

2017 SENATE APPROPRIATIONS

SB 2024

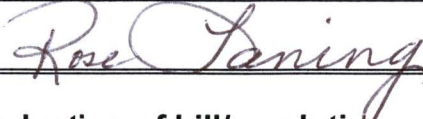
2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2024/SB 2084
1/11/2017
Job # 26807

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the comprehensive tobacco control advisory committee.

Minutes:

Testimony Attached # 1 - 18

Legislative Council: Sheila Sandness
OMB: Lori Laschkewitsch

Chairman Holmberg called the committee to order on SB2024-SB2084 and explained that some may be interested in the Governor's budget (SB 2024) and not excited about former Governor Dalrymple's budget (SB 2084).

Jeanne Prom, Executive Director, North Dakota Center for Tobacco Prevention and Control Policy

Testified in favor of SB 2024/opposition to 2084.

Testimony # 1 – Jeanne Prom testimony

Testimony # 2 - BreatheND Major Accomplishments thus far in 2015-17.

The agency is also known as BreatheND.

Members of the Tobacco Prevention and Control Advisory Board of Directors in attendance: Jay Taylor, Representative George Keiser, Allison Harrington, Becky Anderson, Dr. Eric Johnson, Dr. John Warford, Sara Leingang, Hannah Rexine, Pam Crawford and former board members Beth Hughes, and Theresa Will.

(35:28)

Senator Mathern: The budget – making the grant and making the 10% reduction backs us away from the CDC Best Practices suggestion level. What happens if we don't meet the CDC Best Practices suggested level of funding?

Jeanne Prom: If we don't meet the CDC Best Practices, we wouldn't be following the current statute. We'd be in violation of the law.

Chairman Holmberg: How many other states conform to the CDC's Best Practices as far as the funding they give for this program because I know North Dakota has been a leader.

Jeanne Prom: There are two states that are at the CDC Best Practice level. We're at the top and right behind is Alaska.

Chairman Holmberg: Asked if anyone wants to testify in favor of SB 2084 which is to zero out the funding and move the responsibilities to the Dept. of Health? (Answer – none.)

Senator Bowman: When we talk about all the money we spent? Do you have the data on cigarette tax collections? Does that parallel with the amount of money – or the more your agency spends, the less people buy so our cigarette tax revenue is going down? You should be some correlation somewhere if it's working. I'd like to see that since 1995 or whenever the data has been recorded.

Jeanne Prom: It's collected and reported monthly by the Office of Management and Budget and collected by the tax department. A major limitation of our use of that for the purposes that you outlined is that we can't track if those sales go to ND residents. We are making the presumption that we have a lot of people who are not North Dakota residents buying tobacco here because they've been here for extended periods of time.

Chairman Holmberg: The cigarette shops in Grand Forks and I'm sure in Fargo, had a huge spike in sales after MN raised their cigarette tax because it's a lot cheaper to drive across the river.

(40:39) **John Warford, Tobacco Control and Prevention Advisory Board member and Former Bismarck City Mayor.**

Testified in favor of SB 2024. Testimony Attached # 3

(45:40) **Jay Taylor, retired Respiratory Therapist & Board member**

Read testimony in favor of SB 2024 from:

Marvin Lein, CEO, Mid Dakota Clinic, PC, Bismarck, ND - Testimony Attached # 4.

Dr. Eric Johnson, Tobacco Prevention and Control Advisory Committee member – Testimony Attached # 5.

(50:33) **Dr. James Hughes, Retired Pulmonary physician, Heart & Lung Clinic, Bismarck, ND** Testified in favor of SB 2024. Testimony Attached # 6

(58:10) **Senator Bowman:** We just passed the marijuana bill. What's the difference between marijuana smoke and cigarette smoke?

Dr. Hughes: The first drug to be studied as a gateway drug for tobacco was marijuana. It turned out that the usual course of events was smoking followed by alcohol followed by marijuana. In states that have passed comprehensive access to marijuana legally or decriminalized it, the occurrence of opioid overdose has dropped dramatically and the cost of the amount of money spent on pharmaceuticals to manage chronic pain has dropped dramatically. On one hand, nicotine is responsible for incredible damage around the world, and when you think about the number of people that have died from.....the rate of death from

heroin is approaching the rate of deaths from car accidents. Most people who use heroin would not be using heroin if they had not been smoking as an immature brain before they were exposed to the heroin. We need, with tobacco, a societal change from prospective and acceptance of what's normal behavior. Is a cigarette in the hand of a general contributing to his performance? I have a patient who died extemanating from lung cancer. So I was reduced to holding a basin in front of him and instructing the nurse for a dose of narcotic to relieve them of their problem as they were bleeding out into the basin. As I spoke to his wife after that, she was smoking. She had chronic lung disease. I asked, "what does it take to encourage you not to smoke?" She said "Doc, I need this." We learned that hundreds of thousands of times, that they can relieve anxiety, usually the anxiety of nicotine withdrawal by using it.

The addictions to narcotics around the world has been changing. The criminalization of narcotics has now resulted in control as needed. The tenacity of addiction is absolutely typical. Someone who has been heroin has gone thru 4-6 treatment programs. The time to address is before they are exposed to heroin. And if they are exposed to heroin, please have them not be on nicotine beforehand.

I see BreatheND as being tremendously legitimate, hardworking, a model that could serve as a mentor for the rest of the health department on dealing with the opioid business. They should continue their work with tobacco. It is making a huge difference in the cost going forward. The cost of treating lung cancer is going up exponentially because of the cost of the drugs that are used and the limited benefit they give.

(1:03:15) Elizabeth Bonney, Tobacco Prevention Coordinator, Lake Region District Health Unit, Devils Lake, ND - Read a testimony from Pam Crawford, Tobacco Prevention and Control Advisory Executive Committee member – Testimony Attached # 7. Testimony in favor of SB 2024 and opposed to SB 2084.

(1:05:50) Theresa Will, RN/Administrator, City-County Health District, Valley City, ND
Testified in favor of SB 2024. Testimony Attached # 8

(1:08:18) Heather Austin, Executive Director, Tobacco Free North Dakota
Testified in favor of SB 2024. Testimony Attached # 9

(1:12:52) Sommer Wilmeth, Senior, Century High School, member of SADD
Testified in favor of SB 2024. Testimony Attached # 10

(1:15:20) Becky Anderson, Respiratory Therapist, Fargo, North Dakota
Testified in favor of SB 2024. Testimony Attached # 11

(1:20:05) Allison Harrington, Practicing Respiratory Therapist, Bismarck, ND
Testified in favor of SB 2024. Testimony Attached # 12

(1:22:46) Kristie Wolff, Program Manager, Tobacco Prevention and Advocacy, American Lung Association. Testified in favor of SB 2024. Testimony Attached # 13

(1:25:04) Reba Mathern-Jacobson, Director for Tobacco Programs, American Lung Association. Testified in favor of SB 2024. Testimony Attached # 14

Subcommittee: Senators Kilzer, G. Lee and Mathern.

Senator Dever: Said that no members of the State Senate are presently smoking.

Chairman Holmberg: Closed the hearing on SB 2024/2084.

Additional testimony submitted later –

Mara Yborra, Health Community Coalition, United Tribes Technical College, Bismarck, North Dakota – Testimony in favor of SB 2024. Testimony Attached # 15

Susan Kahler, Tobacco Prevention and Control Coordinator, Bismarck Burleigh Public Health Unit - Testimony in favor of SB 2024/SB 2084. Testimony Attached # 16

Deb Knuth, Government Relations Director, North Dakota American Cancer Society Cancer Action Network. Testimony in favor of SB 2024/SB 2084. Testimony Attached # 17

Javayne Oyloe, Executive Officer, Upper Missouri District Health Unit
Testimony in favor of SB 2024. Testimony Attached # 18.

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2024
2/2/2017
Job # 27837

Subcommittee
 Conference Committee

Committee Clerk Signature

Cassie Winings for Rose Loring

Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the comprehensive tobacco control advisory committee.

Minutes:

Testimony Attached # 1.

Legislative Council: Sheila Sandness
OMB: Lori Laschkewitsch

Senator Kilzer: Called the sub-committee to order on SB 2024. Senators Lee and Mathern were also present. (Asked Jeanne Prom to come and explain what is in the bill.) You did hear what the health dept. had to say about this topic. What if this bill were to pass is my question? We're all neutral and we have no pre-conceived notions.

Jeanne Prom, Executive Director, Breathe ND, North Dakota Center for Tobacco Prevention and Control Policy: I assume you need me to address if SB 2024 would be a budget of zero. I first want to address what we know happens in states where they have gone from a more comprehensive level of funding to a drastic cut, which is what we would see. There is a reduction in progress, but not only a great slowdown in progress, we have been seeing a reduction of youth smoking of 8% over an average of each year that the comprehensive program has been in place. Before that it was a 4% reduction per year. We would see that not only slow down but possibly even go back up. The progress would stall and there would be erosion of progress already made. (Gave an example of the smoke free centers and the smoke free law that was passed in 2012, and there are challenges to that all the time that require the department to still be around.) There could be changes. We would see reductions in youth tobacco move slow if not go up. We would be in grave danger of losing the progress that we already made in our policy areas.

(4:02) Senator Kilzer: One of the alternatives to shutting you folks down is for the State Department of Health to assume these duties. It seems like the focus nowadays in the anti-smoking effort is to increase the tobacco tax and secondly to attack e-cigarettes. Do you think you are better to handle those two functions than the state Department of Health?

Jeanne Prom: I believe that tobacco use, being the leading cause of preventable disease and death in our state, deserves an agency with that as its only focus. The health department has all of health under its umbrella and we need them to focus on other areas, but we believe that we are perfectly suited to keep our single focused agency focusing just on raising that tobacco tax. We were very involved in public education and advocacy for raising the tobacco tax. We can't be involved in worktime on initiated measures, but we can be involved with doing a lot of education on that without saying to vote yes or no. We were doing that education before the initiated measure. We continue to do that education and advocacy on tobacco tax. We believe that is vital to our mission. With e-cigarettes, you passed a strong law in 2015 but prior to you even being able to meet in the legislative session, we worked with our local grantees and public health units and passed 23 local ordinances at the city level that made it illegal for kids under age 18 to buy e-cigarettes because they had to be added to the sales law on tobacco. We already had that work in place before the legislature was even able to meet. Going back to 2012 and before, we had already started putting e-cigarettes and similar devices in our smoke free ordinances because we knew they were on the horizon. Our partners are often part of a national organization that knows what is going on in other states. They bring that work to bare here in North Dakota and it has been invaluable to us in order to stay ahead of the curve on tackling the new and emerging products. We were the 3rd state to have a smoke free state law that included e-cigarettes. We even included other plant products in the state smoke free law because there was anticipation that eventually there may be a more lenient marijuana law. That is why in this session there doesn't need to be an amendment to our state law to add marijuana on our smoke free law. Our statewide grantee efforts allow us to develop the up to date model ordinances and laws that they know of. We are the perfect agency to continue this work. We have a proven track record of success that exceeds what was done before.

Senator Kilzer: I would like to talk about the money now. You are scheduled to get your last distribution in April. If you spend at the CDC recommended levels, you will be out of money in 7 years, then what?

Jeanne Prom: That was by design so we would maintain while the sun shines and do it sooner rather than later. There is language in the current law that says that any time we would not have enough in our trust fund for a comprehensive program, that there would be funds transferred over that would have otherwise gone to the water development trust fund. There was a continued funding mechanism provided.

Senator Kilzer: So you have your eye on that fund?

Jeanne Prom: We actually have our eye on the next two bills right now. We have a bill in front of you that has a 0 budget.

(10:20) Senator Mathern: It appears that a fair amount of success in getting better health and fewer deaths relates to advocacy and public policy change and education of citizens. What is the difference between the Center doing it and the Department of Health doing it? I am thinking that it might be related to the organizational structure. Could you comment on that? Is that significant or not? What do you think is going on? Do you need the advisory committee?

Jeanne Prom: Our governance structure is a separate agency with a single focus that is very important. This is the leading cause of preventable disease and death. We have single focus. In order to maintain integrity to the science of what we know works, the CDC best practices, we are governed by a 9-member advisory committee and by law it has to include a medical doctor, a practicing nurse, a respiratory therapist, someone with knowledge about how this all works together, a (inaudible) adult on our board and we also have an at large member. They all need to have a passion and knowledge about tobacco prevention and control, and ultimately they approve a state plan that we must work on and report that progress to them quarterly that keeps us on track and keeps us transparent but makes us accountable. That makes it very hard to hide any lack of progress because we are small, and if we do not meet the goals and objectives, everyone knows that and we need to make adjustments. Being a separate agency and not being a member of the Governor's cabinet, it insulates us from a change in health officers. They all need to have passion about tobacco prevention and control. It's a different industry. Tobacco prevention is political because the tobacco industry has paid lobbyists to come here and talk to you. It is a very different public health issue than some other diseases where there is an industry pushing a product that is addictive, deadly, but legal. It needs insulation from the politics and a separate agency that is outside of the Governor's cabinet provides some of that. We need to be true to the science. Our 9-member committee provides that integrity.

(15:05) Senator G. Lee: I think your services need to be commended in the work that you have done and how you have done it and the outcomes that you've shared with us. It shows some real progress in that area. We are here to talk about the money, and I have your program that was through the Legislative Council. We are just trying to get a feel if the committee were to follow the Governor's recommendations, what things would need to be continued and what things might be considered overhead in your budget. Maybe it would be driven by someone else if that were to happen. We were estimating maybe somewhere in the neighborhood of about \$3 million of overhead and about \$15 million in professional services that you were providing in relation to the \$18 million budget that you provided. Things like salaries could potentially in part go away, the benefits, the lease agreements on office space, some of equipment, but then getting down to professional services you were providing, I am not sure what they all might be? You have \$11 million in grants, are those the grants that go to the local public health units? What are other services you provide?

Jeanne Prom: In grants, that is primarily going to local public health units. We also have statewide grants that go to American Lung Association, Tobacco free North Dakota, and North Dakota State University. We have a vendor for health communications and we have a vendor for our statewide evaluation. Those are the main contract and grants that we have.

Senator G. Lee: And you contract with some of those for what reason?

Jeanne Prom: For various reasons. NDSU was the research that you had discussed. The e-cigarettes, liquid research and right now they are doing a pilot study with chiropractors and seeing the kind of education and policy assistance changes that they would need to ask their patients if they use tobacco and then they refer them to North Dakota Quits. We have more than one grant with the American Lung Association. We have general policy grants to support us in our state plan implementation on tax, smoke free, and other areas like that.

Senator G. Lee: Do they become advocates for increasing tax? I think there was some advocacy from the lung association in relation to the tax.

Jeanne Prom: You are correct. If they had funding, they would continue to do what the funder required them to do. If Breath North Dakota is their funder, it is going to be exactly what is in the state plan.

Senator G. Lee: There is another line that has fees, professional services, \$4 plus million. What is that about?

Jeanne Prom: That are those two major contracts that are the vendors for evaluation and health communications. That is just how OMB wants us to code those. When we issue a request for proposals through state procurement for a list of services that we need. In the case of evaluation, we are required by law to every 2 years have independent evaluation of the entire program. We issue a request for proposals, and we got proposals from various companies and they were chosen through a competitive procurement process. They are given a contract and that contract is for about \$900,000 for more than 4 years. We work with them and we have bi-weekly meetings with the contractor and they conduct surveys. They analyze data that already exists. They figure out where the data gaps are and need to collect data so they can tell us if our goals and objectives of the state plan are being met.

Senator G. Lee: Where do the TV ads that we see show up here?

Jeanne Prom: Those are in the \$4 million line. We go through the same process to hire a vendor that is an advertising agency that creates and places those ads for us.

Senator Kilzer: Does that include the \$800,000 that you paid to Odney Advertising?

Jeanne Prom: Anything we would have paid to Odney would be in that line. Are you thinking of what the health department had in their budget? They had about \$850,000 in their budget to Odney.

Senator Kilzer: Actually we had \$2 million that would go to Odney over a biennium.

Jeanne Prom: I think the \$800,000 might have been the document that Arvy had walked you through.

Senator G. Lee: So, the \$4 million includes the advertising contract that you have with a vendor as well as everything that goes with the production of those ads?

Jeanne Prom: Everything that is under professional fees and services is: \$38,000 for legal – the office of Attorney General, \$10,000 for an audit- state Auditor's Office, \$2.6 million in health communications, \$1.2 million in evaluation, \$150,000 for tobacco legal consortium, and \$223,000 in signs for the state smoke free law. It's an ongoing effort with the signs for state smoke free law because every month we send out the signs and information packets to all the new businesses that register with our Secretary of State.

Senator G. Lee: I see your rent expense for your building has gone up a lot? Are you in a different space?

Jeanne Prom: We were looking at moving to get more space. We were sharing office space in some cases. Our current location was going to have the rent raised significantly. Although it had been very reasonable. We didn't want to invest in remodeling costs for problems that we were having. We found new space that they would build to our preferences, but the cost was a little higher. We went from \$12 to \$15 per square foot, but we locked in \$15 per sq ft. for 5 years. Whereas our lease before was going up a bit every year.

Senator G. Lee: Do your IT services come from the state?

Jeanne Prom: Yes.

Senator Mathern: A lot of the struggle is finding the money to do all that we want to do. Are there pieces that the center could fund out of your trust fund's income that maybe you could take over that has to be done by the Department of Health now under their budget? Is there any room to actually keep the center open the way that it is, but have the center taking on more costs?

Jeanne Prom: Yes.

See Tobacco Prevention and Control Trust Fund – Testimony Attached # 1.

We will get our last payment into the trust fund this April. That will be about \$12 million. By the end of the biennium, we will have the most that we will ever have in the trust fund and that will be around \$54 to \$56 million. Even if the legislature decided to fund everything that the Governor suggests to come out of the Prevention and Control Trust Fund, the \$17 million for Medicaid, the \$6.7 million to the Department of Health, some for tobacco or some for other programs that have general funds, even if all of that is funded, there would still be enough to fund the Breath North Dakota fully funded. I believe that the key to our outcome is that we are at the CDC best practice level. The second point I would like to make is that there is a piece of our law that should be amended, and that is the requirement that 80% of what comes into North Dakota from the annual tobacco settlement payments that go to the Department of Health have to be used for tobacco prevention and control. I believe that language could be amended out, which would allow the health department and you to use that money for other purposes. It would still remain in the tobacco and prevention and control trust fund; money to keep a comprehensive program funded. So, the money going to the Department of Health from the tobacco settlement could be used for other health purposes and then we would be funding tobacco prevention and control just from tobacco prevention and control trust fund. Then that would allow the health department to use the community health trust fund for other things besides tobacco control. Any expense related to what would have been funded out of that money, that is tobacco prevention and control could be funded by our trust fund.

Senator Mathern: I was thinking that might be something we should consider as one of the variables. I would be glad to work on an amendment to that regard as a way of addressing some of the cost issues.

Senator Kilzer: There are several other public health issues (listed some) that have suffered tremendously in recent years. I am glad that you have come that conclusion. I ask you to mull it over as some of us have already.

Senator Kilzer: Closed the sub-committee discussion on SB 2024.

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2024 Subcommittee
2/10/2017
JOB # 28198

Subcommittee
 Conference Committee

Committee Clerk Signature

Mary Munder for Alice DeZure

Explanation or reason for introduction of bill/resolution:

A Subcommittee hearing regarding the Tobacco Control Advisory Committee.

Minutes:

1.BreatheND Pages 1-7

Chairman Kilzer: Called the Subcommittee to order on SB 2024 at 10:00 am in the Harvest Room. Let the record show that all subcommittee members were present: Chairman Kilzer, Senator Gary Lee, Senator Mathern were present. Lori Laschkewitsch, OMB and Sheila M. Sandness, Legislative Council were also present.

Senator Mathern: I would like to hand out a series of proposals asking that the subcommittee consider these. The testimony has been quite clear that the success of the tobacco efforts has been in place. I think it is important the first sheet is a summary of the goals regarding tobacco use. It seems we could build on this rather than putting it in the department of health. On the second page is a list of amendments if we adopt, one of the things we could do is transferring the funding from the community health trust fund to the tobacco prevention and control fund, there is \$3 million we could take out of the community health trust fund, we could do adjustments on # 1 - 5. What I would suggest that it would require some changes in the century code, I would add amend section 54 of the century Code to remove the restricting requirement of 80% of the transfers from the Tobacco Settlement Trust fund to the Community Health Trust fund and remove the transfer of the Water and Development Trust fund to the Tobacco Prevention Control Trust fund when there is not adequate money and use that trust fund to do some other things. The other suggestion is to repeal chapter 2338. The other suggestions I would have is that we would have the tobacco "Breath ND Organization" take up further responsibilities that are already in the Department of Health so it would also be responsible for funding those things. That is the \$3 million dollars on the 3rd page of the handout, which is changes to the funding pattern for 2024.

Chairman Kilzer: Can you get more specific about the items you would transfer from Health Department to the Tobacco Prevention and Control committee?

Senator Mathern: Yes, those are the items that are done right now by the department of health so on the second page item # 1, we would take those things being done now out of

the Community Health fund and remove those duties and responsibility for funding to the Tobacco Prevention and Control trust fund. So those things in the amount of \$3,200,000. could be done by Breathe, ND directly or they might contract with the Department of Health to do those things. It would be more a matter of shifting the funding responsibility to the Tobacco Trust fund and then giving that agency the authority to work with their partners or the Department of Health to figure out who actually does it. It doesn't get into the detail how that would be carried out, we would change the funding mechanism so essentially we would be spending down on the measure 3 dollars to a great extent, and we would be using those resources where before we were using the resources through the Community Health Trust fund. That meets 2 purposes, 1 is we are looking for money when we are looking for a way to fund the positive things we want to do. The other thing it does is it actually unifies the tobacco cessation activities to one entity. It is the entity that has had the strong direction to follow the CDC guidelines. We have evidence that we have followed those guidelines and had a positive result. This is the proposal I would hope that we could consider. I think it addresses the concerns that I have heard, from both Senator Kilzer and Senator Gary Lee express about things in our Century Code. I think it does express adding more expenditures to the trust fund and doing it all in a more coordinated fashion. (1.12.47)

Chairman Kilzer: Do you have a specific amendment to offer?

Senator Mathern: I have reviewed all of these items with Sheila M. Sandness, Legislative Council, and we created sheet 2 and 3, which is sort of our process here, to address and then if there were agreements Sheila would put it into a format for us to adopt. Sheila, maybe you could address that process.

Sheila M. Sandness, Legislative Council: We have been tracking proposed amendments on sheets such as this, and should the sub-committee decide to adopt those amendments we prepared the official amendment that you can bring to the full committee.

Chairman Kilzer: I think Senator Gary Lee also has a proposal or a motion.

Senator Gary Lee: If Senator Mathern isn't going to move what he has here.

Senator Mathern: I will move these amendments if you would like to do that in this format.

Senator Gary Lee: Seconded.

Chairman Kilzer: Discussion?

Senator Mathern: I believe these amendments build on the strength of Breathe, ND and on the strength of the partnership with the local public health units for Breathe, ND and the Department of Health and that they take dollars from the trust fund that we need right now to address our budget shortfall, and leave enough money in the trust fund to move to other programs that we are considering in the Department of Human Services. I would ask for a yes vote on these amendments

Chairman Kilzer: We have considered this actually more than this year. It has many successes and certainly the numbers prove that the goals of not smoking particularly among

young people, has been good. No matter, they are off to a good start on e-cigarettes, vaporizing and other modes of getting nicotine in the body. There are some drawbacks. It is difficult to deal with 2 and 3 and 4 agencies on this one health issue. In all the budgets you will find antismoking. If someone tries to tell me there is no overlap between the health Department and the Tobacco Prevention and Control committee that's not true. I have seen the patterns of how their money is being spent. I don't say it is being spent badly but I do say that there is overlap and differences in attaining the goals. There has been criticism also, of the overhead of this organization, salaries are at the highest levels of the classification among the 7 classified employees within this organization. There is also a question of terms and the interaction between the two agencies. I am concerned about that. The executive branch has chosen their budget in 2024 and the Health Department budget in 2004. After long and tedious and pretty thorough review of all the facts I support the governor's budget. Both the executive and the revised from Burgum. So I am going to vote no on Senator Mathern's proposal. I think Senator Lee has an alternative.

Senator Mathern: In regard to the salary issue, I want to clarify that. I have reviewed all the salaries, each and every salary was arrived at by the OMB classification by the experience the people had. I believe those are proper. (20.14) We need people at that salary range and that success rate. They are all within those guidelines.

Chairman Kilzer: That is true when you look at it from one angle. When you look at the group of people listed in each classification, these employees are in the top 5 out of all the hundreds of state employees that are in this classification.

Senator Gary Lee: I agree with the comments in terms of success of Breathe, ND, and the role they played. I agree with both Senator Kilzer: and Senator Mathern and all the comments. We went back and forth, where would be the best place to put that in the long term. The trust fund eventually will be depleted, so from there on where is the best place for these services to potentially continue because there will always be pressure on where will the funding come from then. I believe the Health Department will be the long term place where this can be carried on and will have the best funding success. I do agree with the work Senator Mathern did here, I am not going to support it. I think going forward with the Health Department would be the better choice for the long term.

Chairman Kilzer: Roll call on Senator's Mathern's Amendments.

A Roll Call vote was taken. Yea: 1; Nay: 2; Absent: 0.

Senator Gary Lee: Moved the budget with 2024 with those amendments. So it will have potential discussion in the House.

Senator Mathern: One of the concerns I have of the amendment, is the success of the reduction of tobacco use is adequate programming, and thus far I haven't seen that we would have adequate programming to zero out this budget. What would be available in 2004, it would not meet the level. I am concerned, even though you noted the efficiencies of bringing it together there are also problems with the focus not being as clear as if we zero out this agency. The focus of this agency has been clear and successful and without the dollars I believe our smoking rates will start to go up instead of going down.

