

# CAMPAIGN For TOBACCO-FREE Kids<sup>®</sup>

## STATE TOBACCO-RELATED COSTS AND PROJECTED SAVINGS FROM A 25% REDUCTION IN STATE SMOKING RATES

(All Dollar Amounts in Millions Except Where Otherwise Indicated)

| State               | Smoking-Caused Costs                       |  |                                       |   | Benefits & Savings From a 25% Reduction in State Smoking Levels |  |                                    |   |  |  |   |  |  |
|---------------------|--|--|---------------------------------------|---|---|--|------------------------------------|---|--|--|---|--|--|
|                     | Total Smoking Caused Health Costs in State | State Taxpayer Smoking Caused Fed/State Tax Burden | Smoking Caused Medicaid Program Costs | Smoking Caused State Gov't Medicaid Program Costs | Public Health Benefits  |  |                                    | Short-Term Cost Savings                                 |  |  | Long-Term Cost Savings                                  |  |  |
|                     |  |  |                                       |   | Fewer Adults Smokers  | Fewer Kids Turning Into Addicted Adult Smokers | Fewer Future Smoking Caused Deaths | Reduced Annual Fed/State Smoking Caused Taxpayer Burden | Reduced Annual Smoking Caused Medicaid Program Costs | Reduced Annual State Gov't Smoking Caused Medicaid Costs | Reduced Annual Fed/State Smoking Caused Taxpayer Burden | Reduced Annual Smoking Caused Medicaid Program Costs | Reduced Annual State Gov't Smoking Caused Medicaid Costs |
| <b>States Total</b> | <b>\$75+ bill.</b>                         | <b>56+ bill.</b>                                   | <b>\$23.5 bill.</b>                   | <b>10.4 bill.</b>                                 | <b>11.3 mill.</b>   | <b>4.9 mill.</b>                               | <b>4.1 mill.</b>                   | <b>\$2.3 bill.</b>                                      | <b>\$1.25 bill.</b>                                  | <b>\$552 mill.</b>                                       | <b>\$12.8 bill.</b>                                     | <b>\$6.8 bill.</b>                                   | <b>\$3.0 bill.</b>                                       |
| Alabama             | \$1.17 bill.                               | \$806.9  | \$186                                 | \$55.8  | 208,000   | 86,750   | 73,000                             | \$21.1  | \$6.4  | \$1.9  | \$171.1   | \$52.3   | \$15.7   |
| Alaska              | \$132                                      | \$122.9  | \$60                                  | \$26.3  | 26,250  | 15,000   | 10,000                             | \$8.4   | \$5.0  | \$2.3  | \$28.5  | \$16.9   | \$7.9  |
| Arizona             | \$1.0 bill.                                | \$873.3  | \$247                                 | \$84.5  | 160,000   | 60,500   | 54,000                             | \$24.8  | \$9.1  | \$3.2  | \$189.2   | \$69.5   | \$24.3   |
| Arkansas            | \$633                                      | \$487.6  | \$189                                 | \$50.9  | 118,500   | 52,250   | 42,000                             | \$17.4  | \$8.7  | \$2.3  | \$106.2   | \$53.2   | \$14.4   |
| California          | \$7.13 bill.                               | <b>\$6.27 bill.</b>                                | <b>\$2.31 bill.</b>                   | \$1.12  | 1,041,500   | 497,750  | 388,000                            | \$214.1   | \$98.3   | \$48.1   | \$1,415.8   | \$649.9  | \$318.4  |
| Colorado            | \$1.02 bill.                               | \$827.3  | \$249                                 | \$124.5   | 149,500   | 72,000   | 55,000                             | \$32.5  | \$12.5   | \$6.2  | \$182.5   | \$70.1   | \$35.0   |
| Connecticut         | \$1.27 bill.                               | \$739.2  | \$336                                 | \$168.0   | 122,000   | 65,500   | 47,000                             | \$22.3  | \$12.6   | \$6.3  | \$168.2   | \$94.5   | \$47.3   |
