

HPB

3

FISCAL NOTE

BILL NO. HB 2

STATE OF ALASKA
1992 LEGISLATIVE SESSION

Revision Date: March 6, 1992
Title: An act increasing the excise tax
on cigarettes
Sponsor: Reps. Ellis and Brown
Requestor: HS HES

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						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LANDS & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
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
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REVENUE	4300.0	4300.0	4300.0	4300.0	4300.0	4300.0
FUND SOURCE						

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: _____

ANALYSIS:

SEE ATTACHED

Prepared By: Paul E. Dick *PE* LEN 3-6-92 Phone: (907) 465-2320
Division: Income and Excise Audit Date: March 6, 1992

Approved by Commissioner: Darrel J. Rexwinkel *DR* Daniel Rexwinkel
Agency: Department of Revenue Date: 2/7/92

Fiscal Note Analysis, HB 2
Income and Excise Audit Division
Prepared by Paul Dick
March 6, 1992

HB 2 increases the additional cigarette tax under AS 43.50.190 from 12 to 18 mills per cigarette. The new tax, added with the cigarette tax of 2.5 mills per cigarette under AS 43.50.090, would result in a total tax of 20.5 mills per cigarette (41 cents per pack), versus the current 14.5 mills (29 cents per pack). This would mean a 41% increase from the current tax rate.

Assuming that the increased tax rate will cause a decrease in the number of cigarettes sold by 10%, cigarette taxes will still increase in FY 93 by \$4.3 million as outlined below:

	<u>FY 91</u>	<u>HB 2</u>
Taxable Cigarettes Sold	1,088,000,000	979,200,000
Cents Per Cigarette*	<u>1.45</u>	<u>2.05</u>
Cigarette Tax	<u>\$15,776,000</u>	<u>\$20,073,600</u>

Our fiscal note assumes that the number of cigarette sold in FY 93 will remain the same through FY 98.

* 1 mill = .1 cent

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REPRESENTATIVE JOHNNY ELLIS

Sponsor Statement HB 2 and HB 3

HB 2 increases the current state excise tax on a pack of cigarettes from \$.29 to \$.41, adding more than \$4 million in state revenues yearly. I introduced this legislation last year, but due to lack of support from other legislators and the Governor's office I did not pursue its passage. This year I think the feeling in Juneau is different, and I am working as quickly as I can to move this bill through the process.

Due to increased concern as to the danger of smokeless tobacco, and in an effort to increase chances of passage, I will be introducing a Committee Substitute to combine HB 2 with HB 3 and will change the language of HB 3. Instead of redefining smokeless tobacco, the new bill will simply increase the current tax on smokeless tobacco products from 25 percent of the wholesale price to an increased tax which will be based on 35 percent of the wholesale price of those products.

These additional taxes are found to be most effective in discouraging young people from smoking or chewing tobacco *before* they get addicted.

Alaska currently ranks 18th in the nation for the rate of *state* taxes on cigarettes and is tied for 10th in the nation for the rate of state taxes on smokeless tobacco products.

National statistics show that the number of cigarettes sold each year has been decreasing. Alaska has followed that trend for over a decade, except for last year when cigarette sales increased. We need to change that.

According to findings from the federal Office of Technology Assessment, smoking costs employers \$38 billion to \$95 billion per year in the form of lost productivity and health care costs. In 1985, there were 261 smoking attributable deaths in Alaska, costing over \$52.8 million in hospital care, physician services, medication and other health care costs.

Why increase taxes on cigarettes and smokeless tobacco?

1. Good Health Policy —High costs for the product cause people to cut down or quit.

Sponsor Statement

2. Good Fiscal Policy — In 1991, tobacco taxes accounted for \$14 million dollars in state revenue. Alaska is facing a budget deficit for FY 93.

3. Good Politics — Polling shows that where respondents are faced with a choice of various tax increases — cigarettes are the first to be taxed. A June 1990 Wall Street Journal and NBC News poll found that 83 percent of voters would favor increasing alcohol and tobacco taxes *if* the people had to have a tax increase.

