



RAI SERVICES COMPANY

March 4, 2019

Public Health Committee
Senator Mary Abrams, Co-Chair Representative
Representative Jonathan Steinberg, Co-Chair
Legislative Office Building
Room 3000
Hartford, CT 06106

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RE: Opposition to certain provisions in HB 7200

Senator Abrams and Representative Steinberg and Members of the Committee,

Thank you for the opportunity to comment on behalf of RAI Services Company, a subsidiary of Reynolds American, Inc. (RAI), on House Bill 7200.

To begin, we would emphasize RAI's position: nicotine products should never be used by minors. RAI supports HB 7200's provision to raise the minimum age of sales for vapor products to 21.

However, we are concerned that flavor restrictions, the limitations on internet sales, and the proposed vapor tax could stand in the way of a potential public health opportunity: encouraging millions of smokers to switch to vapor products – along with other potentially reduced risk products.

Since 2011, when vapor products were introduced to the market, the smoking rate in the U.S. has declined from more than 19% to an all-time low of 14% in 2017. Moreover, from just 2016 to 2017, the rate for young adults 18-24 plummeted a stunning 23% to 10%.

Last year, the National Academies of Science, Engineering and Medicine stated that the evidence suggests that vapor use can "increase adult cessation of combustible tobacco cigarettes," and the American Cancer Society advised physicians to recommend vapor to smokers who won't use nicotine replacement therapy (NRT). Earlier this year, a study published in the *New England Journal of Medicine* was more conclusive: it found vapor nearly twice as effective in supporting smoking cessation as various forms of NRT.

The evidence also suggests that non-tobacco flavors play a critical role in driving such switching – including a recent peer-reviewed survey in *Harm Reduction* journal of more than 20,000 vapor users, nearly 16,000 of whom had fully switched from smoking. According to the study, as of 2016, fruit-flavored vapor products substantially outpaced tobacco flavors in initial use by those switching, and tobacco and menthol flavors had fallen to 5th and 6th place in their use among frequent vapers.

The *Harm Reduction* survey confirms earlier studies suggesting an important role for flavors in supporting switching, and our own consumer research indicates that many adult tobacco consumers favor non-tobacco flavors to create a separation from their habit. It is no wonder, then, that the *Harm Reduction* study's authors asserted that "(r)estricting access to non-tobacco e-cigarette flavors may discourage smokers from attempting to switch to e-cigarettes."

Large tax increases could create disincentives to switching by adult smokers. Higher costs for vaping could pose a special difficulty for the lower-income individuals and minorities who make up a substantial majority of today's adult tobacco consumers.

Equalizing taxation of vapor products with that of combustible cigarettes would also send the false and confusing signal to adult smokers that vapor is just as dangerous as cigarette smoking. In fact, there is a growing consensus among public

health authorities that vapor is far less harmful. This signal would directly contradict the American Cancer Society's assertion in its public health statement last year that "current-generation ENDS (electronic nicotine delivery systems) are markedly less harmful than combustible tobacco products" and its call to "provide smokers and the public with clear and accurate information available on the absolute and relative health impact of combustible tobacco products, nicotine-based medications, ENDS and other novel tobacco products."

Moreover, the combination of higher taxes and flavor restrictions would drive contraband sales of vapor products. Sales on the black market would not be subject to Connecticut's strict rules on sales to minors – including the extension of those restrictions to age 21 in the bill.

Finally, HB 7200's limitations on internet sales would also unnecessarily restrict the availability of vapor products to potential switchers among adult smokers via an increasingly important and popular sales platform without benefiting youth prevention. Nearly all manufacturers have now voluntarily instituted strict measures to prevent youth purchases of vapor products online. Reynolds' own restrictions include the following:

- 21+ minimum age for purchases
- Third-party service and public-record age verification
- Requirement to sign upon delivery
- Maximum purchase of \$200 per order, and
- Limits to two complete kits per order.

Again, Reynolds thanks the Public Health Committee for the opportunity to comment on HB 7200, and we urge legislators to consider the unintended and adverse public health consequences of its flavor restrictions, tax increases, and effective limitations on online sales. In particular, we hope the Committee will take seriously the very real possibility that these provisions would prove counterproductive to the most critical priority: keeping nicotine products of all kinds out of the hands of the state's young people.

Sincerely,



David Spross
Vice President, State Government Relations
RAI Services Company