| Delaware            | \$221                                      | \$159.9  | \$62                                  | \$31.0  | 32,500  | 15,250   | 12,000                             | \$7.9   | \$3.8  | \$1.9  | \$36.0  | \$17.4   | \$8.7  |
| DC                  | \$190                                      | \$120.9  | \$61                                  | \$18.3  | 22,000  | 6,000  | 6,000                              | \$3.7   | \$2.3  | \$0.7  | \$28.0  | \$17.2   | \$5.1  |
| Florida             | \$4.93 bill.                               | <b>\$3.10 bill.</b>                                | \$976                                 | \$423.3   | 669,250   | 239,500  | 223,000                            | \$109.5   | \$43.8   | \$19.3   | \$685.9   | \$274.6  | \$120.8  |
| Georgia             | \$1.75 bill.                               | <b>\$1.45 bill.</b>                                | \$419                                 | \$168.9   | 336,500   | 146,500  | 120,000                            | \$41.2  | \$15.3   | \$6.3  | \$316.9   | \$117.9  | \$48.3   |
| Hawaii              | \$263                                      | \$222.5  | \$91                                  | \$41.9  | 44,000  | 18,500   | 15,000                             | \$8.4   | \$4.3  | \$1.9  | \$49.9  | \$25.6   | \$11.3   |
| Idaho               | \$249                                      | \$219.3  | \$65                                  | \$19.0  | 50,000  | 25,000   | 19,000                             | \$9.0   | \$3.5  | \$1.0  | \$46.8  | \$18.3   | \$5.3  |
| Illinois            | \$3.2 bill.                                | <b>\$2.62 bill.</b>                                | <b>\$1.22 bill.</b>                   | \$613.0   | 498,750   | 232,250  | 184,000                            | \$140.0   | \$81.3   | \$40.6   | \$594.3   | \$344.9  | \$172.5  |
| Indiana             | \$1.62 bill.                               | <b>\$1.15 bill.</b>                                | \$380                                 | \$144.2   | 296,750   | 130,750  | 107,000                            | \$52.7  | \$22.2   | \$8.5  | \$253.3   | \$106.9  | \$40.6   |
| Iowa                | \$794                                      | \$586.4  | \$235                                 | \$87.7  | 124,500   | 62,500   | 47,000                             | \$25.0  | \$12.9   | \$4.8  | \$128.3   | \$66.1   | \$24.5   |
| Kansas              | \$724                                      | \$513.2  | \$153                                 | \$61.4  | 103,000   | 44,750   | 36,000                             | \$33.0  | \$12.7   | \$5.1  | \$111.9   | \$43.0   | \$17.2   |
| Kentucky            | \$1.17 bill.                               | \$792.1  | \$380                                 | \$112.5   | 228,250   | 89,750   | 78,000                             | \$39.2  | \$24.0   | \$7.2  | \$174.6   | \$106.9  | \$32.1   |
| Louisiana           | \$1.15 bill.                               | \$875.6  | \$518                                 | \$152.6   | 191,500   | 84,250   | 69,000                             | \$31.0  | \$23.0   | \$6.9  | \$196.4   | \$145.7  | \$43.7   |
| Maine               | \$470                                      | \$282.3  | \$169                                 | \$57.2  | 57,250  | 26,000   | 20,000                             | \$18.6  | \$14.1   | \$4.7  | \$62.4  | \$47.5   | \$15.7   |
| Maryland            | \$1.53 bill.                               | <b>\$1.05 bill.</b>                                | \$372                                 | \$186.0   | 197,750   | 81,750   | 69,000                             | \$32.4  | \$14.5   | \$7.2  | \$234.4   | \$104.7  | \$52.3   |
| Massachusetts       | \$2.76 bill.                               | <b>\$1.50 bill.</b>                                | \$817                                 | \$408.5   | 235,250   | 91,750   | 81,000                             | \$59.2  | \$39.4   | \$19.7   | \$346.0   | \$229.9  | \$114.9  |

