales of tobacco products, children will be subject to direct merchant supervision through over-the-counter sales.

According to a research survey sponsored by the vending machine industry, it is the youngest new smokers (the 13 year olds in the survey population) who rely most heavily on vending machines as a source of tobacco products. As noted in the survey: "Teens who bought from vending machines often or occasionally found this source to be attractive because no one will stop them from buying cigarettes this way."

- Tobacco causes more premature death than AIDS, use of heroine, cocaine and alcohol, fire, automobile accidents, homicides and suicides combined — more Americans die each year from smoking related illness than died in all of World War II.
- It is estimated that some 53,000 Americans die from passive (second-hand) smoke alone — more people than died as a result of dropping the atomic bomb on Nagasaki.
- No other cancer-causing drug or addictive product or drug that it is illegal for children to possess is sold through vending machines.
- Secretary of Health & Human Services Louis Sullivan and former Surgeon General Koop have called for a ban on tobacco vending.
- Studies have found that young children find it relatively easy to purchase cigarettes through vending machines.
- More than 430,000 Americans die each year of illness and diseases caused by tobacco — nearly one person each minute, 1,179 people each day.
- Smoking by pregnant women has been linked to fetal and infant mortality. Low birth weight, often associated with mental retardation and other developmental and health problems, has been conclusively linked to the number of cigarettes smoked during pregnancy. Other effects include premature delivery, retardation in fetal growth, and diminished availability of oxygen to the fetus. These problems may affect a child, often severely, throughout its lifetime.
- The federal Department of Health and Human Services estimates that smoking related illness cost the nation about \$52 billion per year (about \$221 per capita) in health treatment and other costs. In Alaska, it has been estimated that for one year (1985) direct and indirect mortality and morbidity costs were in excess of \$100 million.

While respecting the rights of adults to make informed choices about their personal lives and to bear the consequences, HB 84 is needed to help prevent children from being manipulated by sophisticated advertising practices leading to tobacco product addiction, illness and death.

Sectional Analysis

CS HB 84 (Fin)/Youth Tobacco Addiction Prevention Act

Section 1

Findings.

Section 2

Amends AS 11.76.100 (a) to establish that it is a violation to negligently sell, give or exchange tobacco products or to negligently maintain a tobacco product vending machine. Establishes a prohibition on vending machine sale of tobacco products unless consistent with the restrictions identified in Sec. 4.

Section 3

Effective January 1, 1995, amends AS 11.76.100 (a) to delete language referencing the sale of tobacco products through vending machines and provide that it is a violation to sell tobacco products through a vending machine.

Section 4

Until January 1, 1995, a person may maintain a tobacco vending machine located on premises licensed as a beverage dispensary under AS 04.11.090.

Section 5

Amends AS 11.76.100(d) to establish that the sale or gift of tobacco to a minor is a violation punishable by a fine of \$300.

Section 6

Until January 1, 1995, it is a violation for a person to fail to supervise a tobacco vending machine.

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convicted to the Department of Commerce and Economic Development. A violation is punishable by a fine of \$300.

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Conforming amendment. Effective January 1, 1995, amends AS 43.50.010(a) to remove language referencing the sale of tobacco products through vending machines.

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Conforming amendment. Effective January 1, 1995, amends AS 43.50.010(b) to remove language referencing the sale of tobacco products through vending machines.

Section 10

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Section 11

Amends AS 43.50.070 to add that violation of the law regarding the criminally negligent sale or gift of tobacco to minors (AS 11.76.100) or the sale of tobacco products through vending machines (AS 11.76.107) are grounds for the suspension or revocation of a tobacco sales license under AS 43.50.010-180.

Section 12

Amends AS 43.50.075(d) to reference that a violation of AS 11.76.107 is grounds for suspension of a tobacco license endorsement.

Section 13

Amends AS 43.50.010 to add a new subsection to require the posting of warning signs on the premises where tobacco products are sold.

