

# Sustaining State Funding



## for Tobacco Control

### A STORY FROM C O L O R A D O

## BACKGROUND

- In 2003 and again in 2004, the Colorado legislature drastically reduced Master Settlement Agreement funding for the State Tobacco Education and Prevention Partnership (STEPP) within the Colorado Department of Public Health.
- Based on CDC's Best Practices funding recommendations, Colorado should be spending a minimum of \$24.5 million a year on its comprehensive tobacco control program. In 2004, the state spent \$4.3 million a year on tobacco prevention and control.
- Prior to November 2004, Colorado's 20-cent cigarette excise tax was one of the lowest in the nation. The state cigarette tax had last been raised in 1986.
- A coalition called Citizens for a Healthier Colorado was formed to work toward passage of Amendment 35: Tobacco Tax Increase for Health-Related Purposes.



## WHAT did Citizens for a Healthier Colorado want?

- To raise the cigarette excise tax from 20 cents to 84 cents and the excise tax on other tobacco products from 20% to 40% of the manufacturer's list price.
- To earmark revenues from the tax increases for tobacco use prevention and treatment: for the expansion of health care for low-income Coloradans; and for the prevention, early detection, and treatment of cancer and heart and lung disease.

## WHO could give this to them?

- Voters (the Colorado constitution requires all tax increases to be voted directly by the people)
- Legislature (to appropriate funds when the referendum passed)

## WHAT did voters and legislators need to hear?

### Voters

- A health care crisis existed in Colorado, and tobacco excise tax revenues could be used to address this crisis.
- Funds would be used to address health issues such as cancer and heart and lung diseases.
- Higher taxes would prevent many young people from starting to smoke.
- The money would be protected by the state constitution and could not be reallocated for other purposes without a vote by the people.
- Colorado had one of the lowest cigarette excise taxes in the nation.

## WHAT did Citizens for a Healthier Colorado and the State Tobacco Education and Prevention Partnership get?

- A 64-cent-per-pack increase in the state cigarette excise tax.
- An excise tax of 40% of the manufacturer's list price on non-cigarette products.
- Overwhelming support for the excise tax increase as indicated by the large majority who voted in favor of the ballot initiative.
- Both the tax increase and the proposed use of funds are part of the Colorado constitution thus preventing reallocation of revenues without a vote of the people.
- Earmarked revenues to go toward health initiatives such as the expansion of Medicaid Children's Health Insurance Program (CHIP) and Community Health Centers, and include at least \$25 million (16% of expected revenue) each year for tobacco prevention and treatment. This brings Colorado to the CDC-recommended minimum funding level for its comprehensive tobacco control program.

### Legislators

- The promise made to the voters needed to be kept by appropriating funding for the initiative.
- The bill was comprehensive and would address not only tobacco prevention and control but also the prevention, early detection, and treatment of cancer and heart and lung disease.

## From WHOM did the voters and legislators need to hear these messages?

- Voluntary health organizations such as the American Heart Association, the American Lung Association, and the American Cancer Society.
- The Children's Hospital and other health care groups.
- Doctors and patients affected by cancer and heart disease.
- Co-chairs of the Citizens for a Healthier Colorado Campaign — Barbara O'Brien from the Colorado Children's Campaign and Al Yates, president emeritus of Colorado State University. These were two well-respected and prominent professionals who were able to gather broad support for the effort.

## HOW did Citizens for a Healthier Colorado get voters to hear their messages?

- Advertising on television and radio and through direct mail.
- A total of \$2.1 million was raised for the campaign, almost \$1 million of which went toward an extensive television advertising effort.

### For further information, please contact

Centers for Disease Control and Prevention • Office on Smoking and Health  
4770 Buford Highway NE • Mailstop K-50 • Atlanta, GA 30341-3717

Telephone: 770/488-5705. Press 3 for a specialist. • Email: [tobaccoinfo@cdc.gov](mailto:tobaccoinfo@cdc.gov)  
[www.cdc.gov/tobacco/sustainingstates](http://www.cdc.gov/tobacco/sustainingstates)