(25.26) Senator Gary Lee: Your points are well taken. When we get to 2004, I have a financial proposal that will include additional funding to the local public health units and the overall budget for that Department of Health in terms of tobacco of about \$14 million. That is about \$5 million over what has been proposed by the governors.

Chairman Kilzer: Are your concerns mainly the money or the personnel? Or some other factor to make the figures come out. Which one is the bottleneck.

Senator Mathern: I think for me it's the professional focus on this problem of tobacco use. It is the # 1 driver of health care cost. The best way to impact it is to have an agency to focus on that issue. So that's a combination of resources and staff and partnerships.

Chairman Kilzer: Further discussion?

Roll call on Senator Gary Lee's motion. 2nd by Senator Kilzer.

Chairman Kilzer: Senator Lee, please explain the amendment again.

Senator Gary Lee: The amendment to 2024 that we have a 0 budget that we would have the emergency clause to move that forward.

Chairman Kilzer: Sheila, do we need any notation about the 1% pay raise or the 5% health insurance?

Sheila M. Sandness, Legislative Council: No, because the funding would be at 0 no need.

Senator Mathern: I wonder if there are some expenses with this. I am not sure how personnel would be addressed. Would there be issues of unemployment. Offices being liquidated, if the bill passed. I am wondering if that is an issue there that needs to be addressed. We need to have a plan for the next few years. Would there be some expenses?

Chairman Kilzer: I am sure the present biennium would continue.

Sheila M. Sandness: Their funding continues through June 30th.

Chairman Kilzer: Any other obligations beyond that time.

Sheila M. Sandness: Typically, most is based on appropriation. Agreements would be written that way. The attorney general writes that.

Chairman Kilzer: Call the roll on Senator Gary Lee's amendment.

A Roll Call vote was taken. Yea: 2; Nay: 1; Absent: 0. Motion carried.

Those will be ready Monday.

Chairman Kilzer: we will do the full pass when we see the amendment. We will meet next Tuesday and see the amendment. The hearing was closed on SB 2024.

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2024 (Subcommittee)
2/15/2017
JOB # 28421

Subcommittee
 Conference Committee

Committee Clerk Signature

Cassie Winings for Alvin Delzer

Explanation or reason for introduction of bill/resolution:

A Subcommittee hearing for Tobacco Prevention

Minutes:

1. Proposed Amendment # 17.0532.01002 (Mathern)
2. Proposed Amendment # 17.032.01003 (Lee)

Chairman Kilzer: Called the subcommittee to order on SB 2024. Subcommittee members Senator Gary Lee and Senator Mathern were present. Lori Laschkewitsch, OMB, Sheila M. Sandness, Legislative Council were also present.

Senator Mathern: See Attachment #1 for proposed amendment 17.0532.01002.
Moved Amendment.

Senator Gary Lee: Seconded.

Senator Mathern: Explained the amendment. (2:00-4:59) This is the amendment that I had discussed in the prior subcommittee. I would like to propose this to the full appropriation committee even if it does not pass the subcommittee. Walked through the 5 strongest reasons to continue BreatheND (5:00-9:04). I got all of these things from testimony that came before us. I would just highlight those. The reason for this amendment is to keep this agency in place and give them more work to do yet and use the resources of the tobacco fund to do that work.

Senator Kilzer: Before I ask questions that I have, I would ask any of you to take a close look at the editorial in the Fargo Forum. It is full of inaccuracies. They don't seem to understand the difference between the master settlement of 1998 and the subsequent settlement in the year 2008. Particularly, in the source of funds for the tobacco prevention and control committee. Take that with a grain of salt because there are inaccuracies throughout that editorial. First, in your amendments, you added 1 FTE and you tell us that FTE would be a health communications coordinator. Could you describe what that person's job description would be?

Senator Mathern: I don't have that information with me. I saw the job description as a way to further coordinate that kind of activity. It is a way to make sure that we are not just talking

about decreasing smoking, but we are also talking about increasing the quality of health for our citizens. It is going the next level in making a difference in North Dakota.

Senator Kilzer: You increased funding for grants by \$1.26 million. Does that money come out of the trust fund?

Senator Mathern: Yes, that would come out of the trust fund and would be put together to follow the best practices of CDC, in terms of comprehensive tobacco control program. It comes from the trust fund and only moves forward what is recommended as best practices.

Senator Kilzer: Is there one area that we are short that we need that money? Which of the 5 divisions would you be putting that money in?

Senator Mathern: This doesn't limit it to any specific division. That would be up to that department. Each time there is a change in population and what is viewed in the country as to what is working, there is a best practice update. This would help us make sure we are on top of the game. This amount of money would in fact do that.

Senator Kilzer: does the best practices of CDC vary from one year to the next depending on that situation? As far as I know they are more dependent on the demographics and the population rather than the perceived things that you are eluding to.

Senator Mathern: I think the population and those kinds of changes are very important, but I am saying that the CDC continues to do research and part of the research of this agency that is also funded here brings new information and new insight. We can use that new insight to get better yet. This agency was just noted by the national agency as being one of the top agencies in the country. They measure these agencies and the outcome and that impacts the recommendations as to good programming.

Senator Kilzer: You are asking for added funding of \$3.2 million for a cessation program. Are you anticipating that supplements the health department? They are the ones that have been working with treatment and cessation more so than the tobacco prevention and control committee. How would that fit in?

Senator Mathern: This would put all that activity into this agency. I wouldn't see that the department of health would need to continue what it is doing in terms of that specific cessation program. This would take the pressure off the Department of Health. There are other programs that could be funded by the Department of Health if we relieve them of this programming responsibility. We would move this responsibility to the center and the \$3.2 million would not have to be spent by DOH.

Senator Kilzer: Would you close down the tobacco portion of the Health Department?

Senator Mathern: I would leave that up to the department, but I would say that we have moved the primary responsibility to this agency. I would think the Department of Health, in light of the pressure on its budget, would probably discontinue that service.

Senator Gary Lee: So the \$21.5 million that you are using here would come out of the tobacco trust fund?

Senator Mathern: Yes.

Senator Gary Lee: The Governor's proposal was to take \$24 million from the trust fund for the purposes that they had designated, so that is about \$45 million from the trust fund if we did not find another source for those other dollars. I think that the estimated ending fund balance that we are starting with, at the end of this biennium, is \$56 million. Then \$11 million is left over. So you are suggesting one more year of BreatheND.

Senator Mathern: I am not suggesting 1 year for BreatheND. As we have not taken those other dollars for those other programs. But, if we did take those trust fund dollars and move them to non-tobacco dollars, you are correct, we would limit the future funding. Even that would be better than closing this entity. Even doing it orderly. The closing of an agency would be preferable than just zeroing out this agency in this biennium with no preplanning like we do in other agencies. (Gave an example of an agency that is being created and the bill is for two years from now.) Even if we were to fund this like this, spend all of the other money, that would at least give us 3 years of programing in this area which I think would be very positive.

Senator Kilzer: We have a motion and second.

A Roll Call vote was taken. Yea: 1; Nay: 2; Absent: 0. Motion Failed.

Senator Gary Lee: See Attachment #2 for proposed amendment 17.0532.01003.
Moved Amendment.

Senator Mathern: Seconded.

Senator Gary Lee: (Explained the amendments.)

(23:25) Senator Kilzer: Asked for further discussion.

Senator Mathern: I believe that this is essentially terminating all these employees. While I think that it would be a very negative thing to our state to lose that expertise, it would seem that there would also be some expenditures associated with that. It would seem that there would be some costs associated with the closing of this office, which these amendments appear to do. I would assume all those people would be eligible for unemployment compensation, and I am wondering where the funding would be if this was shut down both with an effective date and an emergency measure that would shut it down immediately.

Senator Gary Lee: The current budget runs through June 30,2017, that should accommodate those persons that are employed there until then.

Senator Mathern: I am wondering about after that. Let's assume they all stay on staff to do this work until then. The following day they would be unemployed. There would be some expense with that.

Senator Kilzer: From the state's prospective, all of the overhead costs to any agency are supposed to be contained within the contract that they have. Whether it be their rent, lights, personnel, etc. We have not seen the Health Department budget, but this is not just going to end the efforts in anti-smoking. It is being turned over to the Health Department and they will carry it on. It does not shut down BreatheND. It does take their funding away. They are a strong advocacy group and they have done a lot of good things, but it is the appropriation that is the responsibility of the legislature that is going to be appropriating appropriately. I have been kind of quiet about how other public health issues have be underserved in recent years, and I will repeat my litany once again. That includes such things as Women's Way, suicide prevention, gambling addiction, colorectal cancer screening, all of the various cardiovascular and stroke events happening etc. Granted, smoking is a large part of those diseases and probably why the Department of Health includes them within their chronic disease division. I am glad to see the Governor, in his revised executive budget, does include those public health issues and we should pay attention to those. This bill has a long road yet. It has to clear the House and then the conference committee as well as be signed by the Governor. We want to put it in the best possible situation. Those of us in the majority agree with the Governor. Those are the reasons that I favor it. I know that BreatheND opposes it, and there are actions available.

Senator Mathern: One of the issues you noted in your comments, was all of these other programs. I agree with you. Those important programs need to be funded at the proper level. My amendments would have given the department more opportunity to do that. It appears these amendments, in light of the comments you have made, would give the Department of Health more duties but at a reduced appropriation than what is available through the center in my amendment. I am just concerned that we are saddling the Department of Health with more responsibilities and fewer resources.

Senator Kilzer: Asked for a roll call.

A Roll Call vote was taken. Yea: 2; Nay: 1; Absent: 0. Motion Carried.

Senator Kilzer: This proposal will be brought before the full appropriation committee. Closed the hearing on SB 2024.

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2024
2/17/2017
JOB # 28501

- Subcommittee
 Conference Committee

Committee Clerk Signature

Carrie Wining for Abbie Delzer

Explanation or reason for introduction of bill/resolution:

A DO PASS AS AMENDED for the Tobacco Prevention and cessation Agency

Minutes:

1. Proposed Amendment # 17.0532.01003
2. Proposed Amendment # 17.0532.01002 (Mathern)

Chairman Holmberg: Called the committee to order on SB 2024. All committee members were present. Levi Kinnischtzke, Legislative Council, Allen H. Knudson, Legislative Council and Lori Laschkewitsch, OMB were also present.

Senator Kilzer: Submitted Amendment 17.0532.01003 to the committee.

Senator Mathern: Just to clarify I have a set of amendments also.

Chairman Holmberg: Let's look at these amendments and then look at your amendments.

(1:25) Senator Kilzer: SB 2024 basically undoes measure 3, which was an initiated measure that was passed in November of 2008. The amendment removes the organization called the Tobacco Prevention and Control Committee and its executive committee and removes the funding. In section 4 is the repealer, and section 6 is the emergency clause that is being requested to make the effective date coincide with the end of the present biennium so there would not be a one-month lag between the end of the biennium and the date that this bill takes effect. That is basically the change we see here.

Senator Kilzer: Moved Amendment 17.0532.01003.

Senator Gary Lee: Seconded.

Senator Mathern: I oppose this amendment, and I have an alternative amendment. I oppose the amendment because we have clear evidence that this agency has in fact been instrumental in reducing tobacco rates of usage among North Dakota youth and among North Dakota adults. The agency has also been recognized nationally as being the most successful in carrying out the guidelines for the Center of Disease Control regarding tobacco use and impacting use and reducing it. The agency has been involved in a very comprehensive partnership with public health units across the state and with private, non-profit entities to

educate the public about the dangers of tobacco use. It has translated into a projected \$241 million reduction in our health care costs. I think what's important is that we recognize that this has been a positive development for our state and that we keep the agency intact. I would ask for a no vote on these amendments

Chairman Holmberg: Any further discussion? Call the roll on this Amendment 17.0532.01003.

A Roll Call vote was taken. Yea:11; Nay: 3; Absent:0. Motion carried.

Senator Mathern: Moved Amendment 17.0532.01002.

Senator Grabinger: Seconded.

(6:38) Senator Mathern: (Explained his amendments.) The back side is a listing of the 5 strongest reasons to continue funding BreatheND, and those are the reasons why I think I would encourage you to vote yes on these amendments. This would be the first measure that we will have completely eliminated.

(0.11.19) (Went over the dollars on the front part of the amendment.) This amendment not only continues the center, but it assumes other responsibilities of tobacco functions that are in the Department of Health. It brings them all together in one place. It is not using more dollars to do the same thing, it is taking on more responsibilities from the health department. So it saves some other dollars for other programming, and brings even closer focus to this effort in North Dakota.

(12:30) Chairman Holmberg: One hears. We all get messages. Clearly the messages I received support the current agency. We are not arguing that there should not be a comprehensive plan for tobacco control. It is the delivering system that the health department would be called upon to put together, and whether it is going to be as effective and is it going to be not only effective in cessation but also physically effective than the separate agency. Part of the argument is that we are looking at the delivery system for tobacco cessation and control. There are advocates that say that they have had some good data, so they should not be folded into the Department of Health. And, others say they should be folded in for efficiencies.

Senator Kilzer: The anti-smoking effort has two homes at the present time. It is true the one alone is focused on prevention, and the other is focused more on cessation and treatment. Right now we are appropriating for both homes, and the overhead is disproportionately high. We have excellent advocacy groups, BreatheND and Tobacco Free North Dakota, and I hope that they continue. The bill is more about the money and the appropriating. This is where all the funds should be appropriated. That is my request, that we do not accept this motion. It needs to remain in the hands of the legislature. I would hope we resist this.

Senator Robinson: We had a bill on the floor yesterday that proposes to take away some responsibilities from the health department because of the magnitude of the charge of that department. Tuesday, we are going to hear a bill that is going to bring to that department some major responsibilities on the implementation of marijuana. There is no question here, that in mind, is the right thing to do. It is working. We heard from physicians. We know that it

is a gateway drug. The corrections budget is out of hand. Why would we mess with this? We have something that is working. Is it perfect, no. It is not going to be perfect where we put it. The mail I am receiving is from folks that have seen the success of this program back at the grass roots level. Leave it alone. It is having a significant impact.

Senator Grabinger: I would tag on to what Senator Robinson said. In the interim, before this session started, we heard many times that we needed to look at the programs that were effective and keep them. This is a program that is working, and there is proof of that. That is why we should support this.

Senator Mathern: I just have a couple of questions. I want to clarify some of the comments from Senator Kilzer. These entities will cease to exist if we don't adopt my amendments. BreatheND is eliminated if we don't adopt these amendments. Tobacco Free ND is funded in the policy efforts of this agency. These go away if we adopt the amendments that were previously brought out. This center follows a number of aspects recommended and proven to work in tobacco cessation. It is everything from policy work, to treatment, advertising, etc. BreatheND is over if we don't adopt these amendments. We have overhead costs in two places. These amendments bring overhead costs to one place, and they eliminate every general fund dollar. This entity would not have funds from the general fund. It all comes from the trust fund dollars.

Senator Kilzer: In response to that, the amendments in no way get rid of any advocacy group. BreatheND is not mentioned in the code or in the amendment. If the amendment that was previously adopted stays, BreatheND can apply for grants and carry on their good work.

Senator Dever: A month ago, it dawned on me that I was exactly the same age as my father was when he passed away. He smoked all his life and lived with cancer for about a year and a half. The only time I smoked was when I was a child. I think tobacco prevention is primary. I helped create the structure of this agency. We were committed to that. Now we are talking about a different approach to the same purpose. Whether it is a separate agency or in the Department of Health, I think we are all committed to that purpose. There is something else that I think about. This agency has as its singular purpose, prevention of tobacco. We can look at all the numbers and it appears to me that we are giving this agency 100% of the credit, even though a lot of the things that have happened in the last several years have been associated with campuses going tobacco free. The legislature banned smoking in restaurants. I am not so sure that it should be given that. As a singular purpose, two sessions ago, we were considering in the human services committee, funding for some programs with youth to make better decisions and we were unable to find the funding to promote better decisions for youth. I suggested that this agency had some dollars to use for that purpose. There was no interest in doing anything outside of tobacco. I think the actions we are undertaking broaden the use of those dollars and that is why I am supporting the bill and opposing the amendment.

(24:20) Senator Mathern: This agency, in its public policy work, was involved in getting us to the point of banning smoking in restaurants. It was involved in the education of our citizens to help us pass the statewide smoking ban. Those things just didn't happen on their own. It was because of the resources that this agency had. So it works on public policy functions. The CDC has said that is a major best practice, changing public policy. Those changes that

we made had a proceeding activity. On the amendment, item # 2, the health communications coordinator position; the agency recognized the value of being very comprehensive in its approach of making sure that our tobacco use is connected with all of the other kinds of health issues. They came with a request for another staff person, but it is not funded. They said they would fund it with the resources they have. This amendment suggests what you are suggesting. I wanted to clarify that.

Chairman Holmberg: Call the roll on amendment 17.05.01002.

A Roll Call Vote Was Taken: Yea: 3; Nay: 11; Absent: 0. motion failed.

Chairman Holmberg: Is there a motion on the bill?

Senator Kilzer: Moved a Do Pass As Amended.

Senator Gary Lee: Seconded.

Senator Robinson: I would hope as a legislature, if we come back and see the trends going in the wrong direction, we have the courage to reinstate this. We had a success story. We should build on it, but that is not the direction that we are going. This is a serious issue. It leads to a lot of addiction. I know what it costs, not only monetarily but with the other costs that are involved.

Senator Wanzek: I want to make sure that those people on the front lines, county health units and the people who receive grants, as we shift to the Department of health, that they have input. They are on the front lines, and I sure hope they have some role to play and input into the program.

Senator Kilzer: I think that will appear in SB 2004.

Senator Grabinger: Has there been any plan suggested by the Health Department on how they would handle that and include those in the discussions?

Senator Kilzer: They have not gone on the assumption that they would assume all of the responsibilities. In the revised executive budget there are changes for FTE's and funding etc.

Senator Mathern: For clarification, killing this agency doesn't transfer all the money and all of the staff to the Department of Health. It transfers some of the resources, and it is none of the staff which would be 9 people laid off. Whether or not the Department of Health will pick them up, we do not know but probably not. There is 1 person in the Department of Health under this effort.

Senator Kilzer: In the short term, the defunding of the Tobacco Prevention and Control Committee they have one last payment coming in April, and there is no more money coming into this organization. With the bill as we are about to vote it, in the long term, and I am talking 10 years from now, it is going to be much better passing this bill than it would have been if we left the status quo. The long term effects are much better for the anti-smoking effort.

Chairman Holmberg: Call the roll on do pass as amended on 2024.

A Roll Call vote was taken. Yea: 11; Nay: 3; Absent: 0. Motion passed.

Senator Kilzer will carry the bill.

PROPOSED AMENDMENTS TO SENATE BILL NO. 2024

Page 1, replace lines 11 through 13 with:

"Comprehensive tobacco control	<u>\$16,548,039</u>	<u>\$4,906,884</u>	<u>\$21,454,923</u>
Total special funds	\$16,548,039	\$4,906,884	\$21,454,923
Full-time equivalent positions	8.00	1.00	9.00"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2024 - Tobacco Prevention & Control Exec Comm - Senate Action

	Base Budget	Senate Changes	Senate Version
Comprehensive tobacco control	\$16,548,039	\$4,906,884	\$21,454,923
Total all funds	\$16,548,039	\$4,906,884	\$21,454,923
Less estimated income	16,548,039	4,906,884	21,454,923
General fund	\$0	\$0	\$0
FTE	8.00	1.00	9.00

Department No. 305 - Tobacco Prevention & Control Exec Comm - Detail of Senate Changes

	Adds Funding for Base Payroll Changes ¹	Adds 1 FTE Health Communications Coordinator ²	Increases Funding for Operating Expenses ³	Increases Funding for Grants ⁴	Adds Funding for a Cessation Program ⁵	Total Senate Changes
Comprehensive tobacco control	\$42,512		\$404,199	\$1,260,173	\$3,200,000	\$4,906,884
Total all funds	\$42,512	\$0	\$404,199	\$1,260,173	\$3,200,000	\$4,906,884
Less estimated income	42,512	0	404,199	1,260,173	3,200,000	4,906,884
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	1.00	0.00	0.00	0.00	1.00

¹ Funding is added for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes.

² One health communications coordinator FTE position is added, but related funding is not included.

³ Funding is increased for various operating expenses, including rent, information technology, and operating fees and services.

⁴ Funding for grants is increased to meet Centers for Disease Control and Prevention's *Best Practices for Comprehensive Tobacco Control Programs* recommendations.

⁵ Funding is added for a cessation program. The Comprehensive Tobacco Control Advisory Committee may assume the duties of administering the cessation program or provide funding to the State Department of Health to continue the program.

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PROPOSED AMENDMENTS TO SENATE BILL NO. 2024

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact subsection 2 of section 23-12-10.4, subsection 2 of section 54-27-25, and subsection 1 of section 54-59-22.1 of the North Dakota Century Code, relating to smoking prohibited signage, the tobacco settlement trust fund, and required use of centralized desktop support services; to repeal chapter 23-42 of the North Dakota Century Code, relating to the tobacco prevention and control program; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 2 of section 23-12-10.4 of the North Dakota Century Code is amended and reenacted as follows:

2. The owner, operator, manager, or other person in control of a public place or place of employment where smoking is prohibited by this chapter may request from the ~~executive committee of the tobacco prevention and control advisory committee~~ state department of health the signs necessary to comply with the signage requirements of subsection 1.

SECTION 2. AMENDMENT. Subsection 2 of section 54-27-25 of the North Dakota Century Code is amended and reenacted as follows:

2. There is created in the state treasury a tobacco prevention and control trust fund. The fund consists of the tobacco settlement dollars obtained by the state under section IX(c)(2) of the agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Interest earned on the fund must be credited to the fund and deposited in the fund. Moneys received into the fund are to be ~~administered by the executive committee for the purpose of creating and implementing the comprehensive plan. If in any biennium, the tobacco prevention and control trust fund does not have adequate dollars to fund a comprehensive plan, the treasurer shall transfer money from the water development trust fund to the tobacco prevention and control trust fund in an amount equal to the amount determined necessary by the executive committee to fund a comprehensive plan~~ used as appropriated by the legislative assembly.

SECTION 3. AMENDMENT. Subsection 1 of section 54-59-22.1 of the North Dakota Century Code is amended and reenacted as follows:

1. The following state agencies shall obtain centralized desktop support services from the information technology department:
 - a. Office of administrative hearings.
 - b. Office of the governor.

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- c. Commission on legal counsel for indigents.
- d. Public employees retirement system.
- e. North Dakota university system office.
- f. Department of career and technical education.
- g. Department of financial institutions.
- h. Department of veterans' affairs.
- i. Aeronautics commission.
- j. ~~Tobacco prevention and control executive committee.~~
- k. Council on the arts.
- ~~l.k.~~ Agriculture commissioner.
- ~~m.l.~~ Department of labor and human rights.
- ~~n.m.~~ Indian affairs commission.
- ~~o.n.~~ Protection and advocacy project.
- ~~p.o.~~ Secretary of state.
- ~~q.p.~~ State treasurer.
- ~~r.q.~~ State auditor.
- ~~s.r.~~ Securities department.

SECTION 4. REPEAL. Chapter 23-42 of the North Dakota Century Code is repealed.

SECTION 5. EFFECTIVE DATE. This Act becomes effective on July 1, 2017.

SECTION 6. EMERGENCY. This Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2024 - Tobacco Prevention & Control Exec Comm - Senate Action

	Base Budget	Senate Changes	Senate Version
Comprehensive tobacco control	\$16,548,039	(\$16,548,039)	
Total all funds	\$16,548,039	(\$16,548,039)	\$0
Less estimated income	16,548,039	(16,548,039)	0
General fund	\$0	\$0	\$0
FTE	8.00	(8.00)	0.00

Department No. 305 - Tobacco Prevention & Control Exec Comm - Detail of Senate Changes

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	Removes Funding for Comprehensive Tobacco Control ¹	Total Senate Changes
Comprehensive tobacco control	(\$16,548,039)	(\$16,548,039)
Total all funds	(\$16,548,039)	(\$16,548,039)
Less estimated income	(16,548,039)	(16,548,039)
General fund	\$0	\$0
FTE	(8.00)	(8.00)

¹ Funding for comprehensive tobacco control, including 8 FTE positions and related salaries and wages, is removed.

This amendment also:

- Removes the appropriation section of the bill.
- Adds a section to amend North Dakota Century Code Section 23-12-10.4(2) relating to the signage responsibility of proprietors to transfer the responsibility to provide compliant signage from the Executive Committee of the Tobacco Prevention and Control Advisory Committee to the State Department of Health.
- Adds a section to amend Section 54-27-25(2) relating to the tobacco settlement trust fund to remove the transfer from the water development trust fund to the tobacco prevention and control trust fund if there is not adequate funding for the comprehensive plan and to provide the money deposited in tobacco prevention and control trust fund are to be used for purposes appropriated.
- Adds a section to amend Section 54-59-22.1(1) of the North Dakota Century Code related to required use of centralized desktop support services to remove the reference to the Tobacco Prevention and Control Executive Committee.
- Adds a section to repeal Chapter 23-42 relating to the tobacco prevention and control program.
- Adds a section to provide for an effective date.
- Declares the bill to be an emergency measure.