Section 14

Conforming amendment. Effective January 1, 1995, AS 11.76.100(b), regarding the interim restriction requiring placement of vending machines on premises licensed as a beverage dispensary; AS 11.76.100(c), language regarding the maintenance of a vending machine; and AS 43.50.030(c), regarding a license fee for tobacco vending machine operators are repealed.

Section 15

Prior to January 1, 1995, directs the supreme court to include on a schedule of bail amounts the fines resulting from violations of the law regarding tobacco sales or gifts to minors or through vending machines for violations under AS 11.76.100(d) and AS 11.76.107(b).

Section 16

Effective January 1, 1995, directs the supreme court to include on a schedule of bail amounts the fines resulting from violations of the law regarding tobacco sales through vending machines under AS 11.76.107(c).

Section 17

Effective date. Sections 3, 7, 8, 9, 10, 14, and 16 take effect January 1, 1995.

House Bill No. 84

For an Act entitled: "An Act relating to the sale, exchange, or giving of tobacco and tobacco products."

Summary

This bill amends AS 11.76.100, Selling or giving tobacco to a minor and AS 43.50. Article 1, Cigarette Tax Act, Sections 10 and 20, License and Separate Licenses. The bill repeals Subsection (b) and (c) of AS 11.76.100 and subsection (c) of AS 43.50.030. These subsections refer to the offense committed through the sale of tobacco products to a minor by vending machines and the licensing of vending machine operators to sell tobacco products. Section 107 is added to AS 11.76 prohibiting the sale of tobacco products by vending machines and provides for a fine of not less than \$300.00 for those found in violation. Subsection (d) in AS 11.76.100 is amended to fine persons not less than \$300.00 who are convicted in violation of selling or giving tobacco to a minor. Section 43.50.070(1) is amended to provide for suspension or revocation of license for those found criminally negligent in violation of selling tobacco products to minors or the sale of tobacco products through vending machines.

Subsection (f) is added to AS 43.50.010 and requires persons holding a license to sell tobacco products to post an 11 by 14 inch warning sign that reads "WARNING: Tobacco products are highly addictive. The sale of tobacco products to persons under age 19 is illegal." This sign must also depict a pack of cigarettes defaced by a red diagonal diameter within a surrounding red circle.

Discussion

Only a very small percentage of smokers begin smoking as adults. Efforts at prevention must focus on children. Vending machines are the main source of cigarettes for the youngest children.

Nicotine addiction becomes quickly established in children as evidenced by studies that document the difficulty children have in quitting. Given the prevalence of smoking in the Alaska (33.8%) and the Nation (26.5%), tobacco use is the most widespread form of drug dependency. The sale of tobacco should be considered as seriously as the sale of alcohol and other

addictive drugs.

In addition, tobacco-use represents the most extensively documented cause of disease ever investigated in the history of biomedical research. There are forty-three identified carcinogens present in tobacco smoke and high concentrations of carcinogenic tobacco-specific nitrosamines found in smokeless tobacco.

Maternal smoking is associated with several complications of pregnancy in addition to a 25 to 50 percent high rate of fetal and infant death among women who smoke during pregnancy.

The economic impact of smoking in Alaska, the smoking attributable direct and indirect costs, was 82.3 million in 1985. This includes 2.4 million in pediatric deaths associated with smoking.

Alaska is among the states at highest risk for tobacco use and its devastating health consequences. Alaska has the highest age-adjusted lung cancer death rate in the Nation. Close to 90% of all lung cancer deaths are caused by cigarette smoking and 43.4% of Alaska males over 20 smoke, the highest smoking rate in the country.

Cancer was the second leading cause of death in Alaska in 1986 and 1987, accounting for 21% of all deaths, 30 percent of all cancer deaths and again, 90% of all lung cancer deaths are caused by smoking.