**Current State Tobacco Costs & Projected Savings from 25% Smoking Reduction / 2**

| State          | Smoking-Caused Costs                       |  |                                       |   | Benefits & Savings From a 25% Reduction in State Smoking Levels |  |                                    |   |  |  |   |  |  |
|----------------|--|--|---------------------------------------|---|---|--|------------------------------------|---|--|--|---|--|--|
|                | Total Smoking Caused Health Costs in State | State Taxpayer Smoking Caused Fed/State Tax Burden | Smoking Caused Medicaid Program Costs | Smoking Caused State Gov't Medicaid Program Costs | Public Health Benefits  |  |                                    | Short-Term Cost Savings                                 |  |  | Long-Term Cost Savings                                  |  |  |
|                |  |  |                                       |   | Fewer Adults Smokers  | Fewer Kids Turning Into Addicted Adult Smokers | Fewer Future Smoking Caused Deaths | Reduced Annual Fed/State Smoking Caused Taxpayer Burden | Reduced Annual Smoking Caused Medicaid Program Costs | Reduced Annual State Gov't Smoking Caused Medicaid Costs | Reduced Annual Fed/State Smoking Caused Taxpayer Burden | Reduced Annual Smoking Caused Medicaid Program Costs | Reduced Annual State Gov't Smoking Caused Medicaid Costs |
| Michigan       | \$2.65 bill.                               | \$2.06 bill.                                       | \$881                                 | \$386.0   | 439,750   | 199,250  | 160,000                            | \$96.3  | \$51.8   | \$22.8   | \$461.1   | \$247.9  | \$109.1  |
| Minnesota      | \$1.61 bill.                               | \$996.8  | \$363                                 | \$177.4   | 173,250   | 87,500   | 66,000                             | \$39.8  | \$18.3   | \$9.2  | \$221.5   | \$102.1  | \$51.1   |
| Mississippi    | \$561                                      | \$493.8  | \$206                                 | \$47.7  | 118,250   | 45,500   | 40,000                             | \$14.4  | \$7.8  | \$1.9  | \$107.6   | \$58.0   | \$13.9   |
| Missouri       | \$1.66 bill.                               | \$1.11 bill.                                       | \$415                                 | \$161.7   | 276,500   | 108,750  | 95,000                             | \$46.7  | \$22.2   | \$8.7  | \$245.0   | \$116.8  | \$45.5   |
| Montana        | \$216                                      | \$169.5  | \$52                                  | \$14.0  | 30,750  | 13,250   | 11,000                             | \$8.9   | \$3.5  | \$1.0  | \$36.6  | \$14.6   | \$4.0  |
| Nebraska       | \$419                                      | \$328.0  | \$105                                 | \$41.6  | 64,750  | 35,500   | 25,000                             | \$11.5  | \$4.7  | \$1.9  | \$72.0  | \$29.5   | \$11.8   |
| Nevada         | \$440                                      | \$351.9  | \$96                                  | \$47.6  | 95,500  | 44,250   | 35,000                             | \$17.9  | \$6.2  | \$3.1  | \$77.5  | \$27.0   | \$13.5   |
| New Hampshire  | \$440                                      | \$251.9  | \$90                                  | \$45.0  | 56,500  | 27,000   | 21,000                             | \$10.0  | \$4.5  | \$2.3  | \$55.8  | \$25.3   | \$12.7   |
| New Jersey     | \$2.48 bill.                               | \$1.72 bill.                                       | \$755                                 | \$377.5   | 322,250   | 131,750  | 113,000                            | \$84.3  | \$45.6   | \$22.8   | \$392.6   | \$212.4  | \$106.2  |
| New Mexico     | \$360                                      | \$320.6  | \$144                                 | \$37.7  | 73,250  | 34,750   | 27,000                             | \$11.1  | \$6.4  | \$1.7  | \$70.5  | \$40.5   | \$10.9   |
| New York       | \$6.38 bill.                               | \$5.24 bill.                                       | \$4.27 bill.                          | \$2.13  | 742,750   | 342,750  | 273,000                            | \$229.8   | \$218.7  | \$109.3  | \$1,262.5   | \$1,201.6  | \$600.8  |
| North Carolina | \$1.92 bill.                               | \$1.52 bill.                                       | \$600                                 | \$225.1   | 372,500   | 164,250  | 134,000                            | \$58.7  | \$29.4   | \$11.5   | \$337.6   | \$168.8  | \$65.8   |