Date: 2-10-17
 Roll Call Vote #: 1

**2017 SENATE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 2024**

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: Suggested Amendments from testimony #1

- Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Mather Seconded By Lee

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg			Senator Mather	<input checked="" type="checkbox"/>	
Vice Chair Krebsbach			Senator Grabinger		
Vice Chair Bowman			Senator Robinson		
Senator Erbele					
Senator Wanzek					
Senator Kilzer					
Senator Lee		<input checked="" type="checkbox"/>			
Senator Dever					
Senator Sorvaag					
Senator Oehlke					
Senator Hogue					

Total (Yes) 1 No 2

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:
Sen. Mather's suggestions regarding Breather D. and listed on sheet 2 + 3

Date: 2-10-17
 Roll Call Vote #: 2

**2017 SENATE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 2024**

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: the Amendments discussed at earlier meeting

- Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By See Motion Seconded By Kilzer

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg			Senator Mathern		<input checked="" type="checkbox"/>
Vice Chair Krebsbach			Senator Grabinger		
Vice Chair Bowman			Senator Robinson		
Senator Erbele					
Senator Wanzek					
Senator Kilzer	<input checked="" type="checkbox"/>				
Senator Lee	<input checked="" type="checkbox"/>				
Senator Dever					
Senator Sorvaag					
Senator Oehlke					
Senator Hogue					

Total (Yes) 2 No 1

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:
See Motion regarding Amendments

Date: 2-15-17
 Roll Call Vote #: 1

**2017 SENATE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 2024**

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: Amendment # 17.0532-01002

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Mather Seconded By Lee

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg			Senator Mather	<input checked="" type="checkbox"/>	
Vice Chair Krebsbach			Senator Grabinger		
Vice Chair Bowman			Senator Robinson		
Senator Erbele					
Senator Wanzek					
Senator Kilzer		<input checked="" type="checkbox"/>			
Senator Lee		<input checked="" type="checkbox"/>			
Senator Dever					
Senator Sorvaag					
Senator Oehlke					
Senator Hogue					

Total (Yes) 1 No 2

Absent _____

Floor Assignment Failed

If the vote is on an amendment, briefly indicate intent:

Date: 2-15-17
 Roll Call Vote #: 2

**2017 SENATE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 2024**

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: Sen Lee 17.0532.01003

- Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Lee Seconded By Mather

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg			Senator Mather		<input checked="" type="checkbox"/>
Vice Chair Krebsbach			Senator Grabinger		
Vice Chair Bowman			Senator Robinson		
Senator Erbele					
Senator Wanzek					
Senator Kilzer	<input checked="" type="checkbox"/>				
Senator Lee	<input checked="" type="checkbox"/>				
Senator Dever					
Senator Sorvaag					
Senator Oehlke					
Senator Hogue					

Total (Yes) 2 No 1

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 2-17-17
Roll Call Vote #: 1

2017 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2024

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: 17.0532.01003

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
Other Actions: Reconsider _____

Motion Made By Kilzer Seconded By Lee

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Mathern		✓
Vice Chair Krebsbach	✓		Senator Grabinger		✓
Vice Chair Bowman	✓		Senator Robinson		✓
Senator Erbele	✓				
Senator Wanzek	✓				
Senator Kilzer	✓				
Senator Lee	✓				
Senator Dever	✓				
Senator Sorvaag	✓				
Senator Oehlke	✓				
Senator Hogue	✓				

Total (Yes) 11 No 3

Absent 0

Floor Assignment Passed.

If the vote is on an amendment, briefly indicate intent:

Date: 2-17-17
 Roll Call Vote #: 2

**2017 SENATE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 2024**

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: 17.0532, 01002

- Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Mathern Seconded By Grabinger

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg		✓	Senator Mathern	✓	
Vice Chair Krebsbach		✓	Senator Grabinger	✓	
Vice Chair Bowman		✓	Senator Robinson	✓	
Senator Erbele		✓			
Senator Wanzek		✓			
Senator Kilzer		✓			
Senator Lee	✓	✓			
Senator Dever		✓			
Senator Sorvaag		✓			
Senator Oehlke		✓			
Senator Hogue		✓			

Total (Yes) 3 No 11
 Absent 0 Failed
 Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 2-17-17
 Roll Call Vote #: 3

**2017 SENATE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 2024**

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: _____

- Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Kilzer Seconded By Lee

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Mathern		✓
Vice Chair Krebsbach	✓		Senator Grabinger		✓
Vice Chair Bowman	✓		Senator Robinson		✓
Senator Erbele	✓				
Senator Wanzek	✓				
Senator Kilzer	✓				
Senator Lee	✓				
Senator Dever	✓				
Senator Sorvaag	✓				
Senator Oehlke	✓				
Senator Hogue	✓				

Total (Yes) 11 No 3

Absent 0

Floor Assignment Kilzer

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2024: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (11 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). SB 2024 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact subsection 2 of section 23-12-10.4, subsection 2 of section 54-27-25, and subsection 1 of section 54-59-22.1 of the North Dakota Century Code, relating to smoking prohibited signage, the tobacco settlement trust fund, and required use of centralized desktop support services; to repeal chapter 23-42 of the North Dakota Century Code, relating to the tobacco prevention and control program; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 2 of section 23-12-10.4 of the North Dakota Century Code is amended and reenacted as follows:

2. The owner, operator, manager, or other person in control of a public place or place of employment where smoking is prohibited by this chapter may request from the ~~executive committee of the tobacco prevention and control advisory committee~~ state department of health the signs necessary to comply with the signage requirements of subsection 1.

SECTION 2. AMENDMENT. Subsection 2 of section 54-27-25 of the North Dakota Century Code is amended and reenacted as follows:

2. There is created in the state treasury a tobacco prevention and control trust fund. The fund consists of the tobacco settlement dollars obtained by the state under section IX(c)(2) of the agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Interest earned on the fund must be credited to the fund and deposited in the fund. Moneys received into the fund are to be ~~administered by the executive committee for the purpose of creating and implementing the comprehensive plan. If in any biennium, the tobacco prevention and control trust fund does not have adequate dollars to fund a comprehensive plan, the treasurer shall transfer money from the water development trust fund to the tobacco prevention and control trust fund in an amount equal to the amount determined necessary by the executive committee to fund a comprehensive plan~~ used as appropriated by the legislative assembly.

SECTION 3. AMENDMENT. Subsection 1 of section 54-59-22.1 of the North Dakota Century Code is amended and reenacted as follows:

1. The following state agencies shall obtain centralized desktop support services from the information technology department:
 - a. Office of administrative hearings.
 - b. Office of the governor.
 - c. Commission on legal counsel for indigents.
 - d. Public employees retirement system.
 - e. North Dakota university system office.

- f. Department of career and technical education.
- g. Department of financial institutions.
- h. Department of veterans' affairs.
- i. Aeronautics commission.
- ~~j. Tobacco prevention and control executive committee.~~
- ~~k. Council on the arts.~~
- ~~h.k.~~ Agriculture commissioner.
- ~~m.l.~~ Department of labor and human rights.
- ~~n.m.~~ Indian affairs commission.
- ~~o.n.~~ Protection and advocacy project.
- ~~p.o.~~ Secretary of state.
- ~~q.p.~~ State treasurer.
- ~~r.q.~~ State auditor.
- ~~s.r.~~ Securities department.

SECTION 4. REPEAL. Chapter 23-42 of the North Dakota Century Code is repealed.

SECTION 5. EFFECTIVE DATE. This Act becomes effective on July 1, 2017.

SECTION 6. EMERGENCY. This Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2024 - Tobacco Prevention & Control Exec Comm - Senate Action

	Base Budget	Senate Changes	Senate Version
Comprehensive tobacco control	\$16,548,039	(\$16,548,039)	
Total all funds	\$16,548,039	(\$16,548,039)	\$0
Less estimated income	16,548,039	(16,548,039)	0
General fund	\$0	\$0	\$0
FTE	8.00	(8.00)	0.00

Department No. 305 - Tobacco Prevention & Control Exec Comm - Detail of Senate Changes

	Removes Funding for Comprehensive Tobacco Control ¹	Total Senate Changes
Comprehensive tobacco control	(\$16,548,039)	(\$16,548,039)
Total all funds	(\$16,548,039)	(\$16,548,039)
Less estimated income	(16,548,039)	(16,548,039)
General fund	\$0	\$0
FTE	(8.00)	(8.00)

¹ Funding for comprehensive tobacco control, including 8 FTE positions and related salaries and wages, is removed.

This amendment also:

- Removes the appropriation section of the bill.
- Adds a section to amend North Dakota Century Code Section 23-12-10.4(2) relating to the signage responsibility of proprietors to transfer the responsibility to provide compliant signage from the Executive Committee of the Tobacco Prevention and Control Advisory Committee to the State Department of Health.
- Adds a section to amend Section 54-27-25(2) relating to the tobacco settlement trust fund to remove the transfer from the water development trust fund to the tobacco prevention and control trust fund if there is not adequate funding for the comprehensive plan and to provide the money deposited in tobacco prevention and control trust fund are to be used for purposes appropriated.
- Adds a section to amend Section 54-59-22.1(1) of the North Dakota Century Code related to required use of centralized desktop support services to remove the reference to the Tobacco Prevention and Control Executive Committee.
- Adds a section to repeal Chapter 23-42 relating to the tobacco prevention and control program.
- Adds a section to provide for an effective date.
- Declares the bill to be an emergency measure.

2017 HOUSE APPROPRIATIONS

SB 2024

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

SB2024
3/8/2017
28858

- Subcommittee
 Conference Committee

Committee Clerk Signature

Donna Altheim

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact subsection 2 of section 23-12-10.4, subsection 2 of section 54-27-25, and subsection 1 of section 54-59-22.1 of the North Dakota Century Code, relating to smoking prohibited signage, the tobacco settlement trust fund, and required use of centralized desktop support services; to repeal chapter 23-42 of the North Dakota Century Code, relating to the tobacco prevention and control program; to provide an effective date; and to declare an emergency.

Minutes:

Attachments 1-2.

Chairman Pollert called the committee to order on SB 2024.

Sheila Sandness, Legislative Council: reviewed changes to the bill made by the Senate. The Senate followed the Governors recommendations and they were included in 2084 which was the bill that unfunded the committee and included language to repeal Chapter 23-42 which is the section related to the tobacco provision control program. That language was all included in 2084 and they amended 2024 which was their base budget and included funding from the last biennium and amended that to be the same as 2084. The only difference is the Senate added an emergency clause and effective date to have the bill become effective July 1. (1:36-2:43)

Rep. Nelson: Was there a fiscal note prepared for this bill with the emergency clause?

Sheila Sandness, LC: There was a fiscal note, the Senate wanted the effective date July 1 and without an appropriation it becomes effective August 1. If the emergency clause does not carry, the effective date becomes August 1. There would be a committee for one month but there would be no funding.

Rep. Nelson: I still don't know why we need an emergency clause.

Sheila Sandness, LC: They thought it was important for everything to wrap up at the end of the current biennium.

Chairman Pollert: Does anyone want to testify in support of SB 2024 in its current form? Anyone want to oppose SB 2024?

Jeanne Prom, Executive Director of the ND Center for Tobacco Prevention and Control Policy: read written testimony (See attachment #1). (6:56-16:45).

Chairman Pollert: You said you need \$10-12 million to run the program. Does that include your administrative costs because the original budget was \$16.5 million, correct?

Ms. Prom: That's an annual cost. Our budget is biennial and doesn't take into account the \$5million dollar that the Health Department also invests.

Chairman Pollert: Is that the total amount needed?

Ms. Prom: Yes, \$10-12 million total is what the state needs to invest. That is an annual figure so it is \$21-\$24 million.
Continued to read written testimony.(17:53-

Vice Chairman Kreidt: Statewide people who are involved in this including local health units and dentists have information on the wall why I shouldn't smoke. With every patient at my dentist the receptionist said we go over why you shouldn't smoke, the effects on your health and on your teeth. I asked do you do this for everyone and she stated yes. I thought what better buy can you get for your money than this. We're spending a lot of money doing this but this is an example of a free service by my dentist. I don't know if this happened because of your group or if they have been doing this for many years. I am sure they will still do this regardless if your group is still part of state government.

Ms. Prom: The ask, advise, refer to ND Quits has been around for a while and was initiated at the State Health Department level and carried out at Local Public Health units. We also provide the funding to the local public health units. They provide those materials for free. I don't know about every specific dentist if they relied on us or the Health Department to get those materials. We have spent a lot of time coordinating the training for these healthcare providers. It is a statewide coordinated effort to train the health care providers on the system of ask every patient if they use tobacco, advise them to quit and refer them to ND Quit.

Rep. Nelson: You mentioned the healthcare benefits. In the first half of the legislative session we had the Human Services budget and we reauthorized Medicaid expansion. In some of the recent initiated measures we were told we shouldn't raise tobacco tax because the poorest of the poor are being affected by that and also the poorest of the poor are the ones using Medicaid expansion. In your analysis of healthcare savings and with the uncertainty of where Medicaid expansion is headed, do you have any numbers as to potential costs that would be saved? Youth smoking has dropped in half in your tenure. That's a significant piece of the population. Can you put hard numbers of savings for us to look at?

Ms. Prom: Our staff has been working on this with the Department of Human Service staff but we haven't gotten to that point yet because they have the new Medicaid database. It can be done; it hasn't been done yet. That was one of the many items we were looking forward to working on in the future.

Rep. Nelson: Can you give us hard numbers as to the accomplishments without Medicaid expansion being part of the equation? I know your agency won't give us numbers unless they are accurate.

Ms. Prom: The back page of the testimony I gave you has a sheet that goes into the cost savings. (See attachment #1).

Continued to read written testimony. 27:47-40:31.

Chairman Pollert: That is a challenge we have as legislators. I have a concern too that we may be on different as far as general concept wise but I have a little heartache over the \$16 million that is sitting in the DH budget too but we also have funding problems statewide. We always thought the tobacco group should let your scope broaden more than what you are allowing money to be used for. I still think we're kind of on the same page of how you want to spend those monies versus how we want them spent.

Ms. Prom: The Department of Health Budget the Senate did amend 54-27-25 in the Century Code that deals with where the tobacco settlement money that we receive in our state goes. They did amend out the requirement that 80% of the Community Trust fund had to be used for tobacco control. That's been a perennial concern among Legislators that when the measure passed 8 years ago it locked in that 80% for tobacco control.

Rep. Meier: Does any of your funding go toward smoking cessation?

Ms. Prom: Yes, but the majority of smoking cessation investment is made by the Department of Health they fund and manage many free services.

Rep. Meier: What amount of your money goes toward smoking cessation?

Ms. Prom: I can get you that amount. Between us and the Health Department we are meeting the CDC best practices amount. I know there is \$1million a year is going out to local Public Health Units and we have increased that amount. As a requirement the Health Units are to be asking all the clients if they smoke and advise them to quit and refer them to ND Quits.

Rep. Nelson: Walk me through the discussion in the Senate. It seems like as we look at this today and the repeal, you point out that your single focus is what your agency has been charged with and carried out. I have always disliked the 80% rule. I thought there was a lot of other health-related programs that were caused by smoking that could have been brought in there. You only had tobacco control and cessation in your office, was there any discussion, especially with the medical marijuana that you could be the only smoking prevention and control agency in state government and center all of that in your office rather than any of it in the Department of Health. Let them do their work on the medical marijuana and turn it all over to you. Was there any discussion about that?

Ms. Prom: There was; there wasn't a lot of discussion. There was an amendment brought forward at the Subcommittee, the committee and the Senate floor level, but it did not pass. There was the idea that this just needed to be folded, nothing is moving anywhere with any proposal that is on the table now. One agency, with the bill you have in front of you, is being completely shut down. My take is they wanted it done cheaper and did not meet with me specifically on how the \$16.5 million could be something different than that. Maybe we could start funding the cessation services or ND Quit. I wasn't given that opportunity. They were meeting with the Department of Health on how they could come up with a \$12 or \$13 million budget total. I didn't feel there was interest on their part to go over my budget. I did provide them with a 90% budget.

Rep. Nelson: It's fair to say that you can certainly do it cheaper. The grant funding to the local public health units is cut in the Department of Health budget. You could have done that. The people that are implementing the policies and programs in our communities are related to the local public health unit staff. I'm very unsure how they're going to have the same footprint with less grant funding with all the other duties. This is not that well thought out in my opinion.

Chairman Pollert: We also had the previous Governor and current Governor who made the decision to go forward with this in their budgets. The Senate isn't the only one who thought of this because it was in both executive budgets. 49:21

Rep. Holman: Should this stay where it's at right now, what would the program be under the current proposal if it passes? You have talked about the CDC requirements, also how would this program going forward compare with what is going on in the surrounding states? Is our program better or worse?

Ms. Prom: Right now, North Dakota is the only state that funds its tobacco program at the best practice level recommended by the CDC. We have 75% of the funding for the comprehensive program. Governor Dalrymple and Governor Burgum recommended that this agency be eliminated but they also recommended \$3 million be used for local grants and that was changed by the Senate.

Chairman Pollert: It's the House and the Senate that decides where the money is appropriated and probably the Health Department will not agree with us either.

Rep. Holman: You said that \$56 million would carry you for 7 years. That gives you about \$9.5-10 million a year. How does that compare to what you are doing right now?

Ms. Prom: That compares with what we're doing now. It cuts the program in half even though the Senate did give the Health Department more funding.

Rep. Holman: What percentage of the program is being done in the Health Department right now and what percentage is being done in your department?

Ms. Prom: Our biennial budget is \$16.5 million so the is \$8.25 million a year. The Health Department budget actual dollars they get is closer to \$5 million and the budget is \$6 million. So theirs is \$2.5 to \$3 million a year.

Rep. Nelson: We have no comparison in numbers so in your preparation for a 90% budget request, do the programs still meet all the requirements of the CDC best practice?

Ms. Prom: No, it would have been less than that but it is much closer than we are right now. I do provide you in the next couple pages some figures for that.
Continued to read written testimony (0:54:00-58:34).

Rep. Nelson: The biggest decrease in the 90% budget was for professional fees and services. Can you tell us briefly what the \$700,000 how that came to be?

Ms. Prom: Professional fees and services, we have a couple of big contracts for evaluations, surveillance and for Health communications and we would be reducing those.

Rep. Nelson: The other area was IT processing. Was that usage?

Ms. Prom: That's based on current spending levels and we didn't need the spending that we budgeted last time.

Rep. Nelson: If you were charged with coming up with a budget that is less than CDC best practices but you have experience in this program to say that the most effective program for the budget you were giving, could you do it for less than 90% and provide a program that would meet the general needs of your mission that you have followed and want to continue.

Ms. Prom: I would have to take a close look at how that aligns. We've been adjusting for inflation and population every year and if we didn't adjust for that a less than 90% budget may be closer.

Rep. Nelson: The population is still increasing so that's a negative. Certainly from an advertising standpoint you reach the same amount of people. You hear so much about what this agency does and doesn't do. How much of your budget was spent on political ads and your lobbying effort?

Ms. Prom: None because we can't be involved in initiated measures.

Chairman Pollert: This is going to come down to a philosophical viewpoint for a number of votes as well as dollars. I would like you to go through this now. There's going to be a vote done; it's going to be philosophical and it's going to be both dollar related and whether we agree with the Senate and the Governors recommendations as well.

Ms. Prom: Continued to review testimony. (1:03:20-1:04:32).

Chairman Pollert: Why is the data processing that high?

Ms. Prom: We were collocated with some other state agencies and we could share those costs. Now we are not there anymore. There is space there and we could share those costs. That is also one effect of our relocation. Professional fees and services were based on maintaining the CDC best practice level of spending. We have seen advertising costs go up 30%. Continued to review testimony. (1:05:40-1:06:00)

Chairman Pollert: Is the 12.8% in grants due to the population growth?

Ms. Prom: Most of local grants a high percentage of grants is staff time.
Continued to review testimony. (1:06:46-1:09:45)

Chairman Pollert: What are professional fees?

Ms. Prom: We have legal, the office of the Attorney General, we have the audit, health communications, examination and we have a contract with the tobacco legal consortium for policy work, smoke cessation.

Chairman Pollert: What is the health communications for \$1.5?

Ms. Prom: That is our advertising.

Rep. Nelson: Do you have one contract for advertising? How many vendors do you work with?

Ms. Prom: We have one contract for advertising. It is a competitive state process that we use to select our vendor.

Rep. Nelson: Is the vendor Odney?

Ms. Prom: Yes.
Continued to review testimony. (1:12:20-1:14:37).

Chairman Pollert: Looking at the graph and talking about North Dakota and CDC best practices, we are at 11.7% and you have the United States at 10.8%. Is all of the United States on the CDC best practices, and if they're not on the CDC best practices, why are they lower and we've been putting all this money into North Dakota and I don't know if we could say that about the United States. There are a lot of states that aren't funding CDC best practices. I'm just questioning if we are spending all this money my thought is why?

Ms. Prom: Upper Midwest is an area of the country besides the southeast that has a high smoking and tobacco rate. There are other parts of the country that have much lower smoking rates in the northeast and west. That is bringing the average down because of the large population. We didn't all start at the same place; all the states had a different rate. We're almost at what the national average is. If we continue this momentum of reducing our youth rates and we will be the same and maybe even lower than the national average if given another 7 years. It does take some time.

Rep. Nelson: A 44 cent cigarette tax, it is one of the lowest in the country and it works. We raise taxes on cigarettes you get less smoking, it is that simple.

Chairman Pollert: There must be an equilibrium somewhere. Do these include marijuana?

Ms. Prom: The smoking rates? No, they include just tobacco.

Rep. Nelson: You could do everything in this budget except for the repeal with a reasonable increase in tobacco tax. That would fund the program, fund some of the things in this session that the Governors weren't willing to look at and make this an ongoing program.

Chairman Pollert: We could also talk about that we probably wouldn't be here if there had been something different than the two and a quarter.

Vice Chairman Kreidt: If we really wanted to do something out of the box we would eliminate tobacco in the state.

Ms. Prom: continued to review testimony (1:20:15-1:21:42).

Rep. Holman: I look at this in two ways; one is you work with individual behaviors and also there is the group of institutional behaviors. Do you track which one works better or do they all blend together?

Ms. Prom: We know that smoke-free laws cause people to quit and smoke less and so do increasing price policies. You can look at after the state's smoke-free law and what was the impact. You see it most in youth prevention because children respond to examples and what they see in the world. Since the smoke-free state law cleared the air and there wasn't the visible smoking that there used to be,

Chairman Pollert: Group behavior is an important element in what we all do. I just don't get why people smoke. It's disgusting, so I should automatically be agreeing with you, but philosophically I don't.

Ms. Prom: We haven't gotten into the tobacco industry and their marketing but they spend more than \$30 million here every year to advertise.
Continued to review testimony (1:25:20-1:37:51).

Rep. Nelson: What you're telling us is that with the transfers that have taken place, the \$15 million the Medicaid grants line and the Opioid treatment grants line there is \$32 million left in your trust fund. If we choose to continue your work, we could do really do both for this biennium with the money that flows into the trust fund from the tobacco settlement dollars. Could we do the same for the next biennium?

Ms. Prom: Yes.

Rep. Nelson: Without a tobacco tax increase?

Ms. Prom: We still want that.

Rep. Nelson: So do I. We could do what we're charged to do. We do have some very significant budget issues this biennium and if it is either or I know where it might end up. U wanted to paint the picture that isn't the case, we could do both.

Chairman Pollert: Any other questions? Seeing none. Rep. Nelson talked about the \$32 million, I want to talk about it. In the book, it talks about \$28.9 being in there. We talked about the \$4 million to the local Public Health units and at cross over it shows \$2 million going there and I have a note that says extra \$3 million to local public health units. Sheila would you explain.

Sheila Sandness, LC: (1:40:54) If you're looking at the \$32.9 million that was the executive recommendation and the \$ 4 million was local public health unit grants. Of that \$4 million \$3 million were tobacco grants and \$1 million was to provide general funding to local public health units. That \$ 1 million was used to replace \$1 million in general funds for grants to local public health. The \$4 million was two different types of grants. There was a funding shift for a \$1 million and \$3 million for tobacco type grants. That is the \$3 million. As approved by the Senate if you go to the other schedule the \$28.9 million. We prepared this and as of cross over that \$3 million is no longer in there and instead you have the \$2 million and it is for general grants to local public health units. The Senate continued that replacement of \$1 million when they did the funding shift but then they gave the local public health units and extra \$1 million of just general funding grants. You look further down and \$6.4 million and that is to shift the Tobacco Prevention and Control duties to the Department of Health. They increased \$4 million to the Department of Health by that \$6.4 million and also gave them one FTE. (See attachment # 2)

Chairman Pollert: Do you have what money is distributed by the Senate to the Department of Health?

Sheila Sandness, LC: The Department of Health has a tobacco prevention line item that totals \$12.1 million and \$6.5 million is from the tobacco prevention and control trust fund. \$3.2 million is from the community health trust fund, and about \$2 million is federal funds. Actually in the tobacco prevention and control trust fund is \$7 million.

Chairman Pollert: recessed the hearing on SB 2024.

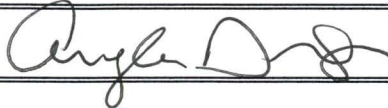
2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

SB2024
3/8/2017
28893

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact subsection 2 of section 23-12-10.4, subsection 2 of section 54-27-25, and subsection 1 of section 54-59-22.1 of the North Dakota Century Code, relating to smoking prohibited signage, the tobacco settlement trust fund, and required use of centralized desktop support services; to repeal chapter 23-42 of the North Dakota Century Code, relating to the tobacco prevention and control program; to provide an effective date; and to declare an emergency.

Minutes:

Attachments 1-19

Chairman Pollert called the committee to order.

Larry Shireley, Evaluation Programs Manager for the ND Tobacco Prevention and Control Policy (BreatheND) read written testimony (attachment 1).

Rep. Nelson: I got an e-mail from Elizabeth Hughes that talked about the fact that nicotine is determined to be a gateway drug. From a science-based standpoint what is that?

Mr. Shireley: We know that when looking at studies of drug use, marijuana use, many of those started as smokers. As you look at many studies, it will indicate that cigarette smoking and nicotine is a gateway drug and that is one of the reasons why we are so concerned about the increase in electronic cigarettes. They don't have the effects that smoking does, but most of them contain nicotine so what the impact that's going to be on both gateway situations and increase in cigarette smoking we don't know.

Donna Thronson, Health Communications Manager for the ND Tobacco Prevention and Control Policy (BreatheND) read written testimony (attachment 2).

Susan Simonson, Health Communications Coordinator for the ND Tobacco Prevention and Control Policy (BreatheND) read written testimony (attachment 3).

Barbara Andrist, Statewide Programs Manager at the ND Tobacco Prevention and Control Policy (BreatheND) read written testimony (attachment 4).