HB 2 and HB 3 are supported by:

The American Cancer Society
Substance Abuse Directors Association of Alaska
American Lung Association of Alaska
Alaska Native Health Board
Anchorage Municipal Health and Human Services Commission
Alaska Department of Health & Social Services

Please support HB 2 and HB 3.

Sent To You By
Legislative Research Agency

*Selected years:
 1978-1991*

161
 1/76

Table 34
 State Cigarette Tax Rates per Pack

Region and State	1991	1990	1989	1988	1987	1986	1985	1984	1982	1980	1978
<i>Cigarette</i> Union: Federal Tax	<i>3.42</i>	\$1.16	\$1.16	\$1.16	\$1.16	\$1.16	\$1.16	\$1.16	\$0.08	\$0.08	\$0.08
Median	.24	.21	.20	.18	.18	.17	.17	.16	.13	.125	.12
Alabama	.165	.165	.165	.165	.165	.165	.165	.165	.16	.12	.12
Alaska	.29	.29	.29	.16	.16	.16	.08	.08	.08	.08	.08
Arizona	.18	.18	.15	.15	.15	.15	.15	.15	.13	.13	.13
Arkansas	.22	.21	.21	.21	.21	.21	.21	.21	.1775	.1775	.1775
California	.35	.35	.35	.10	.10	.10	.10	.10	.10	.10	.10
Colorado	.20	.20	.20	.20	.20	.20	.15	.15	.10	.10	.10
Connecticut	.45	.40	.40	.26	.26	.26	.26	.26	.21	.21	.21
Delaware	.24	.19	.14	.14	.14	.14	.14	.14	.14	.14	.14
District of Columbia	.30	.17	.17	.17	.17	.13	.13	.13	.13	.13	.13
Florida	.339	.339	.24	.24	.24	.24	.21	.21	.21	.21	.21
Georgia	.12	.12	.12	.12	.12	.12	.12	.12	.12	.12	.12
Hawaii*	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%
Idaho	.18	.18	.18	.18	.18	.091	.091	.091	.091	.091	.091
Illinois+	.30	.30	.30	.20	.20	.20	.12	.12	.12	.12	.12
Indiana	.155	.155	.155	.155	.155	.105	.105	.105	.105	.105	.105
Iowa	.36	.31	.31	.34	.36	.26	.18	.18	.18	.13	.13
Kansas	.24	.24	.24	.24	.24	.24	.16	.16	.11	.11	.11
Kentucky*	.03	.031	.031	.03	.03	.03	.03	.03	.03	.03	.03
Louisiana	.20	.20	.16	.16	.16	.16	.16	.16	.11	.11	.11
Maine	.37	.31	.31	.28	.28	.28	.20	.20	.16	.16	.16
Maryland	.16	.13	.13	.13	.13	.13	.13	.13	.13	.13	.10
Massachusetts*	.26	.26	.26	.26	.26	.26	.26	.26	.21	.21	.21
Michigan	.25	.25	.25	.25	.21	.21	.21	.21	.21	.11	.11
Minnesota	.43	.38	.38	.38	.38	.39	.23	.18	.18	.18	.18
Mississippi*	.18	.18	.18	.18	.18	.18	.11	.11	.11	.11	.11
Missouri	.13	.13	.13	.13	.13	.13	.13	.13	.09	.09	.09
Montana	.18	.18	.16	.16	.16	.16	.16	.16	.12	.12	.12
Nebraska	.27	.27	.27	.27	.27	.23	.18	.18	.18	.13	.13
Nevada	.35	.35	.35	.20	.20	.15	.15	.15	.10	.10	.10
New Hampshire	.25	.25	.21	.17	.17	.17	.17	.17	.12	.12	.12
New Jersey+	.40	.40	.27	.27	.27	.25	.25	.25	.24	.19	.19
New Mexico	.15	.15	.15	.15	.15	.15	.12	.12	.12	.12	.12
New York	.39	.39	.33	.21	.21	.21	.21	.21	.15	.15	.15
North Carolina	.05	.02	.02	.02	.02	.02	.02	.02	.02	.02	.02
North Dakota	.29	.30	.30	.27	.27	.18	.18	.18	.12	.12	.11
Ohio	.18	.18	.18	.18	.18	.14	.14	.14	.14	.15	.15
Oklahoma	.23	.23	.23	.23	.25	.15	.18	.18	.18	.18	.13
Oregon	.28	.28	.27	.27	.27	.27	.19	.19	.19	.09	.09
Pennsylvania	.31	.18	.18	.18	.16	.18	.18	.18	.18	.18	.18
Rhode Island	.37	.37	.37	.27	.25	.25	.234	.23	.23	.18	.18
South Carolina	.07	.07	.07	.07	.07	.07	.07	.07	.07	.07	.07
South Dakota	.23	.23	.23	.23	.23	.23	.23	.15	.15	.14	.12
Tennessee*	.13	.13	.13	.13	.13	.13	.13	.13	.13	.13	.13
Texas	.41	.41	.26	.26	.205	.205	.195	.185	.185	.185	.185
Utah*	.23	.23	.23	.23	.23	.12	.12	.12	.12	.10	.08
Vermont*	.18	.17	.17	.17	.17	.17	.17	.17	.12	.12	.12
Virginia+	.025	.025	.025	.025	.025	.025	.025	.025	.025	.025	.025
Washington*	.34	.34	.31	.31	.31	.31	.23	.23	.208	.16	.16
West Virginia	.17	.17	.17	.17	.18	.17	.17	.17	.17	.17	.17
Wisconsin*	.30	.30	.30	.30	.25	.25	.25	.25	.25	.16	.16
Wyoming	.12	.12	.12	.18	.08	.08	.08	.08	.08	.08	.08