| North Dakota   | \$194                                      | \$123.3  | \$37                                  | \$11.1  | 27,250  | 12,000   | 9,000                              | \$3.6   | \$1.4  | \$0.4  | \$26.7  | \$10.4   | \$3.1  |
| Ohio           | \$3.41 bill.                               | \$2.40 bill.                                       | \$1.11 bill.                          | \$455.9   | 551,000   | 245,750  | 199,000                            | \$130.3   | \$75.5   | \$31.0   | \$540.1   | \$313.1  | \$128.4  |
| Oklahoma       | \$908                                      | \$630.6  | \$170                                 | \$48.8  | 144,000   | 60,750   | 51,000                             | \$24.4  | \$8.6  | \$2.6  | \$135.3   | \$47.8   | \$14.3   |
| Oregon         | \$871                                      | \$669.4  | \$224                                 | \$89.6  | 129,250   | 57,000   | 46,000                             | \$28.0  | \$12.0   | \$4.9  | \$146.9   | \$63.0   | \$25.8   |
| Pennsylvania   | \$4.05 bill.                               | \$2.72 bill.                                       | \$1.33                                | \$619.1   | 555,250   | 243,000  | 199,000                            | \$141.4   | \$86.5   | \$38.9   | \$613.8   | \$375.6  | \$169.0  |
| Rhode Island   | \$396                                      | \$238.4  | \$140                                 | \$64.6  | 43,750  | 18,500   | 15,000                             | \$10.1  | \$7.2  | \$3.5  | \$55.5  | \$39.4   | \$18.9   |
| South Carolina | \$854                                      | \$736.7  | \$307                                 | \$90.7  | 182,250   | 70,750   | 62,000                             | \$24.3  | \$13.0   | \$4.0  | \$162.0   | \$86.4   | \$26.8   |
| South Dakota   | \$214                                      | \$139.9  | \$45                                  | \$14.2  | 29,250  | 15,500   | 11,000                             | \$5.6   | \$2.3  | \$0.8  | \$30.5  | \$12.7   | \$4.3  |
| Tennessee      | \$1.69 bill.                               | \$1.15 bill.                                       | \$531                                 | \$192.2   | 266,000   | 97,000   | 89,000                             | \$56.2  | \$33.2   | \$11.9   | \$253.3   | \$149.4  | \$53.8   |
| Texas          | \$4.55 bill.                               | \$3.70   | \$1.26 bill.                          | \$498.7   | 784,250   | 380,000  | 294,000                            | \$104.2   | \$45.3   | \$18.1   | \$819.1   | \$355.9  | \$142.4  |
| Utah           | \$273                                      | \$322.8  | \$81                                  | \$23.1  | 45,750  | 29,750   | 19,000                             | \$16.9  | \$5.6  | \$1.7  | \$69.1  | \$22.8   | \$6.8  |
| Vermont        | \$183                                      | \$126.0  | \$56                                  | \$21.0  | 24,250  | 12,250   | 9,000                              | \$6.7   | \$3.8  | \$1.4  | \$27.7  | \$15.8   | \$5.8  |
| Virginia       | \$1.62 bill.                               | \$1.31 bill.                                       | \$313                                 | \$150.7   | 278,500   | 105,000  | 94,000                             | \$43.5  | \$13.5   | \$6.6  | \$284.9   | \$88.1   | \$43.1   |
| Washington     | \$1.52 bill.                               | \$1.25 bill.                                       | \$508                                 | \$250.4   | 220,750   | 104,500  | 82,000                             | \$53.5  | \$27.3   | \$13.6   | \$280.4   | \$142.9  | \$71.5   |
| West Virginia  | \$539                                      | \$368.6  | \$179                                 | \$44.1  | 91,500  | 33,000   | 30,000                             | \$16.6  | \$10.4   | \$2.6  | \$80.8  | \$50.4   | \$12.6   |
| Wisconsin      | \$1.58 bill.                               | \$1.05 bill.                                       | \$375                                 | \$152.6   | 235,000   | 106,500  | 85,000                             | \$40.2  | \$18.3   | \$7.5  | \$231.3   | \$105.5  | \$43.3   |
| Wyoming        | \$106                                      | \$93.6   | \$32.6                                | \$10.7  | 20,750  | 10,000   | 7,000                              | \$3.8   | \$1.5  | \$0.6  | \$20.3  | \$8.2  | \$3.1  |