Chairman Pollert: How many states are using CDC best practices, funding-wise?

Ms. Andrist: There are two states. We're number one.

Chairman Pollert: Do all states try to implement the CDC best practices?

Ms. Andrist: Yes, the CDC grants that are given to the state say they are to use that.

Rep. Holman: When you have a smoke-free facility, there are two things that are impacted by that; one would be the lower cost of operation because of a smoke free environment. Also their might be an insurance factor on any facility. Do insurance companies pay attention to whether a facility is smoke-free?

Ms. Andrist: Yes, they do.

Rep. Nelson: You're a key piece as far as the direct impact with local public health units and the work in the communities. How will that continue if the center isn't there and how the Health Department will communicate with local public health units?

Ms. Andrist: I can't answer that question because I don't have the answer.

Rep. Nelson: Can you recreate that within your job description of how much of your time you spend dealing directly with local public health units across the state?

Ms. Andrist: In my position, I spend 35-40%. The person who spends the most time, which would be 100% of her time, is the local grants manager.

Rep. Nelson: We are looking at a 1.5 FTE position that spends time with the local public health units.

Rep. Meier: I'm on your campaign for tobacco-free kids website and seeing that the high school students who use e-cigarettes is 22.3%. Is that number going up?

Ms. Andrist: That number is the first one we had for the state of North Dakota, so we're waiting for that. The national average shows they have been going up.

Becky Anderson, Respiratory Therapist read written testimony (attachment 5).

Jay Taylor read written testimony from **Dr. Eric Johnson, Tobacco Prevention Advisory Committee Member** (attachment 6).

Rep. Nelson: The 24% decrease after the smoke-free law was passed in one hospital. Is there documented evidence that has been followed up with since the law went into effect that would support that number?

Mr. Taylor: Yes there is. There have been a number of studies that were done throughout the country. The one in Grand Forks was one of them and they all show the same results in a direct decrease in heart attacks following the implementation of the smoke-free policy.

Theresa Will, Director at City-County Health District read written testimony (attachment 7).

Rep. Holman: Without state-coordinated effort, what might you be doing in Barnes County?

Ms. Will: We haven't looked completely in the future because we are still working where we are at. I can see with the funding decrease, the time that we have to pay employees to do the work that we are currently doing decreases.

Rep. Nelson: In Valley City, how many smoke-free apartment buildings do you have?

Ms. Will: We currently have three smoke-free apartments.

Chairman Pollert: Do you feel the Department of Health has your best interest at heart like the tobacco group does?

Ms. Will: Absolutely. Local public health is boots on the ground for the Department of Health and the Center. We work well with both; I have no concern about working with either one. The primary concern is a comprehensive program and I don't feel we will have that with the current situation.

Chairman Pollert: You have that concern going to the Department of Health?

Ms. Will: Yes, not that they can't do the work, but the funding isn't there and the center has that single focus.

Javayne Oyloe, Executive Officer of Upper Missouri District Health Unit read written testimony (attachment 8) and written testimony from **Kathleen Mangskau** (attachment 9).

Rep. Holman: You have a reservation community in your district, what differences do you do as far as attacking this problem in the reservation community?

Ms. Oyloe: Currently the Department of Health holds the tribal grants and Upper Missouri has been asked not to work with the tribes, unless we've been asked to help.

Beth Hughes, Respiratory Therapist and Educator for University of Mary read written testimony for **Dr. John Warford** (attachment 10) and her written testimony (attachment 11).

Rep. Nelson: We have the Corrections budget where 75% of the people that we work with have an addiction. It's important to know where it starts, so if you have some basis for that.

Ms. Hughes: We have had in the past suspicion that nicotine and smoking is related to other addictions. Now we have a number of articles that demonstrates at a molecular level, a DNA level, that what nicotine does is open up neuro-pathways in the brain to make those pathways

more receptive to addiction to opioids. One of our concerns is that nicotine is a gateway drug.

Jennifer Mauch read written testimony from **Pam Crawford, member of the Tobacco Prevention and Control Advisory Committee** (attachment 12) and from **Marvin Lein, CEO of Mid Dakota Clinic** (attachment 13).

Heather Austin, Executive Director for Tobacco Free North Dakota read written testimony (attachment 14).

Vice Chairman Kreidt: What role do you play? Are you a service organization? Are there members that pay dues?

Ms. Austin: Yes, we are a membership organization and we've been in existence since 1985. We currently administer one of the statewide initiative grants funded by BreatheND to help with education and advocacy across the state.

Vice Chairman Kreidt: You've been in business since 1985. What were you doing before you got the grant from BreatheND?

Ms. Austin: A lot less work. It was primarily a volunteer board of directors with a small membership.

Vice Chairman Kreidt: The membership dues that the organizations pay into must give some benefits?

Ms. Austin: We are approximately 85% funded by the grant we administer from BreatheND.

Kristie Wolff, Program Manager, American Lung Association in ND read written testimony from **Reba Mathern-Jacobson** (attachment 15) and her written testimony (attachment 16).

Rep. Nelson: With the changes being proposed by the Senate, would the grant that you receive now continue?

Ms. Wolff: Currently I'm not 100% sure how it will work through the Health Department. Most of the money will go to local public health units. We would potentially need to eliminate some of the positions that we have at the American Lung Association.

Written testimony submitted for **Sommer Wilmeth** (attachment 17), **Mara Yborra** (attachment 18), and **Alison Harrington** (attachment 19).

Chairman Pollert adjourned the committee.

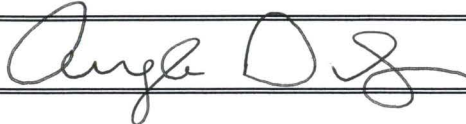
2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

SB2024
3/9/2017
Job 28982

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact subsection 2 of section 23-12-10.4, subsection 2 of section 54-27-25, and subsection 1 of section 54-59-22.1 of the North Dakota Century Code, relating to smoking prohibited signage, the tobacco settlement trust fund, and required use of centralized desktop support services; to repeal chapter 23-42 of the North Dakota Century Code, relating to the tobacco prevention and control program; to provide an effective date; and to declare an emergency.

Minutes:

Attachments 1-2

Chairman Pollert called the committee to order.

Jeanne Prom, Executive Director for the ND Center for Tobacco Prevention and Control Policy: Yesterday there were three items you requested. Rep. Meier had asked about our budget and the percent that was spent on cessation. That is 20%. It's \$3.2 million altogether. The majority of that, \$2 million, goes to grants to local public health units to do the Ask, Advise, Refer work to refer the clients that use tobacco to NDQuits which is operated by the Department of Health. Another \$500,000 went to the Department of Health in a grant for promotion of NDQuits and cessation. Also we do our own advertising to promote cessation.

Chairman Pollert: Do you have that on a schedule or hard copy?

Ms. Prom: I'm verbally reporting that. The rest of what you asked for is in document form.

Reviewed written testimony (attachments 1 and 2).

Chairman Pollert closed the hearing.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division Sakakawea Room, State Capitol

SB2024
3/13/2017
29059

- Subcommittee
 Conference Committee

Committee Clerk Signature

Donna Whelan

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact subsection 2 of section 23-12-10.4, subsection 2 of section 54-27-25, and subsection 1 of section 54-59-22.1 of the North Dakota Century Code, relating to smoking prohibited signage, the tobacco settlement trust fund, and required use of centralized desktop support services; to repeal chapter 23-42 of the North Dakota Century Code, relating to the tobacco prevention and control program; to provide an effective date; and to declare an emergency.

Minutes:

Attachment #1

Chairman Pollert: called the committee to order to SB 2024.

Rep. Nelson: Reviewed the proposed amendment 17.0532.02002. (See Attachment #1) (1:40-5:30)

Rep. Nelson: I would move the amendment 17.0532.02002 to SB 2024.

Rep. Holman: Seconded.

Rep. Nelson: I have always opposed the 80/20 rule in the Community Health trust fund. This amendment does get rid of that. The reason for the amendment is that we've made great strides in this state; mainly with cessation but mostly prevention. Most of the value that has occurred is with youth smoking. We received an email that nicotine is a gateway drug, there is scientific research to support that. We've cut youth tobacco rates in half since the beginning of the center. Prior to that smoking rates within the population of North Dakota were on a flat line and some age groups were increasing. The best mileage has come from youth tobacco use. There is vast savings. It's undeniable in my opinion that the center has accomplished its goal. They control 75% of the program of prevention and cessation in this state and now we are going to turn it over to the agency that administers 25% of it. In the private sector that wouldn't even be thought about. We should be building on our success, not turning it over to an agency whose hands are tied because they have so many other

things to do. You can't expect the same results from the Health Department. This is not an indictment on that Department. The people of ND were the ones that said to us that they think strongly enough about tobacco use in this state and the Measure 3 vote was prior to any oil activity in the state. It was at a different time. They said it was an important enough issue that they wanted a comprehensive tobacco program in the state. It was and it has been successful. I would hope that we would look at this from a performance standpoint. It will save money in the future. We can go through the next session with the trust fund as it existed today and as it is proposed today. Whether it is in the Health Department or in this budget it would be funded for another session. 11:35

Rep. Holman: I think that the motivation behind this is wrong if we're trying to generate some money somewhere. Personally I came from a culture where everyone smoked because of my age. I also, more importantly, grew up with a father who smoked and he would cough at night and get up and light a cigarette to quit smoking. I look back at that and it seemed normal back then. We all have those points in our life where you have a before and after point. I vividly remember the day he was diagnosed with lung cancer. He survived but for the next 25 years he was so short of breath with COPD. Because of organizations like this, because we in ND put together an agency to combat the tobacco lobby, we have improved the health of ND. The timing is wrong because down the road we will reap benefits on this, long term benefits. That's the problem; pay now or pay later. By making this change and cutting the funding and using the money elsewhere, we will end up paying more later.

Rep. Nelson: When we heard this bill, I thought that if we were going to encapsulate this issue into two paragraphs:

Read from previously submitted written testimony from Beth Hughes. (14:39-15:17).

Vice Chairman Kreidt: If we really want to get rid of smoking in ND, why hasn't someone put up a bill to eliminate tobacco products in ND? If we want to think out of the box, let's do that. I think it is something we should be thinking about. Rep. Nelson says that it's not money coming from individuals; it's from a tobacco settlement. But we are to some degree paying for these dollars that are being used here. We passed a bill in 2005. That bill at that time was meant to be a first step in this non-smoking atmosphere. I felt the state opened the door and it was up to communities, counties, cities and schools to keep it rolling and we didn't need to spend this money to accomplish that. I can't support the amendment at this time and I think we should move forward.

Rep. Nelson: I have to respond to a couple of the points that Rep. Kreidt made. To eliminate tobacco use in the state wouldn't obviously have some effect but it wouldn't have the comprehensive effect because we would have sovereign nation and bordering states that are willing to sell tobacco. We can't make ND an island and protect the borders. The other issue about the funding mechanism that's being used is the same funding that the Health Department is going to use. We are not talking a different funding mechanism. We have two proposals on the table today; one to fund the Health Department and the other to fund the Center. The decision we have to make is which would be the most efficient and the most effective program. By their performance, it's basically proven that the Center has shown the best results. In the times you said that we weren't spending any money on it, I would caution you to look at the smoking rates and I think you will find they continue to rise. There are

millions of dollars that go into advertising by the tobacco lobbyists. The most important thing to remember is that tobacco use in youth has dropped in half in the last seven years.

Chairman Pollert: Any other discussion? Rep. Holman we had a similar situation but for some reason we have a different philosophical stance of why we are where we are at. I also think with us transferring this to the Department of Health, I feel they can do what we're asking here. The tobacco group has 8 people, when we look at the funding for the tobacco group I think it is 5.85 and increase of 1.1. Why can they do it for 5.85 people and they only need 1.1 increase. So have we not taken enough FTEs from their budget? Yet if I look at that it is still more efficient. I thought the tobacco group could expand their horizons with tobacco related issues but those measures would never pass. I am looking at this as going to the Department of Health. They have people in place. I think they know tobacco. Will we see the same results? I guess we would have to amend the Health Department if this amendment doesn't pass and we vote on the bill for the repeal. I would have language in there that will have the Health Department prove to us or to show us what the results are. I would also ask why is vaping at that at 22% and smoking is at 11%? Are those kids just switching over? We need to find that out. So if they're switching, is it really working? We need to find that out. I am looking at the Health Department to be doing tobacco related with those dollars and expand that a little bit. I myself will oppose this amendment.

Rep. Nelson: You make a good point on the vaping. But we don't need to reinvent the wheel. The Center has done the research. It's an unregulated industry where the FDA is not involved in the ingredients. One ingredient is nicotine but there are others and most of it comes from outside this country and there is not good evidence on what the ingredients actually do to people. tobacco. It's a replacement for smoking and the Center has done that work. They've been involved in tobacco use, in smoking and in the chewables, that's what they've done. They have a relationship with local public health units that goes unnoticed in this whole discussion. They are the people with the boots on the ground agencies that bring the program to the businesses, schools and communities where we live. That relationship is in place, it's working well. They've proven themselves. It's redundancy that we don't need today in state government. This is one of the most efficient agencies we have working for us.

Chairman Pollert: Could it not be said that if there's 8 in the tobacco group and there 4.85 and there will be 5.85. Couldn't you say that is a double up of services too?

Rep. Nelson: They started at six. We've looked at every increase in personnel that they've come to our section with. We're not known as a subsection of appropriations that gives away FTEs without making the case there is a good reason for it. I think we have responsibly looked at their budgets and they purposed an increase and I think one was a grant administrator. There is Federal sources and there is a lot of reporting mechanisms that take place. If we do what is purposed in the bill I would be very surprised if the Health Department doesn't come in the next season and ask for an increase in FTEs. We will see about that too.

Chairman Pollert: Any further discussion? Seeing none. I remember our fights on the House floor. I also remember fights when we were on the same side. I'm to the point now

that I'm not going to support the amendment. I have supported the tobacco group in the past but I think it is time for something different.

Rep. Nelson: There is still the opportunity for us to be on the same side again.

Roll Call Vote: Yes – 2, No – 4, Absent – 0.

Motion fails to adopt the amendment 17.0532.02002.

Chairman Pollert: Any further amendments to SB 2024? Seeing none.

Vice Chairman Kreidt: I would move a do pass the engrossed SB2024 the way it came to us originally.

Rep. Kading: Seconded.

Vice Chairman Kreidt: I don't want to rehash what has already been discussed. I think the Health Department is more than adequate to take over this responsibility. As we work the Health Department budget as we have before us I think we can more than make that budget and the part that will now include the Breathe ND was doing very efficiently. I look forward to working with the Health Department to get that in place.

Chairman Pollert: Any other discussion? Seeing none. I'm going to support the Do Pass. But I also remember our discussions on nursing homes and surveys and how we weren't getting along with the Health Department and other things. But I will support the do pass.

Roll Call Vote: Yes – 4, No – 2, Absent – 0.

Motion carries on Do Pass on SB 2024.

Vice Chairman Kreidt: will carry the bill.

Rep. Nelson: I'll probably try this same amendment in full committee.

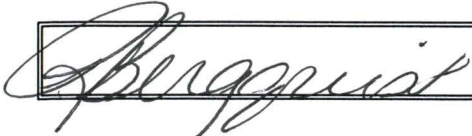
Chairman Pollert: I thought that and would be disappointed if you didn't. Hearing closed on SB 2024.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee
Roughrider Room, State Capitol

SB 2024
3/13/2017
29119

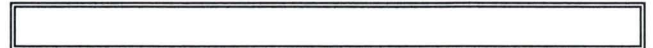
- Subcommittee
 Conference Committee



Explanation or reason for introduction of bill/resolution:

Relating to smoking prohibited signage, the tobacco settlement trust fund, and required use of centralized desktop support services; to repeal chapter 23-42 of the North Dakota Century Code

Minutes:



With Recording of SB 2042 at 8:30

8:40 Representative Kreidt: This is Senate Bill 2024 versions 17.0532.02000, that how it came over from the senate. Came out of our committee this morning with a 4-2 DO Pass, same way it came from the senate. No changes in committee, there was an amendment that didn't pass.

This is a bill to repeal the Breath ND group, chapter 23-42 of the ND Century Code. Section 1, lines 12 and 13 of the bill, the state department of health will be the signs necessary to comply with the signage requirements of subsection 1. Section 2, line 22 Moneys received into the fund are to be appropriated by the legislative assembly. Then in section 3, line 19 removes the Tobacco prevention and control executive committee from the group of entities that are provided this service. Section 4 is the repeal, section 5 is the effective date and section 6 makes it an emergency. The reason for the emergency is so it goes into effect July 1st instead of August 1st.

The department of health will assume the majority of the duties. The tobacco and Prevention committee there were 8 FTEs and 1 temporary employee. With the department of health, we are looking at 4.85 employees to assume the same the same duties.

14:00 Chairman Delzer: I understand you guys are still detailing the dollars in the health department and that's where the actual funding will be?

Representative Kreidt: We have a preliminary appropriation line item and a schedule that will be incorporated into the health department's budget.

14:45 Representative J. Nelson: Make a motion to amend SB 2024 with 17.0532.02002

Representative Holman: I'll second that motion.

Representative J. Nelson: In section 1 of the bill this amendment does fund the tobaccos and prevention agency at the 90% level that the governor asked for from all agencies, that would total \$14,893,235. In section 2 it does remove the 80% rule in community health trust fund; that 80% of the funding would have to be used for tobacco prevention programs. Section 3 it does add language because under both the bill and the amendment there is the discontinuation of an agency that over sees some parts of the tobacco sensation program. Under this provision the health department would be removed and we would ask for an independent third party review, to see if at the end of the process how this is working.

They have cut youth smoking in half, that's important in the number of areas. The studies show that smoking is a gateway drug. We see that in corrections, we see it in behavioral health. It's that group of people that we should be the most concisions of when we are talking about dismantling one of the best programs in the country. This amendment funds the program for nearly the same type of money that the health department is looking at.

Right now there are three things that get funded out of the community trust fund; 3.2 million dollars goes to tobacco and prevention control, 329 thousand goes to woman's way, and 470 thousand goes to behavior risk factor state survey. With the passage of this amendment that fund would be whole at 4 million dollars, we could fund a number of these programs, domestic violence is another one that there are needs that we are not going to be able to fund. This community Health Trust fund would be a very good sources of funding for some of these programs.

20:25 We are going backwards, if you look at the Representative Carlson's casino HCR 3033 bill, if you look at section 2 subsection 8, *Notwithstanding any other provision of law or this Constitution, the legislative assembly may provide by law for smoking and service of alcoholic beverages in parts of the casino facility.* So we are already going back on what has worked and what people expect.

75% of the work is being done by the center and 25% of it is being done by the center. It doesn't make any sense to turn this over to the group that only covers 25% of the program.

Quoting Beth Hues, a provider in the Bismarck area, *Do you want to have the dubious distinction of being the first legislators in ND history to go on record as voting directly against the will of the people? Do you want to go down in history as law makers who chose to dismantle a nationally recognized, efficiently run, model program that saves the lives of North Dakotans of all ages? Do you want to go on record as saying that the number 1 killer of North Dakotans is not worthy of a comprehensive program that does not use any general funds, that aims to stop kids from ever starting to use tobacco?*

22:55 Chairman Delzer: Further discussion? With our revenue short fall, we have to look wherever we can to increase efficiencies of state government.

Representative J. Nelson: We have the funds in the trust fund for one more cycle under either case, I don't know that there is any difference of money.

Chairman Delzer: Well the health department already has 4 members already working on this. You adding a little bit?

Representative Pollert: With the health department, it's at 4.75 FTEs and it will go to 5.85 FTEs. It's hard to get into talking this bill without getting into the health department budget.

Chairman Delzer: That's where we will have the discussion of how much we do and how we do it. I think both governors did recommend that the Breath ND cease.

We will try a voice vote Motion fails

Chairman Delzer: Representative J. Nelson would you like a roll call vote?

Representative J. Nelson: Sure.

Chairman Delzer

A Roll Call vote was taken to amend with 17.0532.02002.

Yea: 6 Nay: 14 Absent: 1

Motion Fails 6-14

Representative Kreidt: I should have mentioned that as well, both governors did eliminate this from their budgets. **I would make a motion to Do Pass for SB 2024**

Representative Pollert: Second the motion

A Roll Call vote was taken. Yea: 16 Nay: 4 Absent: 1

Motion carries

Representative Kreidt will carry the bill

Chairman Delzer: That closes this hearing.

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2024

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide an appropriation for defraying the expenses of the comprehensive tobacco control advisory committee; to amend and reenact subsection 1 of section 54-27-25 of the North Dakota Century Code, relating to the tobacco settlement trust fund; and to provide for an independent review and report to the legislative management.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the tobacco prevention and control trust fund, not otherwise appropriated, to the comprehensive tobacco control advisory committee for the purpose of defraying the expenses of the committee, for the biennium beginning July 1, 2017, and ending June 30, 2019.

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Comprehensive tobacco control	\$16,548,039	(\$1,654,804)	\$14,893,235
Total special funds	\$16,548,039	(\$1,654,804)	\$14,893,235
Full-time equivalent positions	8.00	0.00	8.00

SECTION 2. AMENDMENT. Subsection 1 of section 54-27-25 of the North Dakota Century Code is amended and reenacted as follows:

1. There is created in the state treasury a tobacco settlement trust fund. The fund consists of the tobacco settlement dollars obtained by the state under subsection IX(c)(1) of the master settlement agreement and consent agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Except as provided in subsection 2, moneys received by the state under subsection IX(c)(1) must be deposited in the fund. Interest earned on the fund must be credited to the fund and deposited in the fund. The principal and interest of the fund may be appropriated to the attorney general for the purpose of enforcing the master settlement agreement and any disputes with the agreement. All remaining principal and interest of the fund must be allocated as follows:
 - a. Transfers to a community health trust fund to be administered by the state department of health. The state department of health may use funds as appropriated for community-based public health programs and other public health programs, including programs with emphasis on preventing or reducing tobacco usage in this state. Transfers under this subsection must equal ten percent of total annual transfers from the tobacco settlement trust fund ~~of which a minimum of eighty percent must be used for tobacco prevention and control.~~
 - b. Transfers to the common schools trust fund to become a part of the principal of that fund. Transfers under this subsection must equal

forty-five percent of total annual transfers from the tobacco settlement trust fund.

- c. Transfers to the water development trust fund to be used to address the long-term water development and management needs of the state. Transfers under this subsection must equal forty-five percent of the total annual transfers from the tobacco settlement trust fund.

SECTION 3. TOBACCO PREVENTION AND CONTROL PLAN - INDEPENDENT REVIEW AND REPORT TO LEGISLATIVE MANAGEMENT. At least once during the 2017-19 biennium, the comprehensive tobacco control advisory committee shall provide for an independent review to evaluate the effectiveness of the statewide tobacco prevention and control plan and report the results of the review to the legislative management."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2024 - Tobacco Prevention & Control Exec Comm - House Action

	Base Budget	Senate Version	House Changes	House Version
Comprehensive tobacco control	\$16,548,039		\$14,893,235	\$14,893,235
Total all funds	\$16,548,039	\$0	\$14,893,235	\$14,893,235
Less estimated income	16,548,039	0	14,893,235	14,893,235
General fund	\$0	\$0	\$0	\$0
FTE	8.00	0.00	0.00	0.00

Department No. 305 - Tobacco Prevention & Control Exec Comm - Detail of House Changes

	Restores Funding to 90 Percent of Base Level ¹	Total House Changes
Comprehensive tobacco control	\$14,893,235	\$14,893,235
Total all funds	\$14,893,235	\$14,893,235
Less estimated income	14,893,235	14,893,235
General fund	\$0	\$0
FTE	0.00	0.00

¹ Funding is provided from the tobacco prevention and control trust fund to restore the funding for the Comprehensive Tobacco Control Advisory Committee to 90 percent of base level.

This amendment also adds sections to:

- Amend North Dakota Century Code Section 54-27-25(1) to remove the requirement that 80 percent of the transfers from the tobacco settlement trust fund to the community health trust fund be used for tobacco prevention and control.
- Provide, at least once during the biennium, the Comprehensive Tobacco Control Advisory Committee arrange for an independent review to evaluate the effectiveness of the statewide tobacco prevention and control plan and report the results of the review to the Legislative Management.

**2017 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. SB2024**

House Appropriations - Human Resources Division Committee

Subcommittee

Amendment LC# or Description: 17.0532.02002

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Rep. Nelson Seconded By Rep. Holman

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert		X	Representative Holman	X	
Vice Chairman Kreidt		X			
Representative Kading		X			
Representative Meier		X			
Representative Nelson	X				

Total (Yes) 2 No 4

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

**2017 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. SB2024**

House Appropriations - Human Resources Division Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Rep. Kreidt Seconded By Rep. Kading

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	X		Representative Holman		X
Vice Chairman Kreidt	X				
Representative Kading	X				
Representative Meier	X				
Representative Nelson		X			

Total (Yes) 4 No 2

Absent 0

Floor Assignment Rep. Kreidt

If the vote is on an amendment, briefly indicate intent:

Date: 3/13/2017
Roll Call Vote #: 1

**2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2024**

House Appropriations Committee

Subcommittee

Amendment LC# or Description: 17.0532.02002

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
Other Actions: Reconsider _____

Motion Made By Representative J. Nelson Seconded By Representative Holman

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer		X			
Representative Kempenich		X	Representative Streyle		X
Representative: Boehning		X	Representative Vigesaa		X
Representative: Brabandt		X			
Representative Brandenburg		X			
Representative Kading		X	Representative Boe	X	
Representative Kreidt		X	Representative Delmore	A	
Representative Martinson	X		Representative Holman	X	
Representative Meier		X			
Representative Monson	X				
Representative Nathe		X			
Representative J. Nelson	X				
Representative Pollert		X			
Representative Sanford	X				
Representative Schatz		X			
Representative Schmidt		X			

Total (Yes) 6 No 14

Absent 1

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

MOTION FAILS

Date: 3/13/2017
 Roll Call Vote #: 2

**2017 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. SB 2024**

House Appropriations Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Representative Kreidt Seconded By Representative Pollert

Representatives	Yes		Representatives	Yes	No
Chairman Delzer	X				
Representative Kempenich	X		Representative Streyle	X	
Representative: Boehning	X		Representative Vigesaa	X	
Representative: Brabandt	X				
Representative Brandenburg	X				
Representative Kading	X		Representative Boe		X
Representative Kreidt	X		Representative Delmore	A	
Representative Martinson		X	Representative Holman		X
Representative Meier	X				
Representative Monson	X				
Representative Nathe	X				
Representative J. Nelson		X			
Representative Pollert	X				
Representative Sanford	X				
Representative Schatz	X				
Representative Schmidt	X				

Total (Yes) 16 No 4

Absent 1

Floor Assignment Representative Kreidt

If the vote is on an amendment, briefly indicate intent:

MOTION CARRIES

REPORT OF STANDING COMMITTEE

SB 2024, as engrossed: Appropriations Committee (Rep. Delzer, Chairman)
recommends **DO PASS** (16 YEAS, 4 NAYS, 1 ABSENT AND NOT VOTING).
Engrossed SB 2024 was placed on the Fourteenth order on the calendar.