+ Local taxes *may be* additional.
 *State Notes

- Hawaii** Tax is 40% of wholesale price. On a per unit basis. Hawaii's tax is 50¢ per pack.
- Kentucky** Plus an additional .1¢ tax on each pack.
- Massachusetts** The tax rate is increased by any amount by which the federal excise tax on cigarettes is less than 8 mills.
- Mississippi** If the federal cigarette tax is reduced, the state rate will be increased by the amount of the federal tax burden.
- Tennessee** An additional 5¢ per pack is imposed on dealers and distributors.
- Utah** If the federal cigarette tax is reduced, the state rate will be increased by the amount of the federal tax burden.
- Vermont** Effective January 1, 1992, the tax is \$19 per pack and effective July 1, 1992, the tax is \$20 per pack.
- Washington** Tax reduced to \$31 per pack on July 1, 1995.
- Wisconsin** An additional tax of \$16 per pack of 20 cigarettes is imposed minus the federal cigarette tax.

Source: ACTR staff compilation from Con

state tax rates

STATE SMOKELESS TOBACCO EXCISE TAXESCHEWING TOBACCO AND SNUFF

STATE	TAX	STATE	TAX
AL	Tax based on weight ¹	MO	NONE
AK	25% of wholesale price	MT	2.5% of wholesale price
AZ	\$.02/ounce	NE	15% of purchase price
AR	16% of manuf. inv. price	NV	30% of wholesale price
CA	41.76% of wholesale price	NH	NONE
CO	20% of manuf. price	NJ	24% of wholesale price ¹
CT	NONE	NM	25% of wholesale price
DE	15% of wholesale price	NY	15% of wholesale price
DC	NONE	NC	NONE
FL	25% of wholesale price	ND	20% of wholesale price
GA	NONE	OH	NONE
HI	40% of wholesale price	OK	30% of wholesale price
ID	35% of wholesale price	OR	35% of wholesale price
IL	NONE	PA	NONE
IN	15% of wholesale price	RI	NONE
IA	19% of wholesale sales price	SC	5% of manuf. price
KS	10% of wholesale price	SD	NONE
KY	NONE	TN	6% of wholesale price
LA	NONE	TX	37.13% of manuf. price ¹
ME	45% of wholesale price	UT	35% of manuf. sales price
MD	NONE	VT	20% of distributor price
MA	25% of wholesale price	VA	NONE
MI	NONE	WA	64.9% of wholesale price
MN	35% of wholesale price	WV	NONE
MS	15% of manuf. list price	WI	20% of wholesale price
		WY	NONE

¹Chewing Tobacco: 3/4 cents/ounce or fraction thereof.

