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Statement of Reynolds American, Inc.

Judiciary Committee Public Hearing

April 1, 2013

HB 6677

An Act Concerning the Imposition of a Community Service Requirement Upon A Minor Who Purchases Tobacco Products

Reynolds American Inc. and its operating companies are guided by the belief that minors should never use tobacco products, and we applaud the progress made by Connecticut and other states in dramatically reducing youth smoking rates by more than half over the past 20 years. However, our companies believe that more can, and should, be done to accelerate the decline in youth tobacco use, and we fully support legislative efforts to strengthen youth tobacco control laws, such as Connecticut's HB 6677.

RAI and its operating companies believe that penalties for underage tobacco possession need to be more like those regarding underage alcohol possession. Connecticut law currently allows the Commissioner of Revenue Services to levy civil financial penalties on a minor found to have purchased a tobacco product. HB 6677 would give the Commissioner of Revenue Services the option of ordering a minor found to have purchased a tobacco product to perform community service for a period not exceeding 24 hours.

HB 6677 is a reasonable bill that gives law enforcement and others an additional tool to discourage young people from using tobacco. In addition, it sends a clear message to the state's youth that they have to take responsibility for their actions and that there will be real consequences to underage tobacco possession.

As part of their strategy to help transform the tobacco industry, RAI and its companies have intensified their own efforts to further reduce youth tobacco use, particularly in a new area of concern; the easy availability of vapor products (electronic-cigarettes), which contain nicotine.

One of our educational initiatives is to broaden awareness of the Right Decisions, Right Now youth tobacco prevention program, funded since 1991 by R.J. Reynolds Tobacco Company, the largest of RAI's operating companies. This is an evidence-based educational program aimed at preventing young people in grades five through nine from using tobacco in any form. The program is available online free of charge to educators, parents and community groups involved with youth.

The Right Decisions Right Now program was tested nationally by an independent group and was found to be successful on two key measures: (1) recent smoking levels decreased significantly in test schools, particularly for grades 8-9, and (2) the program lowered anticipated tobacco use among middle school-aged students. In addition, students' susceptibility to peer pressure and

their perception of the popularity of tobacco-using peers both showed significant declines versus control groups.

The Right Decisions Right Now program has been ordered by more than 20,000 schools across America and it is also currently used by community groups such as Big Brothers Big Sisters, the Crosby Scholars Program and the Boy Scouts of America.

At the same time, RAI's operating companies have been working with wholesalers, retailers and other industry partners to prevent underage sales to minors. R.J. Reynolds was one of the first companies to support the "We Card" retail training program. Started in 1995, the program provides retailers with training materials including easy-to-read legal age calculators, in-store signage, and turn-key forms of training -- from classroom seminars and online training to in-store guides and workbooks.

The results have been very encouraging. According to the U.S. Department of Health and Human Services' annual Substance Abuse and Mental Health Services Administration (SAMHSA) survey (as required by the SYNAR amendment)., retailer compliance rates on preventing youth tobacco sales have seen significant improvement since 1997 and are at all-time lows. According to the latest survey, the retailer violation rate is 12.1 percent in Connecticut, well below the target rate of 20 percent.

Despite successful efforts in reducing youth tobacco use, as I said at the beginning of this letter of support we believe that more can, and should, be done to tackle the problem. Strong youth tobacco possession laws, along with increased education and limited retail access, are keys to accelerating the decline in tobacco use by underage youth. Connecticut is not alone in seeking to reduce underage tobacco use; currently, there are about 26 bills in 15 states that aim to regulate youth tobacco possession and the purchase of vapor products.

Please join RAI and its operating companies in supporting HB 6677.

Sincerely,

David Powers,

Vice President of State Government Relations,

RAI Services Company.