2017 TESTIMONY

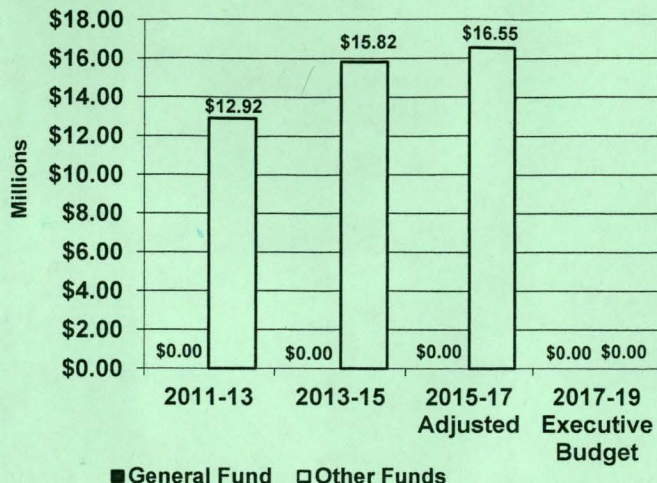
SB 2024

**Department 305 - Tobacco Prevention and Control Executive Committee
Senate Bill Nos. 2024 and 2084**

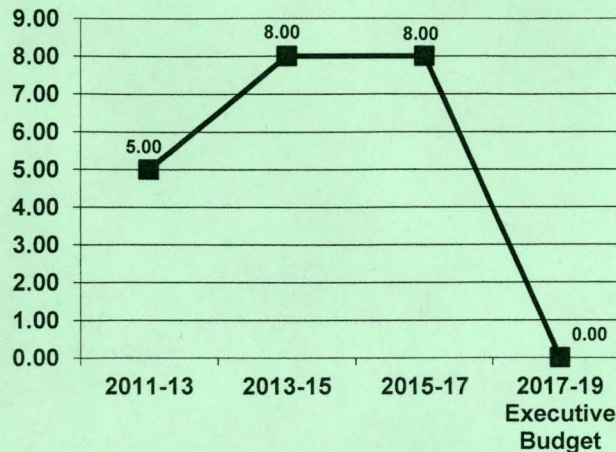
Executive Budget Comparison to Prior Biennium Appropriations

	FTE Positions	General Fund	Other Funds	Total
2017-19 Executive Budget	0.00	\$0	\$0	\$0
2015-17 Adjusted Legislative Appropriations	8.00	0	16,548,039	16,548,039
Increase (Decrease)	(8.00)	\$0	(\$16,548,039)	(\$16,548,039)

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2017-19 Executive Budget	\$0	\$0	\$0
2017-19 Base Level	0	16,548,039	16,548,039
Increase (Decrease)	\$0	(\$16,548,039)	(\$16,548,039)

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Removes funding for 8 FTE positions and dissolves the agency	\$0	(\$16,548,039)	(\$16,548,039)

**Other Bill Sections Recommended to be Added in the Executive Budget
(As Detailed in Senate Bill No. 2084)**

Signage responsibility of proprietors - Section 2 amends North Dakota Century Code Section 23-12-10.4(2) to provide the owner, operator, manager, or other person in control of a public place or place of employment where smoking is prohibited by Chapter 23-12 may request signage that meets the requirements of the section from the State Department of Health rather than the Tobacco Prevention and Control Advisory Committee.

Tobacco prevention and control trust fund - Section 3 amends Section 54-27-25(2) to remove restrictions relating to the administration of the tobacco prevention and control trust fund and provide money received into the fund is to be used for the purposes appropriated.

Centralized desktop support services - Section 4 amends Section 54-59-22.1(1) to remove the Tobacco Prevention and Control Executive Committee from the list of agencies required to obtain centralized desktop support services from the Information Technology Department.

Tobacco prevention and control program - Section 5 repeals Chapter 23-42 relating to the tobacco prevention and control program to eliminate the Tobacco Prevention and Control Executive Committee.

Continuing Appropriations

There are no continuing appropriations for this agency.

Significant Audit Findings

There are no significant audit findings for this agency.

Major Related Legislation

House Bill No. 1075 - Section 12 of House Bill No. 1075, the executive recommendation for the Office of Management and Budget, amends Section 54-27-25(1) to provide 45 percent of tobacco settlement proceeds be deposited in the general fund rather than the common schools trust fund.

Tobacco Prevention and Control Executive Committee - Budget No. 305
Senate Bill Nos. 2024 and 2084
Base Level Funding Changes

	<u>Executive Budget Recommendation</u>			
	FTE Position	General Fund	Other Funds	Total
2017-19 Biennium Base Level	8.00	\$0	\$16,548,039	\$16,548,039
2017-19 Ongoing Funding Changes				
Base payroll changes				\$0
Salary increase - Performance				0
Health insurance increase				0
Removes 8 FTE positions and dissolves the agency	(8.00)		(16,548,039)	(16,548,039)
Total ongoing funding changes	(8.00)	\$0	(\$16,548,039)	(\$16,548,039)
One-time funding items				
No one-time funding items				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	(8.00)	\$0	(\$16,548,039)	(\$16,548,039)
2017-19 Total Funding	0.00	\$0	\$0	\$0

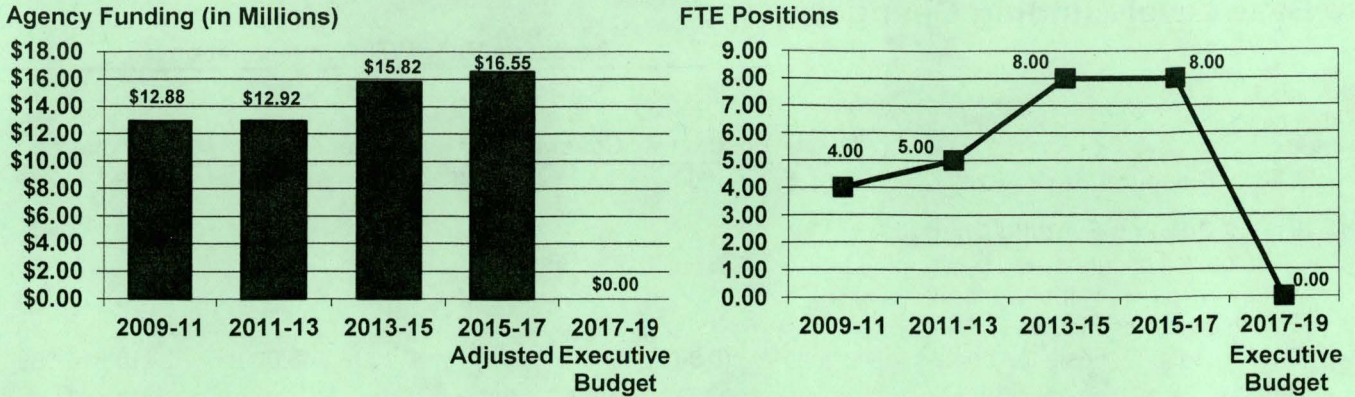
Other Sections in Tobacco Prevention and Control Executive Committee - Budget No. 305

	<u>Executive Budget Recommendation</u>
Signage responsibility of proprietors	Section 2 amends Section 23-12-10.4 (2) to provide the owner, operator, manager, or other person in control of a public place or place of employment where smoking is prohibited by Chapter 23-12 may request signage that meets the requirements of the section from the State Department of Health rather than the Tobacco Prevention and Control Advisory Committee.
Tobacco prevention and control trust fund	Section 3 amends Section 54-27-25 (2) to remove restrictions relating to the administration of the tobacco prevention and control trust fund and provide money received into the fund is to be used for the purposes appropriated.
Centralized desktop support services	Section 4 amends Section 54-59-22.1 (1) to remove the Tobacco Prevention and Control Executive Committee from the list of agencies required to obtain centralized desktop support services from the Information Technology Department.
Tobacco prevention and control program	Section 5 repeals Chapter 23-42 relating to the tobacco prevention and control program to eliminate the Tobacco Prevention and Control Executive Committee.

Department 305 - Tobacco Prevention and Control Executive Committee

Historical Appropriations Information

Total Other Funds Appropriations Since 2009-11



Total Other Funds Appropriations					
	2009-11	2011-13	2013-15	2015-17 Adjusted	2017-19 Executive Budget
Total other funds appropriations	\$12,882,000	\$12,922,614	\$15,815,828	\$16,548,039	\$0
Increase (decrease) from previous biennium	N/A	\$40,614	\$2,893,214	\$732,211	(\$16,548,039)
Percentage increase (decrease) from previous biennium	N/A	0.3%	22.4%	4.6%	(100.0%)
Cumulative percentage increase (decrease) from 2009-11 biennium	N/A	0.3%	22.8%	28.5%	(100.0%)

Major Increases (Decreases) in Total Other Funds Appropriations

2011-13 Biennium

1. Reclassified 1 temporary position, to be determined by the Tobacco Prevention and Control Executive Committee, to an FTE position. \$0

2013-15 Biennium

1. Increased funding for comprehensive tobacco control for signage costs related to House Bill No. 1253 (\$250,000) and grants (\$2,750,000). \$3,000,000
2. Transitioned 3 temporary positions to FTE positions, including 1 field coordinator FTE position, 1 statewide programs manager FTE position, and 1 evaluation program manager FTE position. \$0
3. Reduced temporary salaries. (\$190,876)

2015-17 Biennium

1. Added funding to provide a grant to the State Department of Health to be used for the Centers for Disease Control and Prevention's *Best Practices for Comprehensive Tobacco Control Programs*. \$500,000

2017-19 Biennium (Executive Budget Recommendation)

1. Removes funding for 8 FTE positions and dissolves the agency. (\$16,548,039)



North Dakota Tobacco Prevention and Control Executive Committee

Center for Tobacco Prevention and Control Policy
4023 State Street, Suite 65 • Bismarck, ND 58503-0638
Phone 701.328.5130 • Fax 701.328.5135 • Toll Free 1.877.277.5090

SB 2024/2084
1-11-17
#1

Testimony

In support of Senate Bill 2024 and in opposition to Senate Bill 2084

1:30 p.m., January 11, 2017

Senate Appropriations Committee

Senator Ray Holmberg, Chair

Good afternoon, Chairman Holmberg and members of the Senate Appropriations Committee. I am Jeanne Prom, executive director of the North Dakota Center for Tobacco Prevention and Control Policy. The Center, also known as "BreatheND," is the state agency office operated by the N.D. Tobacco Prevention and Control Executive Committee. I am testifying in support of Senate Bill 2024, which provides the appropriation for the N.D. Tobacco Prevention and Control Executive Committee. I am also testifying in opposition to Senate Bill 2084, which repeals the law that establishes this agency.

Background

The Executive Committee is responsible for the comprehensive tobacco control program in North Dakota (North Dakota Century Code §23.42.01 through §23.42.08, and §54.27.25). This law requires that a small portion of the money North Dakota receives from the Master Settlement Agreement with tobacco companies ("tobacco settlement"), be:

- placed in the Tobacco Prevention and Control Trust Fund, to be
- used for a comprehensive tobacco prevention program that is
- funded at the state level recommended by the U.S. Centers for Disease Control and Prevention (CDC) in *Best Practices for Comprehensive Tobacco Control Programs*. (See p. 7.)

The agency's comprehensive work must be described in a State Plan that outlines how the agency will significantly reduce tobacco use at an accelerated rate.

The law also created the Tobacco Prevention and Control Advisory Committee, a nine-member board appointed by the Governor. The board elects three of its members to the N.D. Tobacco Prevention and Control Executive Committee. The Advisory Committee is responsible for developing the comprehensive statewide plan to prevent and reduce tobacco use. The Executive Committee is charged with implementing, administering and evaluating the plan, which includes establishing and staffing the agency and expending funds appropriated by the Legislative Assembly.

In most cases during this testimony, I will refer to the Executive Committee or BreatheND as the agency.

About 75 percent of the comprehensive program is administered and funded by the Executive Committee. The Executive Committee has resources to administer and fund all of the program if necessary. However, because the N.D. Department of Health receives a federal grant and some tobacco settlement dollars for tobacco control, the health department is able to fund and administer about one-fourth of the program.

Key points

- The Executive Committee is funded entirely by a legislative appropriation from special funds in the Tobacco Prevention and Control Trust Fund.
- All trust funds are from a small portion of the tobacco settlement.
- The agency receives no state general funds, federal funds, or other tax dollars.
- The sole source of funding for this agency, the Tobacco Prevention and Control Trust Fund, will begin deficit spending in May 2017, after receiving its last deposit in April 2017.
- Based on legislative appropriations and expenditures from FY2010 through FY2017, the trust fund balance that is "in the bank" this year will be enough to sustain the agency for 7 more years, without any need for any state general funds.
- The agency is small – 8.0 FTE, with a fulltime temporary position requested to be permanent.
- The agency has a single focus – reducing tobacco use, especially through prevention.

See attachments – tobacco settlement trust funds.

Requested information

2015-17

- original budget and budget after the August 2016 special session – p. 3, column 1
- estimated spending and percent – p. 3, columns 2 and 3

NOTE: SB 2379 passed by the Legislative Assembly in Special Session on August 4, 2016, did not include any reductions in funding for this agency, as this agency does not receive any state general funds.

NOTE: The agency budget contains no one-time funding.

2017-19

- budget changes compared to 2015-17 appropriation – p. 3, column 4

NOTE: The agency budget contains no one-time funding requests.

NOTE: The agency receives no federal funding.

- 90% budget – p. 4
- Optional budget request compared to executive recommendation; optional request is transferring a temporary position to a permanent position – p. 5
- Agency requested changes compared to executive recommendation – p. 6

2015-17 AND 2017-19 BUDGET INFORMATION:

COLUMN 1: ORIGINAL BUDGET AND BUDGET AFTER AUGUST 2016

	1	2	3	4	5	6
Expenditures	Current Budget 15/17	Estimated Spending for 15/17	Estimated Percent of Budget Spent	Base Budget Changes for 17/19	Total Base Budget Request 17/19	Total Optional Budget Request 17/19
Account Description						
Salaries and Benefits						
Salaries - Permanent	1,328,524	1,306,955		39,312	1,367,836	160,618
Temporary Salaries	199,972	170,145		(5,796)	194,176	
Overtime	11,248	6,735		-	11,248	
Fringe Benefits	526,656	521,400		8,996	535,652	59,677
Salaries and Benefits	2,066,400	2,005,235	97%	42,512	2,108,912	220,295
Operating Expenses						
Travel	83,180	73,931			83,180	
Supplies - IT Software	4,500	2,380			4,500	
Supply/Material - Professional	9,179	5,372		(3,825)	5,354	
Groceries	0	-			0	
Bldg, Grounds, Vehicle Supply	200	284			200	
Miscellaneous Supplies	0	-			0	
Office Supplies	14,214	8,442			14,214	
Postage	10,736	11,393		1074	11,810	
Printing	27,500	22,369		500	28,000	
IT Equipment under \$5,000	0	-			0	
Other Equip under \$5,000	126	-		(126)	0	
Office Equip & Furniture-Under	5,000	-			5,000	
Insurance	6,315	5,749		(315)	6,000	
Rentals/Leases-Equipment&Other	1,000	-			1,000	
Rentals/Leases - Bldg/Land	108,000	114,810		11,400	119,400	
Repairs	8,500	2,219		(3,500)	5,000	
IT - Data Processing	99,051	76,156		21,000	120,051	
IT - Communications	25,000	19,218			25,000	
IT Contractual Services and Re	272,500	304,600		(72,500)	200,000	
Professional Development	43,332	42,673		(31)	43,301	
Operating Fees and Services	114,336	76,931		(45,666)	68,670	
Professional Fees and Services	3,782,305	3,198,708		496,188	4,278,493	
Operating Expenses	4,614,974	3,965,237	86%	404,199	5,019,173	
IT Equip / Software Over \$5000	0					
Capital Assets	0					
Grants, Benefits & Claims	9,866,665	9,866,665	100%	1,260,173	11,126,838	
Total	16,548,039	15,837,137	96%	1,706,884	18,254,923	220,295

Proposed budget reductions to meet Governor’s 90% budget request guideline

The guidelines from the Office of Management and Budget issued to our agency on June 8, 2016 stated: “Your agency’s special fund request amount is not limited with the exception of dollars related to new FTE. However, we hope you will take this opportunity to examine your level of spending in all areas to ensure the most efficient operation and most effective use of resources from all funding sources.”

The agency submitted a budget which was estimated at about 90% of the CDC Best Practices recommended budget, based on estimates in 2015.

CDC Best Practice suggested spending adjusted for Population and inflation		<u>17/19</u>
		24,871,367
Less 10% Reduction		<u>(2,487,137)</u>
		22,384,230
Submitted 17/19 budget and Current 15/17 Budget		<u>17/19</u> <u>15/17</u>
	Center	18,254,923 16,548,039
	NDDOH	5,180,040 6,410,177
		<u>23,434,963</u> 22,958,216
Reduction of the current Center Budget (10%)		1,654,804
	Salaries and benefits	82,740
	Operating Expenses	761,210
	Grants	<u>810,854</u>
		1,654,804
	Current Center Budget	16,548,039
	Less 10% Reduction	<u>-1,654,804</u>
	Reduced Budget Total	14,893,235

Equates to 94% of CDC Best Practices

NDDOH included 500,000 in their budget which is granted to them by the Center. It has been removed from these budget numbers as to not count it twice

Efficiencies in level of spending and effective use of resources – Attachment C

The most efficient program going forward must continue to achieve health outcomes greater than the ones already realized.

- Progress already made cannot be allowed to erode. We need to lock in current cuts in youth and adult smoking.
- BreatheND must continue to get out ahead of new tobacco and nicotine addiction products like electronic cigarettes, identified in the 2016 Surgeon General’s Report on E-cigarettes and Youth as the next tobacco epidemic.
- BreatheND must further reduce youth and adult tobacco use at the new, accelerated rates. Nearly ending youth tobacco use in North Dakota is within our reach, by funding BreatheND using the remaining balance of the Tobacco Prevention and Control Trust Fund.
- BreatheND must document health care costs savings and return on investment.

OPTIONAL REQUEST BUDGET COMPARISON TO EXECUTIVE RECOMMENDATION				
Account Description	Executive Budget (2084) Recommendation	Senate Bill Budget (2024) Recommendation	Base Budget Request 17/19	Total Optional Budget Request 17/19
Salaries and Benefits	0			
Salaries - Permanent	0	1,328,524	1,367,836	160,618
Temporary Salaries	0	199,972	194,176	
Overtime	0	11,248	11,248	
Fringe Benefits	0	526,656	535,652	59,677
Salaries and Benefits	0	2,066,400	2,108,912	220,295
Operating Expenses	0			
Travel	0	83,180	83,180	
Supplies - IT Software	0	4,500	4,500	
Supply/Material - Professional	0	9,179	5,354	
Groceries	0	-	-	
Bldg, Grounds, Vehicle Supply	0	200	200	
Miscellaneous Supplies	0	-	-	
Office Supplies	0	14,214	14,214	
Postage	0	10,736	11,810	
Printing	0	27,500	28,000	
IT Equipment under \$5,000	0	-	-	
Other Equip under \$5,000	0	126	-	
Office Equip & Furniture-Under	0	5,000	5,000	
Insurance	0	6,315	6,000	
Rentals/leases Equip. & Other	0	1,000	1,000	
Rentals/lease Bldg./Land	0	108,000	119,400	
Repairs	0	8,500	5,000	
IT - Data Processing	0	99,051	120,051	
IT - Communications	0	25,000	25,000	
IT Contractual Services and Re	0	272,500	200,000	
Professional Development	0	43,332	43,301	
Operating Fees and Services	0	114,336	68,670	
Professional Fees and Services	0	3,782,305	4,278,493	
Operating Expenses	0	4,614,974	5,019,173	
IT Equip/Software Over \$5000	0	0		
Capital Assets	0	0		
Grants, Benefits & Claims	0	9,866,665	11,126,838	
Total	0	16,548,039	18,254,923	220,295

AGENCY REQUESTED CHANGES TO EXECUTIVE RECOMMENDATION					
			Executive Budget (2084) Recommendation	Base Budget Request 17/19	Total Optional Budget Request 17/19
Account Description					
			0		
Salaries and Benefits			0		
Salaries - Permanent			0	1,367,836	160,618
Temporary Salaries			0	194,176	
Overtime			0	11,248	
Fringe Benefits			0	535,652	59,677
Salaries and Benefits			0	2,108,912	220,295
			0		
			0		
Operating Expenses			0		
Travel			0	83,180	
Supplies - IT Software			0	4,500	
Supply/Material - Professional			0	5,354	
Groceries			0	-	
Bldg, Grounds, Vehicle Supply			0	200	
Miscellaneous Supplies			0	-	
Office Supplies			0	14,214	
Postage			0		
Printing			0		
Postage			0	11,810	
Printing			0	28,000	
IT Equipment under \$5,000			0	-	
Other Equip under \$5,000			0	-	
Office Equip & Furniture-Under			0	5,000	
Insurance			0	6,000	
Rentals/Leases-Equipment&Other			0		
Rentals/Leases - Bldg/Land			0		
Rentals/leases Equip. & Other			0	1,000	
Rentals/lease Bldg./Land			0	119,400	
Repairs			0	5,000	
IT - Data Processing			0	120,051	
IT - Communications			0	25,000	
IT Contractual Services and Re			0	200,000	
Professional Development			0	43,301	
Operating Fees and Services			0	68,670	
Professional Fees and Services			0	4,278,493	
Operating Expenses			0	5,019,173	
IT Equip/Software Over \$5000			0		
			0		
Capital Assets			0		
			0		
Grants, Benefits & Claims			0	11,126,838	
Total			0	18,254,923	220,295

North Dakota

Program Intervention Budgets

2014

Recommended Annual Investment

\$9.8 million

Deaths in State Caused by Smoking

Annual average smoking-attributable deaths	1,000
Youth aged 0-17 projected to die from smoking	13,900

Annual Costs Incurred in State from Smoking

Total medical	\$326 million
---------------	---------------

State Revenue from Tobacco Sales and Settlement

FY 2012 tobacco tax revenue	\$28.2 million
FY 2012 tobacco settlement payment	\$31.5 million
Total state revenue from tobacco sales and settlement	\$59.7 million

Percent Tobacco Revenue to Fund at Recommended Level

16%

	Annual Total (Millions)		Annual Per Capita	
	Minimum	Recommended	Minimum	Recommended
I. State and Community Interventions Multiple social resources working together will have the greatest long-term population impact.	\$2.9	\$3.7	\$4.15	\$5.29
II. Mass-Reach Health Communication Interventions Media interventions work to prevent smoking initiation, promote cessation, and shape social norms.	\$0.9	\$1.3	\$1.29	\$1.86
III. Cessation Interventions Tobacco use treatment is effective and highly cost-effective.	\$2.3	\$3.5	\$3.29	\$5.00
IV. Surveillance and Evaluation Publicly funded programs should be accountable and demonstrate effectiveness.	\$0.6	\$0.9	\$0.87	\$1.22
V. Infrastructure, Administration, and Management Complex, integrated programs require experienced staff to provide fiscal management, accountability, and coordination.	\$0.3	\$0.4	\$0.44	\$0.61
TOTAL	\$70	\$9.8	\$10.04	\$13.98

Note: A justification for each program element and the rationale for the budget estimates are provided in Section A. The funding estimates presented are based on adjustments for changes in population and cost-of-living increases since *Best Practices—2007* was published. The actual funding required for implementing programs will vary depending on state characteristics, such as prevalence of tobacco use, sociodemographic factors, and other factors. See Appendix E for data sources on deaths, costs, revenue, and state-specific factors.

Centers for Disease Control and Prevention • Office on Smoking and Health
www.cdc.gov/tobacco • tobaccoinfo@cdc.gov • 1 (800) CDC-INFO or 1 (800) 232-4636

Funding Recommendation Formulas: The recommended levels of investment (per capita and total) are presented in 2013 dollars using 2012 population estimates. To account for inflation and changes in the U.S. population over time, these estimates can be updated using data from the U.S. Department of Labor Consumer Price Index and U.S. Census Bureau.