- Snuff:
- (a) 5/8 ounces or less, 4 cent;
 - (b) Over 5/8 ounce not exceeding 1 5/8 ounces, 1 cent;
 - (c) Over 1 5/8 ounces, not exceeding 2 1/2 ounces, 2 cents;
 - (d) Over 2 1/2 ounces, not exceeding 3 ounces; 2 1/2 cents;
 - (e) Over 3 ounces, not exceeding 5 ounces (cans, packages, gullets), 3 cents;
 - (f) Over 3 ounces, not exceeding 5 ounces (glasses, tumblers, bottles), 3 1/2 cents;
 - (g) Over 5 ounces, not exceeding 6 ounces, 4 cents;
 - (h) One cent additional tax for each ounce or fraction thereof over 6 ounces.

Effective July 1, 1990

SOURCE:

State Departments of Revenue, Bureaus of Tobacco and Miscellaneous Taxes.

SEPTEMBER

Questions and Answers About Taxes

Whenever a cigarette excise tax is proposed or even considered, questions arise over certain issues. Regressivity, crime, smuggling, smokeless tobacco products, declining revenues, and the fate of the tobacco farmer are the topics that arise most frequently. The following responses have been researched to address these issues.

Are tobacco taxes regressive?

Taxes are considered regressive when they fall most heavily on people least able to pay. To the extent that people with lower incomes already smoke more, the cost of cigarettes, with or without a tax, represents a higher portion of their income. The higher smoking rates among the poor mean that the resulting disease and death rates are also higher in this group—the people least able to afford them—than among those with more education and income. Tax increases, rather than seducing people into smoking, help them quit or not begin by raising the price to unaffordable levels. The real burden to the poor comes not only from the cost of tobacco but from the health consequences of addiction to cigarettes.

People who use tobacco, regardless of their income level, also use more health services. The United States Office of Technology Assessment reports that cigarette smoking was responsible for \$22 billion in health

care costs and \$43 billion in lost productivity in the US in 1985. A tobacco tax is more like a user's fee.

Although the costs of growing tobacco and producing cigarettes have declined in recent years, tobacco companies have raised prices to maintain and increase their profits without consideration for their low-income smokers. During the 1980s, US tobacco company profits soared as a result of price hikes, while the number of packages sold declined, from 31.575 billion in 1980 to 26.665 billion in 1989. A package of US cigarettes averaged 61.4¢ in 1980 and \$1.44 by 1988.

Economists have shown that if the

price of cigarettes is too high, fewer children will start to smoke. A 20¢ tax increase is likely to result in 500,000 fewer teenage smokers, according to a 1989 report of the US General Accounting Office. Thus, a cheap tobacco policy means the problem will merely be perpetuated for another generation.

Cigarette taxes that are earmarked for health education, counter-advertising, medical research on tobacco-related diseases, physician payments for low-income patients, and other services actually offer more benefits to the poor (who smoke more and use more of the services of health systems) than to those with higher incomes.

MARGULIES
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Questions and Answers

Doesn't increasing tax on every package of cigarettes discriminate unfairly against minority smokers?

As smoking has declined among the more affluent and well-educated, tobacco companies have not chosen to recapture this market. Instead, they've gone after women and minorities, populations they consider more likely to succumb to their messages. Higher taxes are a way of offsetting the tobacco industry's recruitment efforts among minorities and women since higher cigarettes prices can discourage smoking.

Will a tax increase cause smuggling?