Recent studies by the Centers for Disease Control and the American Cancer Society rank Alaska second in the nation with deaths from oral and pharyngeal cancer and tied for third in our death rate from all cancers. Risk taking behaviors associated with oral and pharyngeal cancer are tobacco use and heavy alcohol consumption.

The elimination of vending machines will make tobacco products less available and reduce children's and adolescent's opportunity to experiment with tobacco products and lessen the likelihood that children will develop a regular pattern of use.

Studies have shown that children and adolescents who start to smoke do not understand the nature of tobacco addiction and are unaware of or underestimate important health consequences of smoking. Children and adolescents decision to smoke is therefore not a fully informed choice.

Studies by states and voluntary health organizations have shown that merchant compliance with tobacco access laws is

low. A recent study reported that 80 percent of the retailers in five states were violating the law and selling to minors.

However, compliance with the law was six times greater in stores where signs were posted compared to stores without signs. The posting of the sign as required by this bill, will increase the difficulty a minor has in obtaining tobacco products through a higher merchant compliance with the law.

The initiatives contained in this bill are becoming more widespread. Legislation restricting the sale of tobacco products through vending machines exists in nine states with Colorado banning the sale of smokeless tobacco products through vending machines.

There are currently 22 cities and/or counties in the U.S. that have a total ban on vending machine sales of tobacco products. In addition, there are 14 states that require the posting of signs relating to prohibiting the sale of tobacco products to minors.

In addition, the 100th Congress introduced legislation, (H.R. 3658), that included the limiting of sales of tobacco products to over-the-counter (prohibiting vending machine sales) and requiring every retail establishment selling tobacco products to post a sign stating "The sale of cigarettes to minors is strictly prohibited".

Given both the highly addictive nature of tobacco use and its adverse health consequences, it is important to protect children and adolescents from using tobacco until they are capable of making a mature and informed decision.

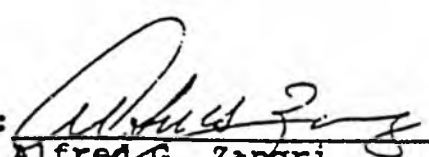
This bill would compliment the laws already in place that are known to reduce the availability of tobacco products to children 1) restricting the sale of tobacco products to minors; 2) banning the use or possession of tobacco by minors; 3) banning vending machines and 4) the posting of signs at the point-of-purchase. Banning the free distribution of tobacco product samples is the fifth policy shown to be effective in preventing initiation of tobacco addiction.

Although addiction is one of the health consequences of the use of tobacco products, the Department recommends strengthening the message on the sign; for example "WARNING: Tobacco products are highly addictive, hazardous to your health and may cause complications during pregnancy. The sale of tobacco products to persons under age 19 is illegal." Stronger language may be substituted such as "a cause of lung disease and cancer".

Recommendation


The Department strongly supports this bill which will help prevent the initiation of smoking among young children and adolescents.

Recommended: _____


Alfred G. Zangri
Acting Director
Division of Public Health

Date: _____

Approved: _____


Theodore Mala, M.D., M.P.H.
Commissioner
Department of Health
and Social Services

Date: _____

2/15/91

STATE OF ALASKA

WALTER J. HICKEL, GOVERNOR

DEPT. OF HEALTH AND SOCIAL SERVICES

BUREAU OF VITAL STATISTICS
P.O. BOX H
JUNEAU, ALASKA 99811-0675
PHONE: (907) 465-3392

May 15, 1991

Honorable Kay Brown
House of Representatives
State of Alaska
Room 513, Capitol
PO Box V
Juneau AK 99811

Dear Representative Brown;

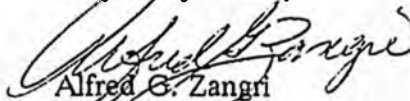
It has come to my attention that questions have been raised about the effectiveness of the warning signs proposed in HB 84. As I indicated in my testimony before the House Labor and Commerce committee, these signs are a vitally important component of the legislation.