Tobacco Prevention and Control Trust Fund Status Statement

	2013-15	2015-17		2017-19
	Actual ¹¹	Legislative Appropriation	Revised Estimate	Executive Budget
Beginning Balance	\$40,654,657	\$49,748,321	\$49,748,321 ¹²	\$56,304,520
Revenue:				
Fiscal Year 1 Payments	\$11,392,521	\$11,304,243	11,480,889 ¹³	0
Fiscal Year 2 Payments	11,402,609	11,304,243	11,480,889 ¹⁴	0
Investment Income	43,462	56,521	142,460	142,460
Total Revenue	<u>\$22,838,592</u>	<u>\$22,665,007</u>	<u>\$23,104,238</u>	<u>\$142,460</u>
Expenditures:				
Tobacco Center - Appropriated Expenditures	(\$13,744,928)	(\$16,548,039)	(\$16,548,039)	\$0 ¹⁵
<i>Department of Health:</i>				
Local Public Health Units				(4,000,000)
Cancer Programs				(744,804)
Stroke and Cardiac Care				(756,418)
Physician Loan Repayment				(480,000)
Behavioral Health Loan Repayment				(243,640)
Tobacco Program Grant				(500,000)
<i>Department of Human Services:</i>				
Medicaid Grants				(15,000,000)
Opioid Treatment				(1,799,076)
Total Expenditures	<u>(\$13,744,928)</u>	<u>(\$16,548,039)</u>	<u>(\$16,548,039)</u>	<u>(\$23,523,938)</u>
Ending Balance	\$49,748,321	\$55,865,289	\$56,304,520	\$32,923,042

¹¹ Final revenue and expenditures per state accounting system reports dated June 30, 2015.

¹² Actual July 1, 2015 balance.

¹³ Actual revenue received during fiscal year 2016.

¹⁴ Estimated revenues based on fiscal year 2016 actual amount.

¹⁵ Proposed that North Dakota Century Code 23-42 is repealed which dissolves the Tobacco Prevention and Control agency.

Notes:

In November 2008, voters approved Measure No. 3, which created a tobacco prevention and control trust fund. All tobacco settlement strategic contribution fund payments received by the state will be deposited in the fund. After 2017, no additional strategic contribution fund payments are anticipated.

House Bill 1015 (2009), based on the intent of Measure No. 3, created the Tobacco Prevention and Control Committee as a state agency. Section 35, appropriates funding for the 2009-11 biennium. Section 36, provides retroactive funding for expenditures that occurred during the period of January 1, 2009, through June 30, 2009. Section 39 changes language in the measure concerning the ability to spend funding from the water development trust fund. The legislature required that water development trust fund moneys may only be spent pursuant to legislative appropriation.

How North Dakota Distributes their Tobacco Settlement Dollars

for water, schools, health, and tobacco prevention

Tobacco Settlement (Master Settlement Agreement - MSA) payments to ND (actual/estimated)

ND State Biennium	100% of the Annual Tobacco Settlement Payments PLUS the Strategic Contribution Fund	Annual Tobacco Settlement Payments			Strategic Contribution Fund Tobacco Prevention & Control Trust Fund (BreatheND)
		45% Water Development Trust Fund	45% Common Schools Trust Fund	10% Community Health Trust Fund (ND Health Department)	
1999-2001	\$ 52.9	\$ 23.8	\$ 23.8	\$ 5.3	
2001-2003	53.5	24.1	24.1	5.3	
2003-2005	46.2	20.8	20.8	4.6	
2005-2007	43.7	19.7	19.7	4.3	
2007-2009	75.6	27.7 ¹	27.7 ¹	6.1 ^{1,2}	\$14.1 ³
2009-2011	64.0	18.2	18.2	4.1	23.5 ³
2011-2013	63.0	18.1	18.1	4.0	22.8 ³
2013-2015	64.6	19.0	19.0	4.2	22.4 ³
2015-2017	63.0	18.1	18.1	4.0	22.8 ³
Subtotal	\$526.5	\$189.5	\$189.5	\$41.9	Total \$105.6
2017-2019	52.5	23.6	23.6	5.3	
2019-2021	52.5	23.6	23.6	5.3	
2021-2023	52.5	23.6	23.6	5.3	
2023-2025	52.5	23.6	23.6	5.3	
2025-perpetuity (no end date)	52.5/ per year	23.6/ per year	23.6/ per year	5.3/ per year	
Subtotal Annual Tobacco Settlement payments continue for perpetuity	\$789.0	\$307.5	\$307.5	\$68.4	

1 First of ten payments from the Strategic Contribution Fund was disbursed 45-45-10 to water, schools and health trust funds.

2 From 2008 forward, 80% of the Community Health Trust Fund must be used for tobacco prevention and control.

3 Nine of ten Strategic Contribution Fund payments will be deposited in the Tobacco Prevention and Control Trust Fund for a comprehensive tobacco prevention program administered by BreatheND.

What you need to know about the Tobacco Settlement in North Dakota

In November 1998, North Dakota and 45 other states signed the Master Settlement Agreement (MSA). The MSA is called the **"tobacco settlement"** because it settled state lawsuits against major tobacco companies. North Dakota's lawsuit cited how tobacco companies violated N.D. consumer protection and anti-trust laws (N.D. Century Code 51-15 and 51-08.1), resulting in more N.D. youth and adults becoming addicted to tobacco.

States agreed that the central purpose of the tobacco settlement is to **reduce smoking and tobacco use**, especially by youth.

The tobacco settlement requires that major tobacco companies pay states billions each year, based on U.S. tobacco sales. **These "annual payments" continue "in perpetuity"** – without any end date. From the first payment in 1999 through 2008, North Dakota received an average of more than \$25 million/year. The 1999 Legislature invested only 10% in a new Community Health Trust Fund, funding some tobacco control efforts through the N.D. Department of Health. The other 90% was split evenly, with 45% deposited into a new Water Development Trust Fund, and 45% into the Common Schools Trust Fund. (The 45-45-10 distribution is in NDCC 54-27-25.)

From 2008 to 2017, North Dakota will receive 10 additional "Strategic Contribution Fund" payments, averaging about \$12 million/year, over and above the annual payments. Strategic Contribution Fund payments are based on each state's contribution to finalizing the tobacco settlement, and North Dakota's contribution was significant. North Dakota's negotiation assured that payments to small states would be large enough to fund a comprehensive statewide tobacco prevention program. The state's first Strategic Contribution Fund payment, received in April 2008, was disbursed according to the 45-45-10 formula to water, schools and health.

In November 2008, N.D. **voters passed Initiated Measure 3**. This law (NDCC 23-42, 54-27-25) requires that the remaining 9 of 10 Strategic Contribution Fund payments be **placed in a Tobacco Prevention and Control Trust Fund for a comprehensive tobacco prevention program**. The law also requires 80% of the community health trust fund be used for tobacco control at the state health department. The law continues to direct the annual payments to trust funds for water (45%), schools (45%), and community health (10%).

The Governor-appointed nine-member Advisory Committee of tobacco control experts developed a **state plan** for the new comprehensive program. Three Advisory Committee members, an Executive Committee, implement the state plan through the **N.D. Center for Tobacco Prevention and Control Policy, also known as "BreatheND."** The state plan must follow the U.S. Centers for Disease Control's (CDC) Best Practices funding and program recommendations.

Strategic Contribution Fund payments to North Dakota end in 2017. The Tobacco Prevention and Control Trust Fund's balance of about \$54 million provides funding and time to further reduce high school smoking from 11.7% to the low single digits. Nearly eliminating N.D. youth tobacco use is within reach!

The other tobacco settlement **annual payments to North Dakota do not end**. North Dakota will continue to receive an estimated \$26 million/year, split 45-45-10 between water, schools and the N.D. Department of Health's Community Health Trust Fund.

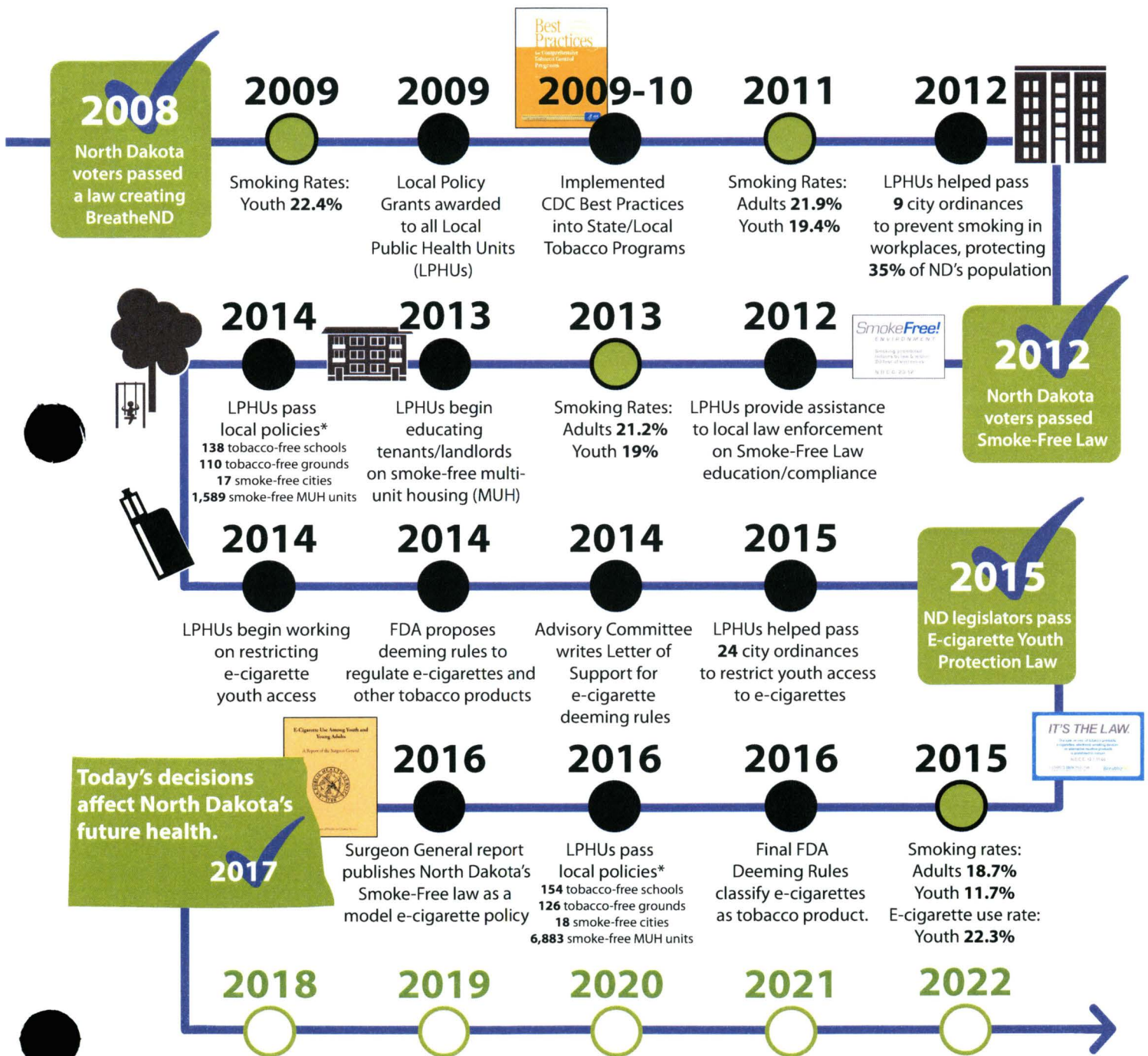
BreatheND
Saving lives, saving money. The voice of the people.

BreatheND

Saving lives, saving money. The voice of the people.

ND's Comprehensive Tobacco Prevention Plan: Saving Lives, Saving Money

uses tobacco settlement dollars for tobacco prevention.



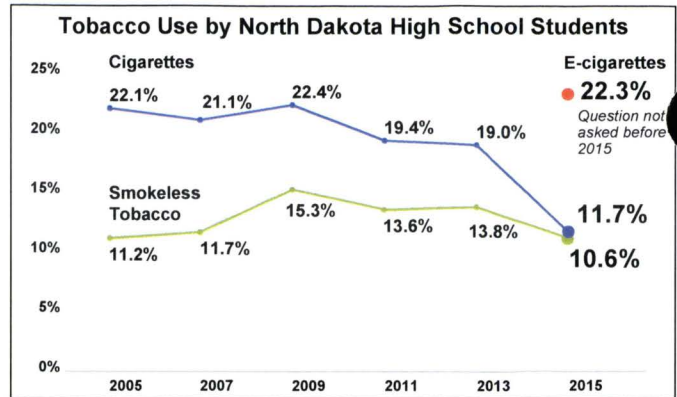
North Dakota's comprehensive tobacco prevention plan: Saving Lives, Saving Money

Goal 1: Prevent the Initiation of Tobacco Use Among Youth and Young Adults

Goal 2: Eliminate Exposure to Secondhand Smoke

Goal 3: Promote Quitting Tobacco Use

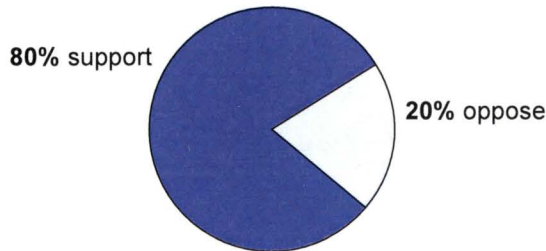
Goal 4: Build Capacity and Infrastructure to Implement a Comprehensive Evidence-Based Tobacco Prevention and Control Program



Source: 2005 - 2015 Youth Risk Behavior Survey

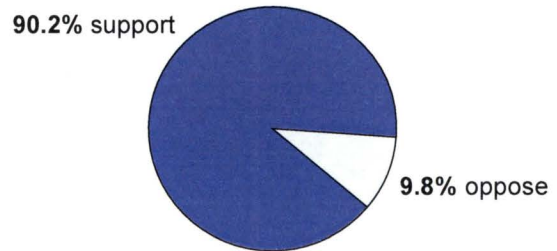
"...the tobacco industry aggressively markets and promotes lethal and addictive products, and continues to recruit youth and young adults as new consumers of these products."
A Report of the Surgeon General, 2014

The majority of ND adults (80%) support the 2012 ND State Smoke-Free Law, which prohibits smoking, including the use of e-cigarettes, inside all public areas, workplaces, and bars.



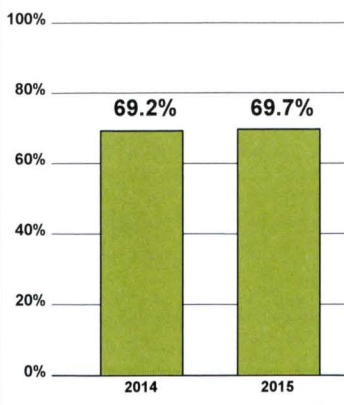
Source: Support for 2012 State Law, ND Public Opinion Survey, 2015

The majority of ND adults (90.2%) support the continued funding of North Dakota's 2008 state law establishing BreatheND's comprehensive tobacco prevention program.



Source: Support for Measure 3, ND Public Opinion Survey, 2015

ND Adults' Support for Raising State Cigarette Tax 2014 - 2015



Source: ND Public Opinion Survey, 2014, 2015

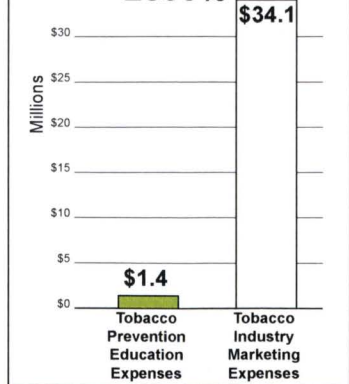
Time-limited Trust Fund

Payments from the tobacco settlement's Strategic Contribution Fund end in 2017.

This final payment to the BreatheND trust fund will be made in 2017. A balance of about \$54 million will be used to fund comprehensive tobacco prevention at BreatheND for an estimated **seven** years beyond 2017.

Tobacco Settlement Dollars for Tobacco Prevention

Tobacco Industry Outspends Tobacco Prevention in ND by 2300%

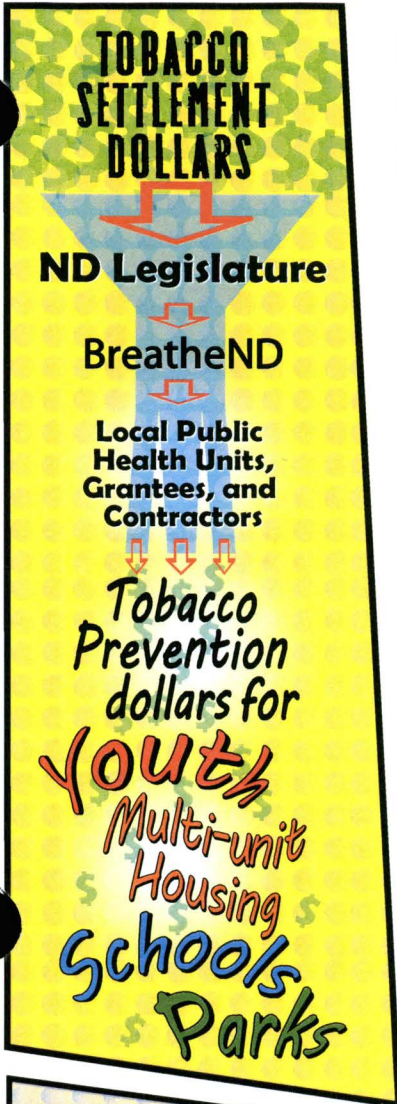


Source: Federal Trade Commission (FTC) Cigarette and Smokeless Tobacco Reports for 2013 published in 2016

North Dakota uses tobacco settlement dollars for tobacco prevention: The state's comprehensive tobacco prevention plan, Saving Lives, Saving Money, is based on proven Best Practices established by the Centers for Disease Control and Prevention. The North Dakota Center for Tobacco Prevention and Control Policy (BreatheND), along with its local public health partners work hard to educate and pass effective policies and interventions within their communities to prevent tobacco use among our kids.

* Policies passed/verified from FY2009 through FY2016 include the following: **154** Tobacco-free schools, protecting 67% of all students, **126** Tobacco-free grounds, including parks, medical, dental, chiropractic, pharmacy, optometric, hospital, long-term care, ambulance services, Grand Forks Air Force Base treatment facility, physical therapy, etc., **18** Smoke-free cities, with **7** cities passing ordinances stronger than the state law, Smoke-free Multi-unit Housing buildings (**6,883** units) agreed to make properties smoke free to further protect our kids and adults from secondhand smoke.

Our efforts are paying off. Youth smoking rates dropped from **22.4% in 2009 to 11.7% in 2015**. Adult smoking rates dropped from **21.9% in 2011 to 18.7% in 2015**. However, there is more work to be done: youth e-cigarette use rates are at 22.3% among our high school kids, and the tobacco industry continues to target our youth with new products to hook them to a lifetime addiction to nicotine.



In 2008, **North Dakotans voted** to use **Tobacco Settlement dollars** for **tobacco prevention** to significantly reduce tobacco use.

Annual Costs of tobacco use in North Dakota:

- \$326 million** annual ND health care costs directly caused by smoking
- \$56.9 million** annual ND Medicaid costs caused by smoking
- 1,000 adult lives** ND adults who die each year from their own smoking
- 300 kids** (under 18) who become new daily smokers each year

www.tobaccofreekids.org/facts_issues/toll_us/north_dakota

Only a small part – just over 20% – of North Dakota’s tobacco settlement is invested in tobacco prevention. But what a payoff. High school smoking has been cut almost in half! Still, new products like e-cigarettes, and millions spent to promote tobacco products, threaten our kids. The N.D. Center for Tobacco Prevention and Control Policy (BreatheND) can use the balance of its trust fund for another 7 years to further cut youth smoking, e-cigarette, and other tobacco use to the low single digits! BreatheND and its trust fund put this goal within our reach.

22.3% of high school students use **e-cigarettes**

2005-2015 Youth Risk Behavior Survey

Annual marketing expenses in North Dakota:



Federal Trade Commission (FTC) Cigarette and Smokeless Tobacco Reports for 2013 published in 2016

Youth Smoking Rates Drop from 22.4% to 11.7%

The drop in North Dakota’s high school smoking rate to 11.7% is a significant achievement and it shows that North Dakota’s comprehensive tobacco prevention efforts are working. This work in every county and outreach to every school district is possible because in 2008, North Dakota voters passed a measure that authorized comprehensive tobacco prevention programs. The agency responsible for the effect in every county is BreatheND. As BreatheND has money from tobacco settlement dollars to fund its program, it can recommend...



90% of North Dakotans agree that keeping youth smoke-free should be a priority for North Dakota

Independent Evaluation: Professional Data Analysts (PDA) 2016 Survey

Keep Tobacco Settlement **DOLLARS** for Tobacco Prevention



An initiated measure approved by North Dakota voters provides funding to North Dakota health units to diminish the toll of tobacco in our state by addressing the number one preventable cause of death and disease: *tobacco use*.

BENEFITS AND SAVINGS FROM SMOKING DECLINES IN NORTH DAKOTA

From 2013 to 2015, the youth smoking rate in North Dakota declined significantly, sharply reducing the harms and costs caused by smoking in the State.

	<u>2013</u>	<u>2015</u>	<u>Fewer Current Smokers</u>
<i>High School Youth Smoking</i>	19.0%	11.7%	2,880

Because of these declines:

- **11,520** fewer kids alive today in North Dakota will grow up to be addicted adult smokers
- **3,840** fewer of today's residents in North Dakota will ultimately die prematurely from smoking

In addition, by prompting current adult and youth smokers to quit, the state has locked in enormous savings over the lifetimes of each person stopped from future smoking. Put simply, the lifetime health care costs of smokers total at least \$21,000 more than nonsmokers, on average, despite the fact that smokers do not live as long, with a somewhat smaller difference between smokers and former smokers.

The substantial ongoing improvements in public health from the smoking declines detailed above have secured the following reductions in health care costs:

<i>Future Health Cost Savings from Youth Smoking Declines</i>	\$241.9 million
--	------------------------

Tobacco use is the number one cause of preventable death in North Dakota, killing 1,000 people each year, while thousands of others suffer from smoking-caused disease and disability. It is also a substantial drain on the state's economy, costing the state \$326 million in health care costs every year. Providing significant funding to statewide tobacco prevention and cessation programs would provide additional tobacco use declines and produce enormous public health and economic benefits.

For more on state investments in tobacco prevention and related smoking-decline benefits and savings, see: http://www.tobaccofreekids.org/facts_issues/fact_sheets/policies/prevention_us_state/

Notes and Sources. Behavioral Risk Factor Surveillance System. Youth Tobacco Survey, Youth Risk Behavior Surveillance System or specific state youth smoking surveys. Youth prevented from becoming adult smokers is calculated by applying the percent change in the state's youth smoking rate to the estimate of youth projected to become adult smokers (which is based on adjusted CDC Behavioral Risk Factor Surveillance System (BRFSS) prevalence data for 18-25 year olds and U.S. census data for the population under 18 years old). Estimates of lives saved is calculated using CDC methodology presented in CDC, "Projected Smoking-Related Deaths Among Youth—United States," *MMWR* 45(44):971-974, November 11, 1996. Future health care savings from smoking reductions accrue over the lifetimes of those persons who quit or do not start. The lifetime health care costs of smokers total at least \$21,000 more than nonsmokers, on average, despite the fact that smokers do not live as long; but the average savings per each adult quitter are less than that because adult smokers have already been significantly harmed by their smoking and have already incurred or locked-in extra, smoking-caused health costs. See Hodgson, TA, "Cigarette Smoking and Lifetime Medical Expenditures," *Milbank Quarterly* 70(1), 1992. See also, Campaign for Tobacco-Free Kids factsheet, *Lifetime Healthcare Costs: Smokers v. Non-Smokers v. Former Smokers*; Warner, KE, et al., "Medical Costs of Smoking in the United States: Estimates, Their Validity, and Their Implications," *Tobacco Control* 8(3):290-300, Autumn 1999. On average, the federal government reimburses the states for roughly 57% of their Medicaid program costs. CDC, *Best Practices for Comprehensive Tobacco Control Programs*, 2014, http://www.cdc.gov/tobacco/stateandcommunity/best_practices/.

Facts about North Dakota's "Tobacco Settlement" (MSA)

- \$496 million --- money North Dakota has received from the "tobacco settlement, since 1999.
- Money comes from tobacco companies, and are not tax dollars, and payments do not end.
- In 1998, North Dakota and 45 other states signed the "tobacco settlement" -- Master Settlement Agreement (MSA) to settle their lawsuits against major tobacco companies.
- North Dakota's lawsuit cited how tobacco companies violated consumer protection and anti-trust laws, addicting more North Dakota youth and adults to tobacco (NDCC 51-15 and 51-08.1).
- North Dakota's lawsuit was not based on recovery of Medicaid costs.
- MSA's purpose is to reduce tobacco use, especially by youth.
- MSA requires that major tobacco companies pay states billions of dollars each year, "in perpetuity" - without any end date.
- From 1999 to 2008, North Dakota received more than \$20 million/year, with only 10% of invested in tobacco use prevention and health. The other 90% was split evenly between a new Water Development Trust Fund, and the Common Schools Trust Fund.
- From 2008 to 2017, ND gets 10 additional payments of about \$12 million/year -- "Strategic Contribution Fund" (SCF) payments.
- In 2008, ND voters passed Initiated Measure 3, requiring the remaining 9 of 10 Strategic Contribution Fund payments be placed in a Tobacco Prevention and Control Trust Fund to be used for a comprehensive tobacco prevention program.
- 9 SCF payments would fund a comprehensive program for an estimated 20 years, based on initial projections.
- A Governor-appointed 9-member Advisory Committee of tobacco control and health experts were to develop a state plan for this comprehensive program.
- The Advisory Committee would select three of its members as the Executive Committee, to administer and implement the plan.
- The Executive Committee is a state agency known as "BreatheND."
- The state plan must follow CDC Best Practices and be funded at the CDC Best Practices recommended level.
- The Strategic Contribution Fund payments to ND end in 2017, providing a Tobacco Prevention and Control Trust Fund balance of about \$54 million. This will fund youth tobacco prevention efforts for 7 more years, without any need for any additional funding or tax dollars.
- 7 more years can provide enough funding and time to further reduce high school smoking from 10.7% to the low single digits.
- Since 2008, North Dakota has directed about 20% to youth tobacco use prevention. The other \$361 million has been split evenly between the Water Development Trust Fund the Common Schools Trust Fund.
- Other MSA payments to North Dakota, estimated at more than \$26 million/year, do not end. This funding is split 45-45-10 between water, schools and health.