The tobacco industry plays up the problem of smuggling, as was particularly evident in its unsuccessful effort to prevent the large tobacco tax increase in California. But even with large differences in taxes between states, there are few recent reports of illegal sales across state lines in the United States. For example, in 1988 the tax on cigarettes in New Jersey was 27¢ per pack and that of nearby Virginia only 2.5¢ a pack, a difference of 24.5¢. Yet smuggling between the two states was not considered a problem by the director of the New Jersey Division of Taxation. In fact, the New Jersey legislature upped its tax another 13¢ in July 1990, effectively widening the gap between their state's cigarette taxes and Virginia's.

The federal Contraband Cigarette Act of 1977 made it a federal offense to smuggle cigarettes from state to state and imposed strict bookkeeping requirements on producers and distributors. The law has been extremely effective in stopping over-the-road smuggling, according to a government report published in 1985.

Prominent marking of packages to

show payment of tax and significant penalties for smuggling activities can discourage smuggling. It has also appeared that jurisdictions with high tobacco tax can successfully bring pressure on low-tax neighbors to adjust their tobacco tax policy.

Will an increase in tobacco tax cause more crime?

Tobacco industry advertising during the campaign to raise the cigarette tax in California emphasized that crime would increase because of the smuggling of lower-priced cigarettes from other states. The police would spend so much time chasing cigarette smugglers they wouldn't be able to enforce other laws. The ads showed how an outbreak of gang warfare would begin if the tax were increased. The industry had discovered that fear of crime, especially gang violence, was a cause of concern among California voters and so it attempted to link the tax increase with this concern. However, there has been little evidence of a tobacco-related crime increase in California since the tax rose 250%.

The real crime is the illegal sale of cigarettes to children in many areas. A recent study showed that in the United States, about 3% of tobacco profits—\$221 million in 1988—derived from sales to children, even though selling cigarettes to minors is illegal in 43 states. An increase in the price of cigarettes would reduce illegal sales to children.

Should smokeless tobacco be taxed?

"Smokeless tobacco" refers to moist snuff (finely shredded leaf held in the mouth and then spit out) and chewing tobacco (coarser tobacco which may also be held in the mouth, and is chewed and then spit). "Smoke-

less" is a term the tobacco industry likes because it connotes cleanliness and safety, two qualities lacking in these forms of tobacco, which cause both increased spitting and cancer of the mouth, throat, and neck. Moreover, smokeless forms of tobacco deliver more nicotine than cigarettes and are more addictive than cigarettes.

Use of smokeless tobacco was on the decline in the US but has increased during the past 20 years, mainly among adolescent boys. Although spitting tobacco is no longer advertised on radio or television in the United States, tobacco companies aggressively promote the products, with heavy emphasis on sampling.

Most jurisdictions have not kept up with the increase in use by taxing smokeless tobacco products or raising extremely low existing taxes. Smokeless forms of tobacco are taxed at very low rates nationally in the United States and not at all in a few states and some countries. Yet children are more likely than adults to quit using any form of tobacco after a price increase, possibly because their habits are less ingrained and they have less disposable income. An increased tax would prevent many children from taking up this increasingly popular and dangerous practice.

Won't it cost more to impose a tax on other tobacco products than the tax could bring in?

States in the US that tax other tobacco products have found the administrative costs to be very low. For example, in 1989, the Florida Department of Taxation reported that its administrative expenses for collection of the tax was 0.04% of the revenue collected; Indiana reported costs of 0.28%.

A tax on other forms of tobacco ends the double standard of taxation of tobacco products and discourages use of smokeless tobacco among the young.

Is a tax on smokeless tobacco products difficult to administer?

The tobacco industry may point to all the different sizes, shapes, and types of containers for smokeless tobacco products to prove that it is impossible to place stamps on these products that show a tax has been paid. Actually, stamps are unnecessary. States tax by taking a percentage of the price of smokeless tobacco products somewhere between manufacturer and market. (See table, page 10.) Based on this method, collecting the tax should not be a problem. An informal survey of tobacco distributors by the Ohio Division of the American Cancer Society found that none had difficulty reporting the tax.

