

Tobacco Control Tribune

March 2010

FDA Issues Rule Restricting Sales and Marketing of Tobacco Products

On March 19, the U.S. Food and Drug Administration (FDA)'s Center for Tobacco Products issued a final rule that places tough restrictions on the sales and marketing of tobacco products. The re-issuing of the 1996 tobacco rule was required as part of the legislation giving FDA the authority to regulate tobacco products. The rule does a number of things, including prohibiting free samples of cigarettes, prohibiting gifts or other items in exchange for buying cigarettes or smokeless tobacco and prohibiting tobacco brand name sponsorship of any athletic, musical, or other social or cultural event. The new rule will take effect on June 22 – the one year anniversary of the President signing the FDA legislation into law. For more information from the American Lung Association on FDA's important new rule, click here.

Kansas Becomes 27th State to Pass Smokefree Law

On March 12, Gov. Mark Parkinson signed legislation into law that makes Kansas the 27th state in the country and the first state in 2010 to prohibit smoking in almost all public places and workplaces, including restaurants and bars. Unfortunately, an exception was made for the gaming floors of casinos, leaving workers in those types of places unprotected from secondhand smoke. The new law will take effect on July 1. For more information on which states have passed smokefree laws and the American Lung Association's Smokefree Air Challenge, click here.

New Mexico Increases Cigarette Tax by 75 Cents

On March 24, Gov. Bill Richardson signed legislation into law that will increase New Mexico's cigarette tax by 75 cents to \$1.66 per pack. The original legislation would have caused the cigarette tax to return to its previous level after four years, but, thankfully, Governor Richardson vetoed this part of the legislation making the increase permanent. The increase will take effect July 1. For a current list of state cigarette tax rates, go to: http://slati.lungusa.org/appendixc.asp. (Source: New Mexico Governor Vetoes \$68M Food Tax Measure, Liz Barry Massey, Associated Press, March 25, 2010.)

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Utah Cigarette Tax Will Increase by \$1.00

On March 31, Gov. Gary Herbert announced that he will let a \$1.00 cigarette tax increase approved by the legislature earlier in March go into effect without his signature. In a statement, he said it would be "fiscally irresponsible for him to veto the tobacco tax" because it "would create an imbalance in the state budget." This means Utah's cigarette tax will increase to \$1.70 per pack on July 1. (Source: *Utah Gov Lets Tobacco Tax Pass Without Signature*, Associated Press, March 31, 2010.)

President Obama Signs Legislation to Restrict Internet Sales of Tobacco Products

On March 31, President Obama signed legislation into law that will severely restrict illegal sales of cigarettes and tobacco products over the Internet. The legislation had been overwhelmingly approved by

the U.S. House of Representatives and Senate earlier in March. The Prevent All Cigarette Trafficking (PACT) Act will require payment of all applicable tobacco taxes before delivery of non face-to-face sales, mandate that the age of the purchaser be checked at purchase and delivery of such sales and completely prohibit the delivery of tobacco products through the U.S. mail among other provisions. Most parts of the law take effect in 90 days.

Study Shows Camel No. 9 Advertising Effective among Teenage Girls

A recent study in the journal *Pediatrics* found advertising for R.J. Reynolds Camel No. 9 brand of cigarettes in magazines popular with young girls such as *Vogue, Cosmopolitan* and *Glamour* were quite effective with 14 to 17 year old girls. In 2008, 22 percent of the adolescent girls listed Camel as their favorite brand, almost twice the number of study subjects that listed Camel as their favorite brand in the four previous years. Despite some limits on tobacco company advertising, this study clearly shows that marketing for Camel cigarettes still reaches teens and young people. This is especially troubling as the researchers also found that teens who can name a favorite cigarette advertisement are 50 percent more likely than other kids to begin smoking. (Source: *Study: Camel No. 9 Cigarette Ads Appeal to Teen Girls*, Liz Szabo, USA Today, March 15, 2010.)

Judge Rules against R.J. Reynolds in Vermont Case on Eclipse Cigarettes

On March 10, a Vermont Superior Court judge ruled against R.J. Reynolds tobacco company in a case related to "false and misleading marketing claims" of its Eclipse cigarettes. Reynolds claimed its Eclipse brand of cigarettes posed less health risks and were less harmful than regular cigarettes with insufficient evidence to back up their assertions, according to the judge's decision. The judge also ruled that R. J. Reynolds violated state consumer protection laws and the 1998 settlement agreement between Vermont and certain cigarette companies in its claims about Eclipse cigarettes. Eclipse was last sold in Vermont in 2008. (Source: *Reynolds Loses Cigarette Case*, David Kesmodel, Wall Street Journal, March 11, 2010.)

News on Cigarette Tax Increases

South Carolina

On March 31, the state Senate gave initial approval to a 50-cent increase in South Carolina's cigarette tax, on a 26-16 vote. One final vote in the Senate is required, and then the bill would go back to the state House of Representatives for their decision on whether to concur with the Senate's changes. Gov. Mark Sanford has threatened to veto the legislation. Earlier in March, the state House of Representatives approved a state budget for fiscal year 2011, which included a 30 cent increase in the cigarette tax. (Source: SC Senate OKs 50-Cent Cigarette Tax Increase, Associated Press, March 31, 2010 & House Passes SC Budget with Cigarette Tax Hike, Robert Kittle, News Channel 7, www2.wspa.com (SC), March 18, 2010.)

Washington

A special session that began March 15 to resolve the state budget appears to be stalled with the state House of Representatives and Senate unable to agree so far on most revenue-raising measures. However, according to media reports, there is broad agreement about increasing the cigarette tax by \$1.00 per pack. If approved, this would bring Washington's cigarette tax to \$3.025 per pack, the 2nd highest in the country. (Source: Washington Legislature Still Split Over Taxes, Andrew Garber, Seattle Times, March 22, 2010.)

Kansas

On March 2, a coalition of public health groups, including the American Lung Association in Georgia, released the results of a poll showing that 73 percent of Georgia voters supported a \$1.00 increase in the cigarette tax as a preferred budget-balancing option. It was the most popular in the poll of 500 likely voters compared to other budget-balancing options. The increase would generate an estimated \$350 million in revenue. It is unclear whether it will ultimately be voted on in the state legislature. (Source: Anti-Smoking Groups Say Georgians Back a Tobacco Tax Increase, Aaron Gould Sheinin, Atlanta Journal-Constitution, March 2, 2010.)

Georgia

On March 23, results of a survey were released showing broad bi-partisan support for a \$1.00 increase in

Kansas' cigarette tax. Specifically, 69 percent of likely Kansas voters supported the increase, and it was supported by 71 percent of Republicans and 73 percent of Democrats. It was one of the most popular budget-balancing remedies, along with an increase in the alcohol tax. A 30 cent increase in the cigarette tax was voted down in a Senate committee in March, but a cigarette tax increase could still emerge as an option later in the legislative session. (Source: Survey: 69% Back Cig Tax Hike, Tim Carpenter, News Topeka Capital Journal, March 23, 2010.)

For more information on tobacco taxes in your state, go to: http://slati.lungusa.org, click on a state and then the "Tobacco Excise Tax" link.

If you have questions or comments about the content in this e-newsletter, or have questions on tobacco control policy issues, please contact Thomas Carr, Manager, National Policy, American Lung Association National Office, Washington, DC, at tcarr@lungusa.org. To subscribe to this e-newsletter, go to http://www.lungusa.org/get-involved/sign-up.html.

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