In 1998, North Dakota and 45 other states signed the Master Settlement Agreement (MSA) to settle their lawsuits against major tobacco companies. North Dakota's lawsuit cited how tobacco companies violated consumer protection and anti-trust laws, addicting more North Dakota youth and adults to tobacco (NDCC 51-15 and 51-08.1). North Dakota's lawsuit was not based on recovery of Medicaid costs, which are paid with both federal and state funds.

In signing the MSA, all states agreed that the central purpose of the MSA is to reduce smoking and tobacco use, especially by youth.

The MSA requires that major tobacco companies pay states billions of dollars each year, according to a formula based on U.S. tobacco sales. Payments continue "in perpetuity" -- without any end date. From 1999 to 2008, North Dakota received more than \$20 million/year, with only 10% of invested in tobacco use prevention and health. The other 90% was split evenly between a new Water Development Trust Fund, and the Common Schools Trust Fund.

From 2008 to 2017, North Dakota will receive 10 additional payments of about \$12 million/year. Called "Strategic Contribution Fund" payments, these payments are based on each state's contribution to finalizing the MSA. North Dakota's Strategic Contribution Fund payments are significant, because North Dakota was the lead for small states in negotiating the MSA. North Dakota's work assured that payments to small states would provide enough funding for a comprehensive statewide tobacco prevention program.

In 2008, North Dakota voters passed Initiated Measure 3. This law requires that 9 of 10 Strategic Contribution Fund payments be placed in a Tobacco Prevention and Control Trust Fund to be used for a comprehensive tobacco prevention program. These 9 payments would fund a comprehensive program for an estimated 20 years, based on initial projections. A Governor-appointed nine-member Advisory Committee of tobacco control and health experts were to develop a state plan for this comprehensive program. The Advisory Committee would select three of its members as the Executive Committee, to administer and implement the plan. The plan must follow CDC Best Practices and be funded at the CDC Best Practices recommended level.

Since 1998, North Dakota has received nearly \$496 million. A small portion of that total, about 25%, has been directed to youth tobacco use prevention and health. The other \$361 million has been split evenly between the Water Development Trust Fund the Common Schools Trust Fund.

The Strategic Contribution Fund deposits into the Tobacco Prevention and Control Trust Fund end in 2017, providing a balance of about \$54 million, which will fund the comprehensive program for 7 more years, without any need for any additional funding. This can provide enough funding and time to further reduce high school smoking from 10.7% to the low single digits.

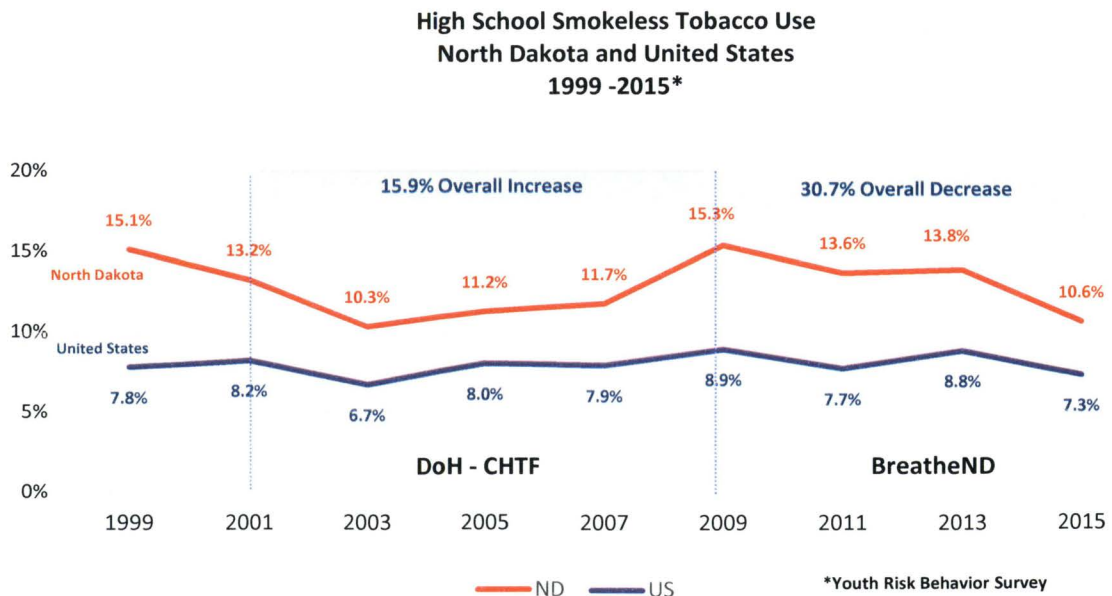
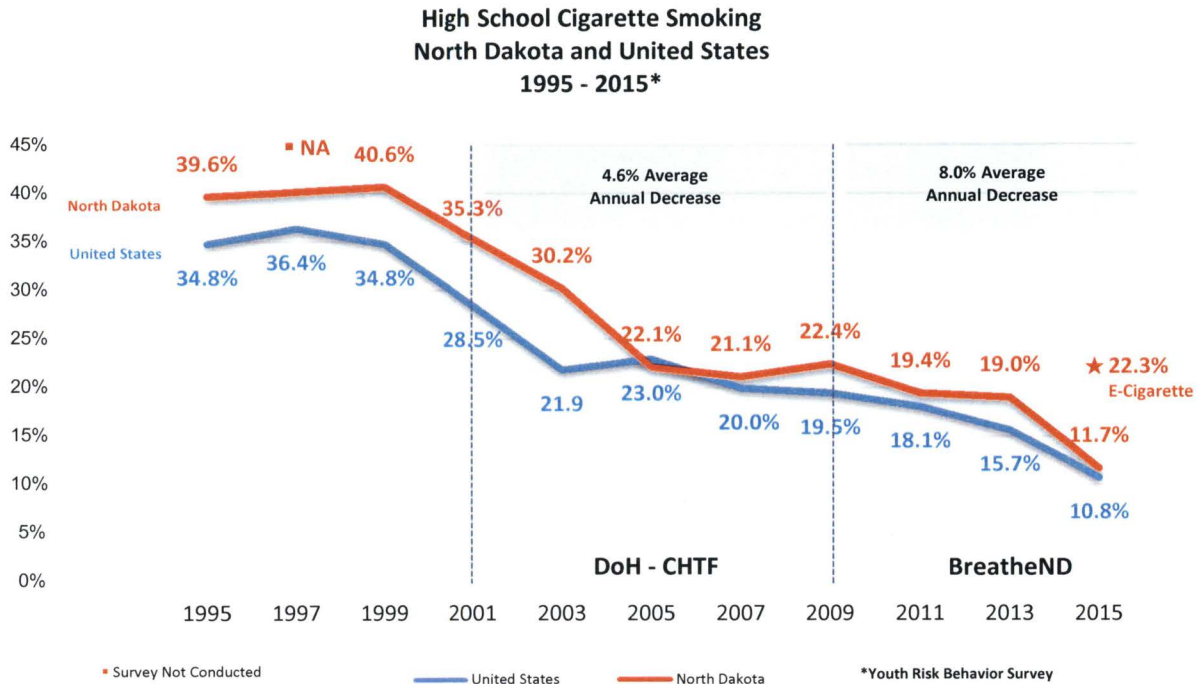
The other MSA payments to North Dakota, estimated at more than \$26 million/year, do not end. This funding is split 45-45-10 between water, schools and health.

SB 2024/2084
1-11-17
#2

BreatheND Major Accomplishments thus far in 2015-17

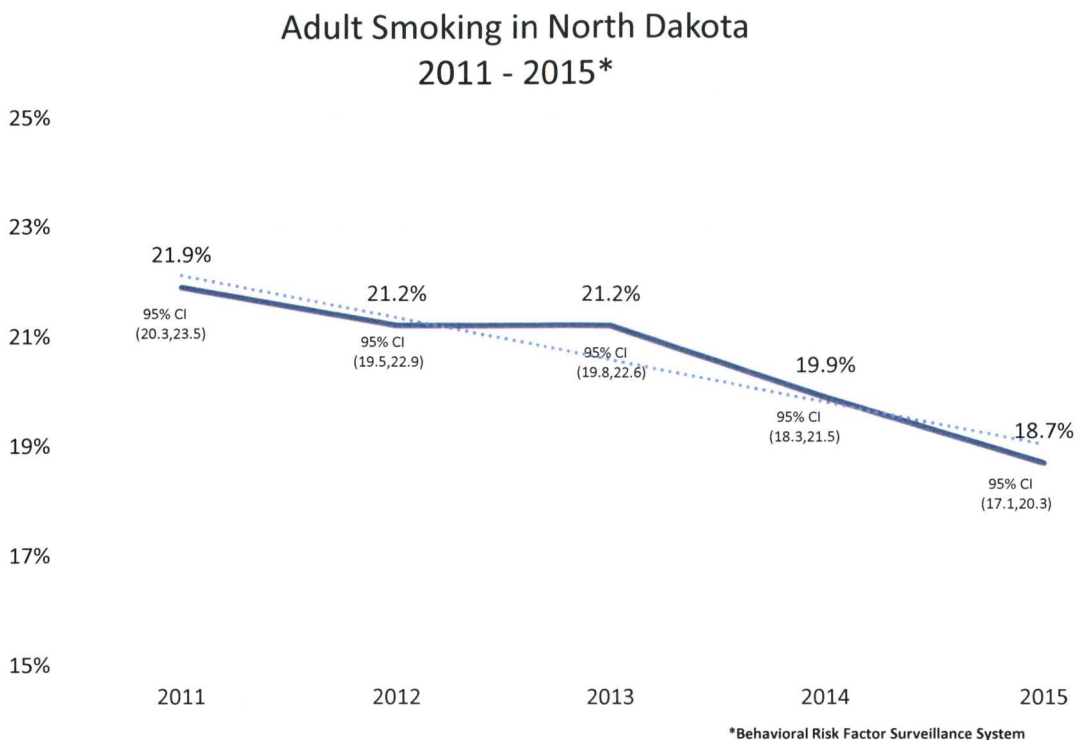
Goal 1 – Prevent initiation of tobacco use among youth and young adults

- 1) Smoking by N.D. high school students decreased from 19% in 2013 to 11.7% in 2015 (2013 & 2015 N.D. Youth Risk Behavior Survey, N.D. Department of Public Instruction).



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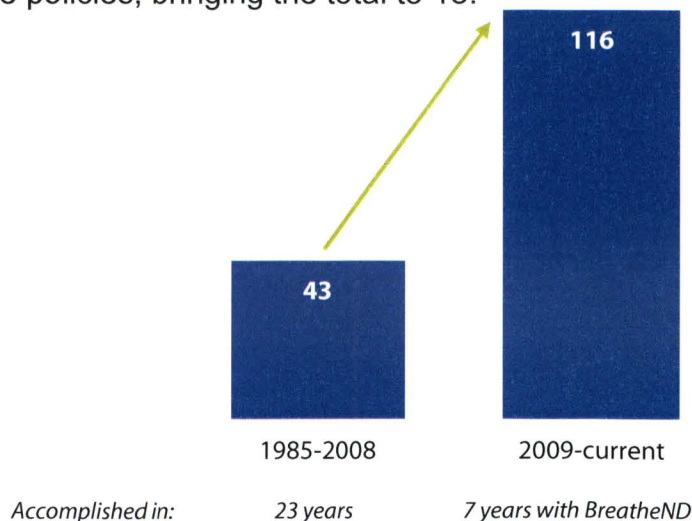
- 2) Smokeless tobacco use by N.D. high school students decreased from 13.8% in 2013 to 10.6% in 2015 (2013 & 2015 N.D. Youth Risk Behavior Survey, N.D. Department of Public Instruction).



- 3) In response to the emerging epidemic of e-cigarette use by N.D. high school students, BreatheND conducted a statewide public information campaign on the new e-cigarette youth protection law when it took effect in FY2016. This included statewide paid media, news in N.D. retailers' newsletter, mailing with signs to all N.D. retailers, and detailed online information.
- 4) Local public health units worked with 23 Local Education Agencies (LEAs) that adopted comprehensive tobacco-free school policies. Statewide, 70% of LEAs and 70% of the student population is covered by comprehensive policies. Four local public health units reported that 100% of LEAs in their areas were now covered by comprehensive policies, bringing the total to 13.

Number of LEAs with comprehensive tobacco-free policies has **increased by 169% since BreatheND began.**

87,920 North Dakota students in pre-K through 12th grade are **learning in tobacco-free environments.**



2

Goal 2 – Eliminate exposure to secondhand smoke

- 5) The agency worked with local public health units to enhance compliance with the N.D. State Smoke-free Law. Local public health units visited 1,684 businesses. The agency distributed 33,209 free signs (NDCC 23-12-09 through 23-12-11 and NDCC 23-42-04).
- 6) Local public health units reported 127 privately owned multi-unit housing buildings with a total of 2,296 units had smoke-free policies in place. Fourteen public housing buildings with 336 units became smoke-free.
- 7) Seventeen tobacco-free grounds policies were enacted.

Goal 3 – Promote quitting tobacco use

- 8) In response to the need to reach populations with high smoking rates, BreatheND provided a \$500,000 grant to N.D. Department of Health to promote cessation among pregnant women and American Indians through NDQuits.
- 9) BreatheND funded N.D. State University to conduct and study education of chiropractors to identify clients who use tobacco and refer to NDQuits.
- 10) BreatheND grants to local public health units resulted in up to 9,410 persons referred to NDQuits (soft and hard referral).

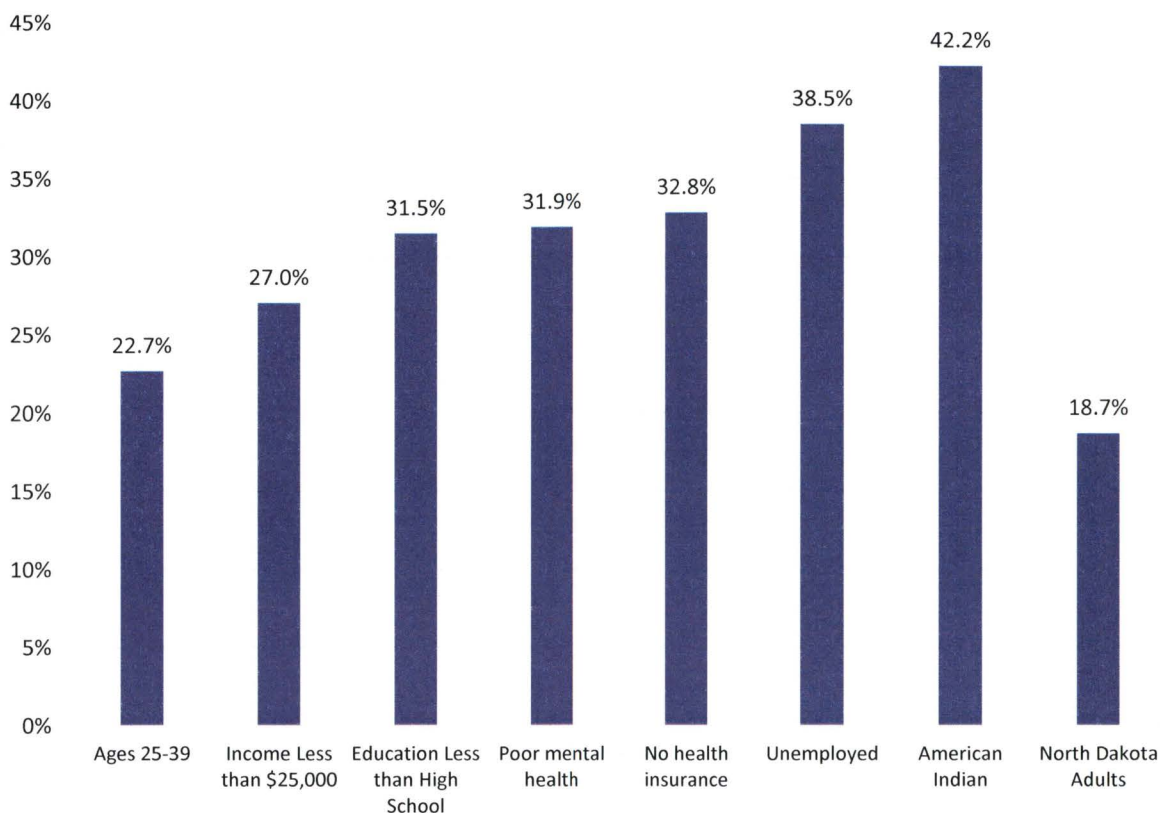
Goal 4 – Build capacity and infrastructure

- 11) BreatheND provided more than half of the agency budget, or a total of \$8,025,491 to all 28 local public health units reaching every county. Local public health units were able to pay for up to 32 local FTEs to coordinate tobacco use prevention activities.
- 12) Staff managed 3 grant programs and supported up to 63 annual grant awards (about 125 grants/biennium), granting 100% of the grant line (\$9,866,665), to all local public health units and 4 statewide organizations (nearly 60 percent of the total agency budget).
- 13) Staff managed 9 professional service contracts totaling \$3,658,453 to provide the following statewide services: public education through statewide health communications; comprehensive evaluation and program impact studies to increase effectiveness; technical assistance and training to improve outcomes; and grant reporting systems to enhance accountability.
- 14) Increased the tobacco state aid grants program in local public health units from \$941,081 in FY2015 to \$1,056,498 in FY2016 and \$1,021,424 in FY2017, to be consistent with CDC Best Practices and streamline local grant reporting.

15) A majority or near majority of residents seeing BreatheND's public education campaigns reported gaining new information from the ads, and those who saw ads had significantly more awareness of the harms caused by tobacco. Even BreatheND ads not about quitting were effective in motivating smokers to quit. (Professional Data Analysts, 2015)

16) Nearly three-fourths (73%) of N.D. adults were concerned about tobacco use in the state, and 78% think that reducing the number of people who smoke should be a priority for North Dakota. (Professional Data Analysts, 2015)

North Dakota Adult Smoking Rates by Selected Groups*



*Behavioral Risk Factor Surveillance System

4

SB 2024-2084

1-11-17

#3

TESTIMONY SUPPORT OF SB2024 - Support for funding BreatheND

January 11, 2017

DR. JOHN WARFORD – AND FORMER BISMARCK CITY MAYOR

johnsr@warfordortho.com

Chairman Holmberg and members of the Senate Appropriations Committee:

You've heard the words "comprehensive statewide tobacco prevention program" a few times today. I'm here today to share my personal experiences that speak to what that means and why it's the best way to reduce the toll tobacco takes on North Dakota.

I've held a variety of roles in the Bismarck-Mandan community over the years.

- I served as the mayor of Bismarck from 2002-2014.
- I've practiced orthodontics for 43 years and counting.
- And I am currently the Dean of the Gary Tharaldson School of Business at the University of Mary.

In each of those areas of the community, I've watched BreatheND make a meaningful impact. Let's start with my orthodontics practice as I've been there the longest- since 1973.

- Every day I average 75-100 patients.
- Which means I have personally seen and treated a large portion of the oral health needs in the Bis-Man community.
- Before BreatheND's efforts, a significant portion of my patients- men and women, teenagers and adults- suffered from serious health effects caused by tobacco products.
 - I saw many cases of leukoplakia, the thickened, white patches that form inside the mouth.
 - A handful of my patients were even diagnosed with oral cancer.
 - That was particularly prevalent for patients using smokeless tobacco.

After BreatheND embarked on educational efforts, I saw a direct and dramatic decline in use and oral manifestations.

Then, as Mayor, I watched the process at work. In 2010, BreatheND worked with us to develop a smoke-free ordinance that included bars in the city.

- In 2011, a special election was held and 60% of the voters opted to keep the smoke-free ordinance.
- This was big step forward for city officials to protect all citizens from second-hand smoke and encourage the cessation of tobacco users.
- The public education efforts of BreatheND were instrumental in the creation and sustaining of the ordinance through the vote.
- The ordinance worked to protect the citizens of Bismarck.
- I attribute that to the success of BreatheND and the courage of the Bismarck City Commission to stand up against Big Tobacco and the hospitality bar industry, and put health first.

1

I'm now serving as Dean of University of Mary's school of business, where I've continued to watch BreatheND positively impact the lives of young people.

- The program worked closely with student government and the student population to achieve a tobacco-free status.
- I enjoy working on a tobacco-free campus, which means a healthy workplace for myself and my colleagues, and a healthy environment for students to learn.
- I also recognize the important example this sets for the 18-22-year-olds on our campus.
 - We are instilling healthy behaviors for these young people to have even brighter futures.

My experience with BreatheND tells the story of the many levels on which this program works.

- Changing cultural norms about the use of tobacco is not a one-size-fits-all approach. We need education, policy work, and strong partnerships.
- We need to respond to the changing cultures of one generation to the next.
- That's why BreatheND is aggressive and creative about its educational efforts, from working with college students to building relationships with city officials.
- And that's just here in Bismarck.
- These comprehensive efforts are happening all over the state.

I can actually see the results of all this work at my practice. I have fewer patients suffering serious oral health conditions caused by tobacco than ever before.

I fully support full funding for BreatheND to continue this multi-layered approach. I'm encouraged by the program's successes thus far and excited for what the future will bring.

It's important to remember that BreatheND is about prevention, and not treatment reach. No other agency can do this work. The difference is that treatment reach impacts those already suffering. Tobacco prevention means that North Dakota will save money and lives, by having to address fewer chronic diseases caused by tobacco – the leading cause of preventable death and disease.

2

SB2024/2084

1-11-17

4

**TESTIMONY SUPPORT OF SB2024
1-11-2017**

**MARVIN J. LEIN, CEO
MID DAKOTA CLINIC, PC
BISMARCK, ND**

To Whom It May Concern:

With budgetary constraints continuing to play a major role in establishing funding priorities for the next biennium, I wish to express strong support for programs specifically established for the prevention of smoking. Such as BreathND.

BreathND's specific funding has had a measurably positive impact on preventing many, many North Dakota patients from facing the detrimental health effects, and negative economic impacts, of smoking related illness, disability and even death.

The funding already established by a vote of the people should continue to be preserved exclusively for BreathND's effective tobacco-prevention work and its many, many community health benefits.

Respectfully,

Marvin J. Lein, CEO
Mid Dakota Clinic, PC

1

TESTIMONY SUPPORT OF SB2024 - Support for funding BreatheND

January 11, 2017

SB 2024/2084
1-11-17
5

DR. ERIC JOHNSON
TOBACCO PREVENTION ADVISORY COMMITTEE MEMBER
PHONE: 701-777-3811

Chairman Holmberg and members of the Senate Appropriations Committee:

I'm here today to roll up my sleeves and talk results with you. As a doctor and a person who is passionate and dedicated about improving the health of our communities, results matter to me. And they should matter to you, because these aren't just numbers. These are your family members, your neighbors, your friends, and this is your wallet. To have a serious discussion about reducing health care costs must include this.

BreatheND is focused on results. From the beginning, this program has carried out smart and effective efforts to drive successful tobacco prevention and improve health. For example, North Dakota passed a Smoke-Free Law in 2012. BreatheND laid the groundwork for this law by preparing and assisting local communities to put policies in place. And then they followed through after the vote by helping every community comply with the law, which passed in every legislative district.

Prior to the state law, Grand Forks passed a smoke free city ordinance.

Smoking and secondhand smoke affects the heart and blood vessels, increasing the risk of heart attacks in both smokers, and non-smokers. Just four months after the Smoke-Free ordinance was implemented, we found the rate of heart attacks a North Dakota hospital treated decreased by 24.1%. That's a quarter fewer heart attacks compared to 4 months before the law was passed. And that's just one hospital. Not only were families spared the emotionally taxing experience of dealing with a loved one hospitalized for a heart attack, they were also spared the bill. That reduction amounts to a cost savings of more than \$150,000 in that four month period. Those results matter and were published in a leading tobacco related disease research journal.

This is what BreatheND is so good at: identifying the methods that will make the greatest impact and thoroughly executing them. This is known as best practices- those that have the science behind them.

In my career, I have treated both young people and adults suffering from severe illnesses and health conditions caused by tobacco. The pain and suffering I've seen nicotine-addicted users put themselves and their families through is needless. One case at a time, I can and do work to get people healthier.

But, I also see the big picture, and that's this: tobacco is still the leading cause of preventable death and disease in the state. "Preventable" is the key word. This public health crisis can be ended as long as we are vigilant about our prevention efforts. Attacking the program that turns out the most significant tobacco prevention results North Dakota has ever seen is not how we beat tobacco.

Today, I'm urging support for BreatheND, an agency solely focused on tobacco prevention and cessation. We can rely on BreatheND to prevent kids from using tobacco and urge users to quit.

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TESTIMONY SUPPORT OF SB2024 - Support for funding BreatheND

January 11, 2017

DR. JAMES A. HUGHES

PHONE: 701-220-1990

SB 2024/2084

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Chairman Holmberg and members of the Senate Appropriations Committee:

I worked as a pulmonary medicine physician at the Heart and Lung Clinic in Bismarck for over 33 years. I am deeply appreciative of the efforts of Breathe ND, recognizing that they are effective in reducing nicotine dependence and as a result are saving lives as they save health care dollars. I have always been a strong advocate for tobacco control, but recognize that it is not physician advice that will change the paradigm in the fight against nicotine addiction; it is a change in cultural norms and expectations. The dedicated and diligent team at BreatheND has built a program that is working. The best news is that youth tobacco use has been cut in half, and there has been dramatic progress in limiting second hand smoke exposure in public spaces. Lives and money are being saved, and young lives are not being lost to years of dependency and disease. I see the work being done at BreatheND as challenging and I know it demands self-sacrifice, particularly as their work is met with active resistance from some members of our community. The reward for doing this work is that it saves lives. Disease management, which was my life's work, is vastly more expensive than primary prevention. The process of building the BreatheND team to the point that it is recognized as one of the best in the country has taken valuable time and the deep commitment of very special professionals. I see their work as being done diligently, with deep respect for the gravity of this public health crisis. I feel they deserve our deepest appreciation, and we should be facilitating their good work, not obstructing it.