If increased taxes on cigarettes cause fewer people to smoke, won't revenue go down?

The price of a package of cigarettes has the greatest impact on the decision of a child to smoke. Since in most areas, sale of cigarettes to children is illegal anyway, does the state want to make money from illegal sales to them?

Most states have found that a substantial increase in the tax will bring in a proportional increase in revenue even as the number of packages of cigarettes sold declines. Since the decline in number of smokers occurs gradually over time, any drop in tax-generated revenues will also take place slowly.

The prices of cigarettes have increased because tobacco companies

and retailers have taken greater proportions of each dollar of cigarettes sold while governments have seen their percentage of revenue from cigarettes decrease. In 1978, US federal excise taxes accounted for 15% of the price of a pack of cigarettes, while state and local excise taxes made up another 23%. In 1988, federal taxes made up 13% and state and local taxes 14% of the retail price of cigarettes.

What about tobacco farmers? Won't they be displaced if excise taxes reduce cigarette consumption?

In the United States, taxes now go to support farmers who grow tobacco. Earmarked taxes on cigarettes could help the same farmers switch to other crops, as the Tobacco Use in America conferees recommended in 1989.

Tobacco growing has been decreasing steadily in the United States, even before the first Surgeon General's report warned of the dangers of smoking. In 1950, almost 1.6 million acres of tobacco were grown; by 1987, the number of acres had declined to 602,000. This gradual decline means that fewer children of tobacco farmers will follow their parents into tobacco farming, as economist Kenneth Warner has observed, rather than that many current farmers will be immediately displaced.

Although tobacco companies claim to champion tobacco farmers, American cigarettes now contain less domestic tobacco than they did 15 years ago. Tobacco companies have invested money in teaching farmers in other countries, including Brazil and Zimbabwe, how to grow high-quality tobacco, which the companies can buy for less than that grown in the US.

The political base of the tobacco

industry is in tobacco-growing areas, but farmers are not the major recipients of industry wealth. While farmers earned \$1.9 billion for their crop in 1987, the advertising industry received \$2.58 billion that year.

Acknowledgments

Much of the research for these questions and answers was developed by panelists of a seminar on excise taxes at the Countdown 2000 Conference, Sept. 1990, sponsored by Tobacco-Free America. Panelists were Jonathan Ratner, PhD, US General Accounting Office; Michael Dany, Vice President of Programs, Texas Division of the American Cancer Society; Mary Sandberg, Associate Director of Public Issues of the California Division of the ACS; Mary Crane, Legislative/Regulatory Representative of the American Heart Association, Washington, DC; and Susan Schoenmarklin, Director of Governmental Affairs for the Ohio Division of the ACS. Susan Schoenmarklin reviewed the responses and contributed her own research on taxes on smokeless tobacco products. Greg Connolly, LMD, of the Massachusetts Department of Public Health, investigated tobacco industry sales and profits throughout the 1980s. 🌐

Sources

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Risk M

Post-It™ brand fax transmittal memo 7671 # of pages 1

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Smoke Screens: Why You Should Limit Smoking In The Workplace

Since the early 1980s, smoking has become less and less acceptable in public places. Today, nearly one-third of American companies have either banned or limited smoking in the workplace.

Following are some good reasons to implement a no-smoking policy in your company:

1. Reduced illness and death rates among smokers. Smoking accounts for more than one in six deaths in the U.S. today. Smokers are nearly three times more likely to suffer a stroke, the third leading cause of death in the U.S. Smokers are more that 1,000 times more likely to die of lung cancer than non-smokers. And they are 200 percent more likely to die of heart

These statistics are bad news not only for smokers, but for their employers as well. Smoking causes 80 million lost work days a year, which costs employers between \$300 and \$6,000 a year per smoker. The Office of Technology Assessment determined that smoking cost employers \$38 to \$95 billion a year in the form of lost productivity and health care costs.