**Sources for Table**

**State Smoking-Caused Costs and Tax Burdens.** U.S. Centers for Disease Control & Prevention (CDC) *State Highlights 2002: Impact and Opportunity, April 2002*, <http://www.cdc.gov/tobacco/StateHighlights.htm>. CDC, "Annual Smoking-Attributable Mortality, Years of Potential Life Lost, and Economic Costs -- United States 1995-1999," *MMWR*, April 11, 2002. Office of Management and Budget, *The Budget for the United States Government - Fiscal Year 2000*, Table S-8 at page 378 (January 1999). Leisticow, B.N., et al., "Estimates of Smoking-Attributable Deaths at Ages 15-54, Motherless or Fatherless Youths, and Resulting Social Security Costs in the United States in 1994," *Preventive Medicine* 30: 353-60, 2000. CDC, "Medical Care Expenditures Attributable to Smoking -- United States, 1993," *MMWR* 43(26): 1-4, July 8, 1994. U.S. Census Bureau. U.S. Bureau of Labor Statistics. [For more on smoking-caused costs, see, U.S. Department of the Treasury, *The Economic Costs of Smoking in the U.S. and the Benefits of Comprehensive Tobacco Legislation*, 1998. Chaloupka, F.J. & K.E. Warner, "The Economics of Smoking," in Culyer, A. & J. Newhouse (eds), *The Handbook of Health Economics*, 2000.]

**Projected Smoking Reductions and Lives Saved.** U.S. Centers for Disease Control & Prevention (CDC) *State Highlights 2002: Impact and Opportunity, April 2002*, <http://www.cdc.gov/tobacco/StateHighlights.htm>. U.S. Census Bureau.

**Projected Cost Savings.** American Legacy Foundation, *Saving Lives, Saving Money: Why States Should Invest in a Tobacco-Free Future*, March 2002, <http://www.americanlegacy.org/content/PDF/278055.pdf>, and underlying data and cost-savings formulas. U.S. Centers for Disease Control & Prevention (CDC) *State Highlights 2002: Impact and Opportunity, April 2002*, <http://www.cdc.gov/tobacco/StateHighlights.htm>. All projected savings amounts in 2001 dollars. U.S. Bureau of Labor Statistics.

**RELATED CAMPAIGN FOR TOBACCO-FREE KIDS FACTSHEETS**

[Available at <http://www.tobaccofreekids.org>]

***State Tobacco-Related Costs and Revenues (Table of State-Specific Data)***

***Key State-Specific Tobacco-Related Data (Table of State-Specific Data)***

***Comprehensive Statewide Tobacco Prevention Programs Effectively Reduce Tobacco Use***

***Comprehensive State Tobacco-Control Programs Save Money***

***State Cigarette Tax Rates and Projected Benefits from Increasing Them (Table of State-Specific Data)***

**For More State-Specific Data, see:**

Campaign for Tobacco-Free Kids Website at <http://tobaccofreekids.org/reports/settlements> and <http://tobaccofreekids.org/research/factsheets>;

U.S. Centers for Disease Control and Prevention (CDC) website at <http://www.cdc.gov/tobacco/stat-nat-data.htm>.