



Vermont Tobacco Evaluation and Review Board  
Vermont Agency of Human Services  
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TO: The Honorable Governor Peter Shumlin  
Senate Appropriations Committee  
House Appropriations Committee  
Joint Fiscal Committee

FROM: Brian S. Flynn, ScD, Chair

DATE: October 15, 2011

RE: FY2013 Budget Recommendation for the Tobacco Control Program  
(Section 271 of Act 152 (2000), 18 V.S.A. chapter 225, §9505(9))

The Tobacco Evaluation and Review Board and its committees have reviewed the comprehensive tobacco control program to assess performance and priorities for the coming fiscal year. Youth and adult smoking rates and exposure to secondhand smoke have dropped significantly and faster than national rates since the programs were introduced in 2001. These declines have been achieved through vigorous public education campaigns, community and school programs, accessible cessation services, smoke-free air laws, and cigarette price increases. We note with concern, however, that the declines have slowed in recent years as program funding has diminished.

The experience of many states over the past two decades shows that continued steady reduction of tobacco use is related to level of investment in tobacco control programs. States with longer-term programs have documented large health benefits and cost-savings through reductions in tobacco-related chronic diseases as a result of tobacco control investments. Sustaining our tobacco control investments will provide life-saving benefits for our citizens through further prevention of multiple serious chronic diseases. Vermont's efforts to reduce health care costs through chronic disease prevention depend substantially on continued tobacco use reductions.

Tobacco use is the number one cause of preventable disease and death in Vermont, costing over \$233 million per year for health care, \$72 million of which are Medicaid expenditures. Vermont's annual investment in tobacco control programs declined, however, from about \$5.2 million in 2008 to about \$3.4 million in the current year. The programs have adapted by refocusing their resources and, where necessary, reducing effort. Lower funding has resulted in lower expenditures on cessation programs, where the payoff in disease prevention is most rapid and demand is increasing, and in other important program areas. Continued funding reductions will jeopardize Vermont's notable success in reducing youth smoking and diminish the odds of further progress in reducing adult smoking.

We recommend FY2013 appropriations of \$4,871,730 from Master Settlement Agreement (MSA) payments to support the program, an amount equivalent to FY2010 funding levels. This amount is about 15% of Vermont's current annual MSA payment of \$32 million and just 35% of the amount recommended by the Centers for Disease Control and Prevention. The attached table shows recommended funding levels across Departments. Thank you for consideration of these recommendations. We will be happy to provide further information.

**Vermont Tobacco Evaluation and Review Board Recommendations for FY2013**

**Total FY2013 Recommendation: \$4,871,730**

**Department of Health**

**Total: \$2,935,508**

**Tobacco Cessation Programs**

**\$991,803**

Provides nicotine replacement therapy and free quit smoking programs in-person, by telephone, and on the internet.

**Community-Based Programs**

**\$775,000**

Community coalitions provide prevention, cessation, and messaging activities for youth and adults geographically across the state.

**Tobacco Reduction Marketing & Public Education**

**\$1,029,705**

Provides state and local communication campaigns to help youth avoid smoking, help smokers to quit, and reduce exposure to second-hand smoke.

**Surveillance**

**\$140,000**

Administration of Adult Tobacco Survey required for program evaluation.

**Department of Education**

**Total: \$988,917**

**Grants and Technical Assistance**

Provides grants and technical assistance to Local Educational Agencies to implement model tobacco prevention programs.

**Department of Liquor Control**

**Total: \$296,306**

**Retailer Training and Compliance Checks**

Provides training to retail tobacco licensees and their employees and implements compliance checks for underage tobacco sales as required by statute.

**Tobacco Evaluation and Review Board (AHS Central Office)**

**Total: \$290,000**

**Board Support**

**\$100,000**

Continue funding one full-time staff and additional administrative support, and meeting expenses for staff and board members, as directed by statute.

**Independent Evaluation Contract**

**\$190,000**

Continue independent program evaluation as mandated by statute.