Smoking makes a big difference in your group medical insurance rates. If you have a workforce that's predominantly composed of smokers, your claims experience will probably be much worse than that of a similar company whose workers don't smoke. Bad claims experience lead to higher group insurance premiums.

2. Reduced illness rates among non-smokers. There's been a lot of publicity lately about the dangers of "second-hand smoke" Unfortunately, these dangers aren't exaggerated. Non-smokers may actually be exposed to twice as much tar and nicotine as smokers, since "environmental" smoke, or the combination of smoke from burning tobacco and exhaled smoke, contains twice as much of these dangerous chemicals as inhaled smoke.

Environmental smoke irritates the eyes, nose, and throat. It may also raise blood pressure and heart-beat and contribute to such diseases as lung and throat cancer, emphysema, bronchitis, and stroke. In addition, employees who are exposed to combustible or

experience increased illness and disease when environmental smoke is also present.

3. Improved morale. Because smoking is so irritating to many non-smokers, production may actually suffer in smoky conditions.

4. Reduced accident rates. Employees who smoke have twice as many job-related accidents as non-smokers. Perhaps the act of smoking distracts smokers from their jobs.

5. Improved safety. Carelessly disposed cigarettes or falling ashes often trigger fires or property damages, such as burnt carpeting.

news clippings

STILL SMOKING?

Here's what it's costing Alaska to support your habit...

According to our department's Section of Epidemiology, smoking continues to be a very expensive habit in Alaska.

The health impacts of smoking have been known for decades. The U.S. Surgeon General's office first released its findings on smoking and health almost 30 years ago.

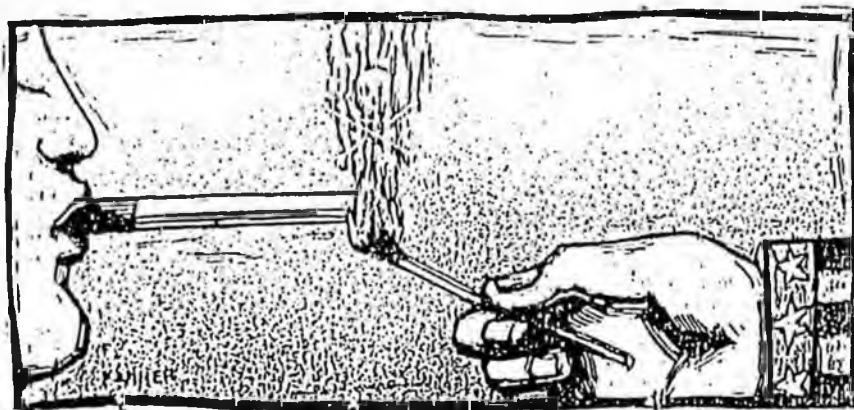
Some 20 years ago the federal government banned cigarette advertising from the nation's airwaves. The American Cancer Society, the American Lung Association, and a myriad of other health groups have worked for years to eliminate smoking from workplaces, airlines, restaurants, and other public areas. The effects of "secondary" smoke have become well documented and publicized.

Despite all efforts, it is estimated that in 1989 the cost of smoking for

for Alaskans over the age of 35 was \$83.2 million. That figure, enough to operate the University of Alaska Anchorage for nearly two full years, includes more than \$34 million for direct costs (prevention, detection, treatment, etc.), more than \$38 million in costs due to smoking deaths (lost income due to premature deaths caused by smoking), and nearly \$11 million in lost earnings and productivity by those Alaskans disabled by smoking-related diseases.

What does it mean to you? The cost for every Alaskan over the age of 35 in 1989 was more than \$170 per person. For many Alaskans, that's equal to a car payment or a big part of a monthly food or rent bill and is something to think about the next time you light up. ♦♦

Studies ignore one terrible effect of tobacco



CATHERINE KAHNIER / Los Angeles Times

CHICAGO — When Joyce Brothers' young grandchildren asked her why their beloved grandfather, a well-known physician, had died, she considered and rejected several possible answers.