The question of the effectiveness of this type of warning sign was directly addressed in a 1989 study undertaken by Altman, Foster, Douss, & Tye in Santa Clara County, California and published in the Journal of the American Medical Association on January 6, 1989. Briefly, this study found that placing signs warning that it is illegal to sell tobacco products to minors in businesses that sell tobacco products reduced illegal sales to minors by the following percentages.

Store Type	% Reduction in Illegal Sales
Vending Machine	0
Gas Station	-35%
Liquor Store	-45%
Convenience Store	-41%
Pharmacy	-53%
Grocery Store	-58%

These reductions are significant.

Very Truly Yours,


Alfred G. Langri
Chief

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

400 WILLOUGHBY AVENUE
JUNEAU, ALASKA 99801-1796
PHONE: (907) 465-2400
FACSIMILE: (907) 586-2754

January 24, 1992

The Honorable Curt Menard, Chair
Senate Transportation Committee
State Capitol
Juneau, AK 99811-1182

Dear Senator Menard:

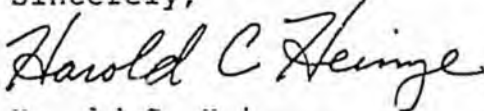
Subject: CSHB 232 (CRA), which relates to sunken and abandoned vessels and cargo.

Position: The Department of Natural Resources supports the intent of this bill, to help tideland owners (state or municipal governments) deal with the problem of shipwrecked vessels within their jurisdictions. However, since the bill passed the House of Representatives last spring we have learned that the existing bill's language may have disastrous effects on the ability of boat owners to obtain insurance for their vessels. We are working with the Department of Commerce and Economic Development, Division of Insurance, to develop new language for this bill that meets the concerns of all involved. We hope to have this language developed in time for the Senate Transportation Committee hearing.

Recommendation: Consider substitute language for the bill that meets the concerns of all involved parties.

We look forward to working with you and the bill's sponsor to resolve any outstanding problems. Please let me or Ron Swanson know if you have questions about this bill.

Sincerely,



Harold C. Heinze,
Commissioner

cc: Representative Jacko
Representative Navarre
Committee Members
Paul Fuhs, Legislative Liaison, Office of the Governor
Ron Swanson, Director, Division of Land

North Star Vending

P.O. BOX 201627 ANCHORAGE, ALASKA 99520
337-6748 694-1277 FAX (907) 338-7251

April 28, 1991

Representative Kay Brown
Pouch "V"
Juneau, Alaska 99811

Dear Representative Brown,

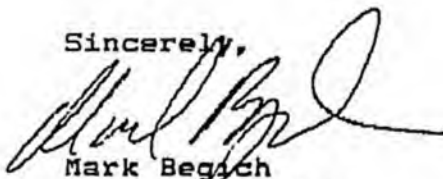
I have reviewed your Committee Substitute for House Bill 84, An Act Relating to the Use, Sale, Exchange, or giving of Tobacco and Tobacco Products, overall I have no objections to the legislation.

The intent of the legislation is very good.. With in the industry we have made strong efforts to prohibit the use of tobacco products among our youth and I believe we have been very successful.

The committee substitute has addressed some of the concerns I had with the original bill. As I had explained to you and your staff the machines that vend cigarettes are very expensive and if the original bill became law it would have been very costly to some businesses. By allowing a phase in of the law you will give a chance for the vendors to amortize out their equipment costs over a reasonable time and at the same time getting to your final goal of limiting access of tobacco products to our young people. This change is appreciated.

Thanks for taking the time to work on these modifications. If there is anything else I can do please don't hesitate to contact me.

Sincerely,



Mark Begich
Managing Partner

PLEASE MICROFILM TOP PAGE ONLY

DOCUMENTS WHICH HAVE NOT BEEN
FILMED BUT ARE AVAILABLE IN THE
ORIGINAL FILE INCLUDE:

- letters of support
- news clippings
- miscellaneous reports on the effects of smoking