She didn't want to say "because he was old," lest they fear they would lose other older members of their family. Besides, Milton Brothers was only 62.

She couldn't say "because he was sick," lest her grandchildren worry every time they or their parents became ill.

She didn't want to stumble into the theological quagmires of answers of the God-took-him type.

So the grieving psychologist/author told her grandchildren the truth. "He died because he smoked too much."

That was the truth. And it is a fact millions of children must face when they lose parents and grandparents to the most

TO SPEAK

common, preventable cause of death in the United States. Milton Brothers, who wouldn't, couldn't stop smoking despite his medical knowledge about the hazards of cigarettes, died of a smoking-related cancer after a long and difficult illness.

In her book, "Widowed," Joyce Brothers describes the weary, lonesome, devastating effect her husband's terminal illness and death had on her own life. No woman, she says, should be pushed into widowhood by cigarettes.

The deadly effects of second-hand smoke are increasingly being recognized. Last week, a new study concluded that living with a husband who smokes increases a woman's chances of getting lung cancer by

Please see Page F-6, LOST LOVED ONES

LOST LOVED ONES: Medical studies ignore one terrible effect of tobacco

Continued from Page F-1

30 percent. It also found higher risks for people exposed to the cigarette smoke of others in work places and social settings.

Such accumulating research has accelerated efforts to make more work places smoke-free, to enlarge non-smoking areas of restaurants, to ban smoking on all but long airline flights. Most hospitals are going smoke-free, not only to speed the recovery of patients but to protect the health of medical personnel.

Forty-five states now have laws restricting smoking in public places, the Journal of the American Medical Association reported last month, in an issue devoted to health problems caused by tobacco. Thirty-nine states have laws restricting the use of tobacco in schools.

Second-hand smoke (also called "environmental tobacco smoke," or ETS) is even becoming an issue in some divorces. Courts

in several states have taken into account the effects a parent's smoking can have on a child's health in making decisions about custody.

But there's one terrible effect of tobacco that has gone unreported and unstudied by the medical journals, commissions, doctors and government agencies. That is the stress and anxiety smoking creates in the lives of those who love smokers and the grief it causes them when smokers die prematurely.

If smoking kills 435,000 people every year, how many spouses does that bereave? How many millions of people are growing old alone because a partner wouldn't, couldn't stop smoking? A majority of them are women, faced with the statistical likelihood of a decade or more of loneliness in a society that is not particularly kind to widows.

How many caring spouses, anxious not to be left alone, try and fail to persuade a smoker to give up the stinking, slow sui-

cide? Do you nag, plead, threaten, beg, offer rewards? Do you enlist the children and risk family tensions? How will they feel if they fail, too? Do you look for help to friends, physicians, videos, nicotine patches, gum, clinics, counselors?

Do you force yourself to recognize the truth a doctor points out, that you can't change a smoker who doesn't want to quit, that he must decide for himself, that you risk driving a widening wedge between the two of you that may even turn your marriage into ashes?

Or do you listen to the physician who tells you to keep trying whatever you can think of, that you never know what might eventually be the successful persuasion.

Or do you pretend you don't care? Can you convince yourself that this is so? Can you turn the newspaper pages and TV channels fast enough to shut out the newest studies, the accumulating data?

How do you live with the stress that

comes from listening to a smoker you love cough a night? How do you stop worrying about sudden death from a heart attack or slow demise from cancer? How do you stand the smell that smells like death and sets off agonies of anxiety and stress?

And afterwards, after the worst has happened, how do you live with the guilt and the feeling that somehow, some way you should have been able to exorcise the demon? How do you go on, alone?

Enough studies to fill a dozen cemeteries now document beyond any doubt the killing effects of tobacco on those who use it. The hazards of second-hand smoke on others are also clear. But the toll of stress, anxiety and bereavement must also be added to the fearful price this country pays for cigarettes.

Joan Beck is a columnist for the Chicago Tribune.