We need a comprehensive campaign to establish what works, and to creatively address a public health disaster that persists 52 years after the first Surgeon General's Report documenting tobacco's role as a public health tragedy. Nicotine remains the number one cause of avoidable disease and death in the United States. How is it that our youth are still falling victim? Part of the problem in dealing with tobacco is that there are dollars-whether tax or retail-to be made today, while the true cost of nicotine to society and its users is deferred for many years. But is that a valid perspective? Is the cost deferred? Lost days from work due to asthma, heart attack, stroke, pneumonia, Sudden Infant Death Syndrome - these conditions are part of the acute cost of tobacco. Then there is the time people are away from work and their families while they work to maintain their nicotine blood levels. Smokers begin to withdraw from nicotine after 30 minutes. A pack a day smoker will have to spend the equivalent of 13.5 40- hour work weeks smoking to maintain their blood levels. Over 70,000 puffs. A recent study of nicotine and cocaine has established that nicotine promotes cocaine addiction, not the other way around. Nicotine induces gene expression in the brain that literally causes new growth of neurons that increase stimulation of the brain tissues responsible for the development and maintenance of addiction. Nicotine is not only the most difficult drug to quit; it also acts to potentiate the power of cocaine to produce addictive behavior. It changes the brain in ways that increase responsiveness of areas responsible for long term memory (addictive reinforcement), and increases the high induced by cocaine. This research was done in rats, with the advantage of being able to selectively study precise areas of the brain, and to monitor behavior in controlled environments. It was published in the NEJM in 2014. The implications of this study are profound. The effect of nicotine required only 7 days of use before the effect on cocaine use was seen. That was the time needed before genetic alteration developed. The findings probably apply to opioids since the same neural pathways are involved in narcotic addiction. Epidemiological studies have clarified the link between nicotine and substance abuse. The following are excerpts from literature published by the Center for Tobacco Free Kids:

"Heavy smokers are much more likely to use marijuana or harder drugs. Youths who smoke more than 15 cigarettes a day are more than twice as likely to use an illicit drug and 16 times more likely to use cocaine than those who smoke less frequently -- and are 10 times more likely to use an illicit drug and

more than 100 times more likely to use cocaine than those who never smoke. Children who smoke a pack a day are also 13 times more likely to use heroin than children who smoke less heavily. In addition, 12- to 17-year-old smokers who smoke daily are approximately 14 times more likely to have binged on alcohol than those who do not smoke, more than 100 times more likely to have used marijuana at least ten times, and 32 times more likely to have used cocaine at least ten times."

"Teen smoking is an early warning sign for additional substance abuse problems. Youths age 12-17 who smoke are more than 11 times as likely to use illicit drugs and 16 times as likely to drink heavily as youths who do not smoke. As the U.S. Supreme Court noted in 1962, "The first step toward addiction may be as innocent as a boy's puff on a cigarette in an alleyway."

"The earlier a person uses tobacco, the more likely they are to experiment with cocaine, heroin or other illicit drugs. Those who start smoking as a child are three times more likely to use marijuana and four times more likely to use cocaine than those who do not smoke as children. In addition, more than half of all persons who start smoking before age 15 use an illicit drug in their lifetime, compared to only a quarter of those who do not start smoking until they are beyond age 17 -- with those who start smoking before age 15 are more than three times more likely to use cocaine. And those who start smoking before age 15 are seven times more likely to use cocaine than those who never smoke cigarettes at all. "

It is sobering to think, especially in light of the tragic heroin epidemic we are now facing, that this was published in 2002. What have we been doing?

Well, BreatheND has been practicing primary prevention. We urgently need them to continue their work to reduce youth access to, and pursuit of nicotine. We need the skills they have developed over the last 7-8 years and leverage them to help us confront these challenges. Please let them continue their work, and keep the organization intact so that they can mentor additional efforts that need to be ramped up in the state to confront the heroin epidemic. A teenage smoker is sending a message with their nicotine addiction. Tell them you love them today because they may not be here tomorrow. Our conversation on the subject of nicotine use has changed. So has the management of addiction to narcotics around the world. Managing opioid addiction thru criminalizing the activity has not controlled the problem. In desperation, countries have attempted to curb the epidemic by such methods as, safe needle programs, decriminalizing narcotics (Portugal) and even using extrajudicial killing (The Philippines).

Primary prevention and mitigation are the better course of action. I believe that nicotine can be viewed as not simply a gateway drug, but as a substance that sets the stage for addiction to opioids, amphetamines, alcohol, and marijuana. Figuratively, I think of nicotine as the architect and stage manager of addiction, inducing structural changes in the brain that set the stage for lifelong addiction. It is the marketing director, and public relations department for addiction since it is both legal (denigrating the negative connotation of addiction) and widely available. It is the chairman of the membership drive because it boosts the intensity of the illicit drug reward responses in the brain. It is the Producer since it spreads addiction to multiple agents thru society. And it persists even after the best attempts to quit narcotics-97.5% of addicts in methadone and buprenorphine substitution programs continue to use nicotine constantly. Ultimately it is the undertaker. For our youth, we have to stay very serious about primary prevention of drug addiction. Nicotine is at the tip to the spear. Keep BreatheND and help breathe life into their mission.

Respectfully submitted,
James A Hughes, MD
Bismarck, ND

Testimony in SUPPORT OF SB 2024

from Pam Crawford, North Dakota Tobacco Prevention and Control Advisory and
Executive Committee to the Senate Appropriations Committee

January 11, 2017

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Chairman Holmberg and Members of the Senate Appropriations Committee.

I am Pam Crawford. I am a newly appointed member of the Tobacco Prevention and Control Advisory Committee and I am here today advocating for this organization.

I AM IN SUPPORT OF SB2024 – AND I am opposed to SB 2084.

I have had the opportunity to attend one Advisory Committee meeting and was asked about my passion for the work of the organization. I was at a loss in response because I was not sure that I was “passionate” about tobacco prevention. I knew about the health consequences of smoking and second-hand smoking. I was aware that it is a difficult addiction to overcome. But “passion” was not one of the qualities I felt I brought to the table. However, after meeting the staff and Advisory Committee Members I was passionate by the end of that first meeting. Their passion is contagious.

This group has one sole purpose and focus. They exemplify efficiency, fiscal responsibility and creativity in government. They have a proven track record of making a difference for the better for North Dakota citizens.

The funding and mission of this organization was established by North Dakota voters in 2008 with the passage of Initiated Measure No. 3 requiring the State to develop and implement a comprehensive statewide tobacco prevention and control plan consistent with CDC’s best practices. Funding for this agency is provided through the Tobacco Settlement strategic payments. This agency has been fiscally responsible in its utilization of those funds.

To terminate this agency at this time appears incongruent with the wishes of North Dakota voters who wanted this comprehensive program, wanted this agency to develop and administer the program and wanted the strategic payments to be utilized to fund this program. The initiated measure states “Moneys received into the fund are to be administered by the executive committee for the purpose of creating and implementing the comprehensive plan.” It goes on to state “If in any biennium, the tobacco prevention and control trust fund does not have adequate dollars to fund a comprehensive plan, the treasurer shall transfer money from the water development trust fund to the tobacco prevention and control trust fund in an amount equal to the amount determined necessary by the executive committee to fund a comprehensive plan.” (N.D.C.C. 54-27-25(2) as written in Measure 3 effective December 4, 2008)). This is not a time-limited commitment. There is no requirement for the agency to spend all of the trust fund within a specified period of time. There is no sunset clause.

It is proven that tobacco prevention and cessation programs save lives and reduce tobacco related health care costs. Investing in this program is fiscally sound not only because there is a

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proven return on the investment¹ but also because this agency has operated in a very fiscally responsible manner.

SB 2084 allows the strategic payments to be used for the "purposes appropriated." It entirely eliminates the Tobacco Prevention and Control Advisory Committee.

I urge you all to support the continuation of the work of Breathe North Dakota AND SUPPORT SB2024. Please continue this excellent good work and honor the wishes of the state's citizens who voted in favor of Measure No. 3.

¹ Declining smoking rates have contributed to reduced tobacco-related health care costs. An economic evaluation in 2012 found that for every dollar invested in the state Tobacco Prevention and Control Program, the investment actually saved the state \$5 in tobacco-related hospitalizations. Dilley, J.A., Harris, J.R., Boysun, M.J., Reid, T.R., 2012. *Program, policy, and price interventions for tobacco control: quantifying the return on investment of a state tobacco control program*. American Journal of Public Health 102, e22-28; quoted in *TOBACCO FACTS Washington State 2015 Update*; page 1, <http://www.doh.wa.gov/Portals/1/Documents/Pubs/340-149-WashingtonTobaccoFacts.pdf> (last visited January 9, 2017)

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**1/11/17 Testimony - North Dakota Senate Appropriations Committee
SB2024**

Theresa Will, RN/Administrator

City-County Health District, Valley City

Phone: 701-845-8518

Good afternoon, Chairman Holmberg and Members of the Senate Appropriations Committee.

My name is Theresa Will, I am the Director at City-County Health District, the Local Public Health Unit for Barnes County, located in Valley City. I am here to voice my support for SB2024. This bill supports the vote of the people and their decision to invest a small portion of tobacco settlement dollars for tobacco prevention - ***not only for 7 years, but through its entirety***. With this program, we have made remarkable progress in decreasing the tobacco use rates. The partnership between public health and the Center for Tobacco Prevention and Control Policy is helping North Dakotans live healthier lives:

- a local ordinance that protects our youth from the dangers of electronic cigarettes;
- smoke free parks;
- tobacco free County and City grounds and vehicles;
- model school policies in all schools within our county;
- and we assist apartment managers with the tools to help their buildings become smoke-free so all tenants can have healthier, smoke-free homes.

This local policy work could not be achieved without the local policy grant, and technical assistance from the Center, which has supported approximately 1.3 FTE in Barnes County over the past many years.

Before the vote of the people, before we had our comprehensive program, outcomes were limited. With the leadership of the Center we now see consistent results across the state.

Each year, the tobacco industry spends \$10.5 billion shrewdly marketing its products in the US, But, we can overcome that challenge IF we fully sustain this level of successful, statewide work. As Governor Burgum noted in his address last week, change is not linear, change is **exponential**. Without a strong tobacco prevention and control program, which is fully based in irrefutable science, the toll of tobacco use will increase **exponentially**.



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Bismarck, ND 58503

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Mr. Chairman and members of the Committee, hello, my name is Heather Austin and I'm the Executive Director for Tobacco Free North Dakota.

Today, I am here to offer our support for SB 2024. It is our view that continued funding of North Dakota's comprehensive tobacco prevention program delivered by BreatheND is vital to preventing North Dakota youth from developing a lifelong addiction to tobacco and nicotine.

TFND and many other organizations have all signed a formal Resolution to Support the Continuation of North Dakota's CDC-Based Comprehensive Tobacco Control Program Delivered by the North Dakota Center for Tobacco Prevention and Control Policy (BreatheND) Through the Tobacco Prevention and Control Trust Fund.

This Resolution has been signed by: The North Dakota Society for Respiratory Care, Grand Forks Board of Health, Lake Region District Health, Upper Missouri District Health, Ransom County Board of Health, City-County Health District Board of Health, Nelson-Griggs District Health Unit, Towner County Safe Communities Coalition, SAFE Coalition of Fargo, Central Valley Health District, Foster County, and Tobacco Free North Dakota.

The Resolution reads as follows: WHEREAS tobacco use remains North Dakota's leading preventable cause of death, with 1,000 North Dakotans dying each year from their own smoking, and 14,000 kids under the age of 18 who now live in North Dakota are projected to die prematurely due to smoking;

WHEREAS tobacco use in North Dakota also imposes a staggering economic burden, with smoking-caused direct healthcare costs alone amounting to \$326 million each year, and each North Dakota household paying \$795 per year in "hidden" state and federal taxes for smoking-caused government expenditures;

WHEREAS the tobacco industry is continuously introducing new nicotine products and marketing them to youth through product innovations, technology, and flavorings, resulting in a high school e-cigarette use rate of 22.3%;

WHEREAS new nicotine products often circumvent existing local, state and federal laws, such as legal age of sale restrictions, advertising restrictions, smoke-free laws, and tax laws;

WHEREAS on November 4, 2008, 54% of North Dakota voters approved Initiated Measure #3 to allocate the state's Strategic Contribution Fund payment to a Best Practices tobacco prevention program fully-funded at the CDC recommended level, and public support for this program has grown significantly to 81.7% as of 2016;

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WHEREAS the establishment and success of North Dakota's Center for Tobacco Prevention and Control Policy, the nation's only fully-funded comprehensive tobacco prevention program, has contributed to a reduction in adult tobacco use from 21.9% in 2011 to 18.7% in 2015, and a reduction in youth tobacco initiation from 22.4% in 2009 to 11.7% in 2015;

WHEREAS the North Dakota Center for Tobacco Prevention and Control Policy, in order to continue to succeed in effectively preventing youth initiation and in reducing tobacco-caused death and disease, and to respond effectively to new tobacco product introductions, operates with an independent Governor appointed committee of tobacco control policy and medical experts to insulate the program from political and tobacco-industry influence and to effectively use proven scientific approaches;

NOW THEREFORE BE IT RESOLVED that, in keeping with North Dakota voters' establishment of and support for the North Dakota Center for Tobacco Prevention and Control Policy and its mission of Saving Livings-Saving Money: ND's Comprehensive State Plan to Prevent and Reduce Tobacco Use, TFND supports the continuation of North Dakota's Center for Tobacco Prevention and Control Policy funded by the Tobacco Prevention and Control Trust Fund.

Thank you.

Heather Austin
Executive Director, Tobacco Free North Dakota
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heather@tfnd.org
www.tfnd.org

TESTIMONY IN SUPPORT OF SB 2024

SB 2024/2024
1-11-17
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Sommer Wilmeth
1236 North Parkview Drive
Bismarck, ND 58501
(701) 934-0540

Chairman Holmberg, and members of the Senate Appropriation, Committee.

My name is Sommer Wilmeth; I am a senior at Century High School. I am speaking on behalf of the Century High School Students Against Destructive Decisions (SADD) students. I am here to provide testimony in support for Senate Bill 2024.

With the work of Breathe ND, local public health units, and community members of all ages since the program's implementation in 2008, the youth smoking rate has been cut in half.

This is an incredible achievement for our state. However, the tobacco industry is clever and continues to find ways to addict kids to nicotine. Their latest attempt – electronic cigarettes.

When walking from my car to school in the mornings before class, I can say on an average day I see 5 to 10 classmate's vaping in their cars. It appears the tobacco industry's slick advertising has created a persona that vaping is cool and harmless. Personally, I have seen my peers and a very close friend fall into big tobacco's trap. Since I have turned 18 I have been asked multiple times to buy nicotine products.

Thank goodness I'm educated on the effects of these products and able to explain to my peers how they are being targeted by big tobacco. I learned these skills back in October when I attended the Bismarck Tobacco Prevention Youth Summit, funded by Breathe ND. At the summit there were about 60-70 youth from area schools each being trained to be a youth advocate in tobacco prevention, just like me. At the summit we learned how the tobacco industry uses slick advertising to get youth hooked.

The tobacco industry will never stop, whether it's through traditional cigarettes, e-cigarettes, or smokeless tobacco. This means that North Dakota needs to continue to take a stand against big tobacco and fund the good work being done through BreatheND.

Please support Senate Bill 2024 because by having a fully funded tobacco prevention and control program in North Dakota, based off of the Centers for Disease Control's Best Practices, together we can continue to decrease youth tobacco use rates and sustain a generation free from the addiction to nicotine.

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TESTIMONY SUPPORT OF SB2024
1-11-2017

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BECKY ANDERSON
PRACTICING RESPIRATORY THERAPIST
FARGO, ND
Becky.Anderson@sanfordhealth.org

Chairman Holmberg and members of the Senate Appropriations Committee. Good afternoon, I'm Becky Anderson, a registered respiratory therapist with a 37-year career serving the people of ND. As a respiratory therapist, I have been on the front lines of the tobacco epidemic for my entire career. My early professional years were marked by caring for people with chronic disease, especially those with COPD and lung cancer. Those at the end of their lives spent a considerable amount of time hospitalized. As an impressionable young therapist, I remember their names, I remember their faces, and I remember their stories. I remember the physical devastation and emotional burden which are the result of nicotine addiction. I have sat beside the bed of thousands of patients, trying to bring some small measure of comfort and light at a time many of them were at the end of their lives... dying way too young in their 50's and 60's, a few in their 70's. ***As they shared their stories with me, it always struck me as tragic that nicotine addiction is an epidemic which starts in childhood, some under ten years old, and 90% of tobacco users start before the age of 18.*** This is disturbing on many levels and significant because children are becoming addicted to nicotine when their brains are still developing. The result is that they become addicted easier and have a more difficult time quitting.

Healthcare professionals seek out evidence of "best practice" to build our care programs. We rely on evidence which shows the best improvement in patient outcomes at the best cost. The evidence is clear that a comprehensive State plan to reduce tobacco use is paramount in combating both the economic burden and the personal devastation caused by nicotine addiction. Tobacco is the leading cause of chronic disease and death... and it's preventable. My generation has been decimated by the use of tobacco. ND's children deserve a better future... and it's within our grasp. It's important to sustain the gains we have made through BreatheND's great work. We have impressive results. This was the legacy promised to the children of ND through the tobacco settlements and that promise should be delivered.

**TESTIMONY SUPPORT OF SB2024
1-11-2017**

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1-11-17

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**ALISON HARRINGTON
PRACTICING RESPIRATORY THERAPIST
BISMARCK, ND
PHONE: 701-530-8527**

Chairman Holmberg and members of the Senate Appropriations Committee. I'm Alison Harrington, a respiratory therapist. On average I counsel 5-15 tobacco users a day. I always ask them at what age did they start using tobacco, the most common answer is between 13-15 years old. The youngest age I've heard is as young as 5 years old. The younger they are when they start using tobacco, the more addicted they are and the harder it is for them to quit.

I counsel tobacco users of all ages who want to quit for many different reasons but most commonly it is for their health, their family, they've experienced a life threatening event, they've been diagnosed with a chronic disease or lung cancer, or they are pregnant.

As a respiratory therapist I see what smoking does to the lungs at all age levels, from the young children who are exposed to 2nd and 3rd hand smoke that have asthma, to the adults who have been diagnosed with lung cancer or Chronic Obstructive Pulmonary Disease (COPD).

This addiction is like no other, it cannot be quit very easily despite what many think. As part of my profession, I help pregnant women through nicotine addiction counseling. In North Dakota nearly 14% of pregnant women are hooked on nicotine. This is a serious health situation and addiction is real and nearly impossible for some people to quit. This is why we need to fund prevention – we know that 90 percent of our youth start smoking by their 18th birthday. If we can prevent this, we are close to solving the problem of tobacco addiction.

Tobacco kills 1,000 North Dakotans each year and costs us \$326 million in health care each year. If we want to reduce health care costs, we must address the leading cause of preventable death and disease – tobacco use. If we can prevent children from ever starting we can cut down on the cost of healthcare treatment. This good work must be kept at BreatheND. They know how to get the job done. It's about prevention. We need to start our focus on the End Game and reduce tobacco use to the low single digits, and the way we do this is to prevent our children from ever starting. We need to make the world a better place for them. They are our future.

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Kristie Wolff – Program Manager, American Lung Association in North Dakota
Support for SB 2024
North Dakota Senate Appropriations Committee

January 11, 2017

Chairman Holmberg and members of the Senate Appropriations Committee, my name is Kristie Wolff, I am the Manger of Tobacco Prevention and Advocacy for the American Lung Association in North Dakota.

Today I am here to speak in support of SB 2024.

Currently 80% of my work at The American Lung Association is funded by a grant from the Center for Tobacco Prevention and Control Policy also known as BreatheND.

Over the past year my work has included developing a partnership with Fire Depts. across the state and with the ND Fire Prevention Association. This partnership has focused on education related to smoking material fires.

According to the National Fire Prevention Association, smoking material fires are the leading cause of fire deaths in the United States and 25% of people who die in a smoking-material fire are not the smoker.

In the spring of 2016 cities across the state saw a significant spike in smoking material fires. To help bring awareness to the issue, several ND fire departments adopted Operation Butt Out, a locally developed education program that focuses on how to safely extinguish smoking materials “all the way, every time.”

The American Lung Association in ND became a resource for participants in this program by providing education on smoke free multi-unit housing policies and e-cigarette fires and explosions. BreatheND’s numerous resources were a valuable tool used during this education process.

This important work has only just begun. There is so much more to do. It is critical to continue to fund North Dakota’s tobacco prevention program through BreatheND. This agency has a single focus and a proven track record of success. Today I am asking the members of this committee to please give a do pass recommendation on SB 2024. Thank you for your time and consideration, I would be happy to answer any questions.

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Reba Mathern-Jacobson

January 11, 2017

Chairman Holmberg and members of the Senate Appropriations Committee,

My name is Reba Mathern-Jacobson. I am the Director for Tobacco Programs with the American Lung Association in North Dakota. For the past two years, American Lung Association has worked in collaboration with the ND Center for Tobacco Prevention and Control Policy on a project to integrate tobacco treatment into behavioral health settings, addressing the disparity of this group that purchases approximately 40% of all tobacco in our country.

People with mental illness and/or substance use disorders have traditionally been left out of tobacco treatment efforts, and have even been encouraged to smoke. While smoking rates in the general population have been on a steady downward trend, smoking rates in this population remain high, making them the largest disparity group. Three fourths of smokers have a past or present problem with mental illness or addiction. At least 65% of people in treatment for substance use disorders also smoke cigarettes.

As a consequence, smoking is the number one cause of death in people with mental illness or addiction. People with a serious mental illness die 25 years younger than the rest of the population, due to their tobacco use. People with an alcohol addiction die more often of tobacco related illnesses than from alcohol.

In general, tobacco addiction has been addressed in the primary care system. We now know that people with behavioral health disorders need, and in fact *want*, treatment opportunities and support within the context of their behavioral health care.

Tobacco Use Disorder is a behavioral health condition in the DSM-5 (Diagnostic and Statistical Manual which provides the standard definition of mental illnesses and addictions). Behavioral health professionals have great training and experience in addictions; they are experts in psychosocial treatment; they see their patients more regularly and for longer sessions. Tobacco use is inextricably related to the problems presented due to mental illness and other addictions. Quitting smoking is associated with improved mental health outcomes and even a 25% increased likelihood of long-term abstinence from alcohol and drugs.

So what needs to happen to integrate tobacco treatment into behavioral health settings? As has been happening across the nation, North Dakota's behavioral health professionals need professional education; their agencies and workplaces need technical support to implement best-practice policy and procedures.

Last year the American Lung Association collaborated with the Center to provide this professional education. We have offered webinars ("Tobacco 101: A Webinar for Mental Health Professionals and Partners" and "Pharmacology Update: Nicotine Dependency Treatment for those with Mental Illness or Addiction") in a variety of sites. We provided a national speaker to the annual Addiction Counselors Association spring conference for plenary address and breakout session. We provided a two-day training "Treating Tobacco Dependence in Behavioral Health Settings" with Dr. Jill Williams and the team from Rutgers University last summer. This included free CEUs for doctors, nurses, psychologists, licensed addiction counselors and social workers.

Everyone who has attended our trainings has been offered technical assistance to implement the learnings into their work environments. I work closely with a growing number of sites. This includes review of their policies and procedures, and recommendations for improvements. One beauty is that this includes private and public systems, so that improvements can be comprehensive, sustainable and statewide.

Every time I address a group, they want more information and training. This coming spring and summer we will be providing Dr. Williams' one-day training to all Department of Human Services behavioral health professionals and their community-based counterparts. We are developing a webinar series specific to addiction professionals in North Dakota which will include technical assistance calls with a national expert. Providing CEU's for our state's professionals is a priority.

Clients and their workers will have greater success with mental health and addictions treatment when tobacco treatment is integrated into behavioral health settings. There are good strides in North Dakota but much work is yet to be done.

This good work could not continue without the support from the ND Center for Tobacco Prevention and Control Policy. The ND Center is instrumental in this developing project – to integrate tobacco treatment into behavioral health settings to address the leading disparity group that purchases 40% of all tobacco in our country.

Thank you,
Reba Mathern-Jacobson, MSW
Director Tobacco Control

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TESTIMONY SUPPORT OF SB 2024

Mara Yborra
United Tribes Technical College
3315 University Drive, Bismarck, ND 58504
(701) 255-3285

Chairman Holmberg, and members of the Senate Appropriation, Committee. My name is Mara Yborra; I am speaking on the behalf of the Healthy Community Coalition from the United Tribes Technical College. I am here to provide testimony and support for SB 2024.

The Healthy Community Coalition is a group comprised of representatives from campus departments who focus on health initiatives for the campus. We are fortunate enough to have received technical support and funding through Bismarck Burleigh Public Health, Tobacco Prevention and Control program to work on adopting a comprehensive tobacco free college policy to include the entire campus.

A majority of the students at United Tribes Technical College are Native American and their family members live on campus with them. Native Americans are disparately affected by tobacco. There is a 42% smoking rate for Native Americans in North Dakota. The tobacco industry is counting on this disparity and the college age group becoming addicted to their products in order to secure sales for the future. United Tribes is committed to the health and well-being of the children, students, faculty and staff of our campus, and to visitors who come here.

Bismarck Burleigh Public Health (BBPH) Tobacco Prevention Program provided technical support through education, resources and information about the importance of strengthening UTTC's smoke-free policy to a comprehensive tobacco free policy to include the entire campus. We were able to move forward on passing a tobacco free policy at the United Tribe Technical College in 2013 with implementation in 2014. We

have learned that a tobacco-free policy provides an environment that reinforces healthy behavior. As the policy removes the immediate threat of exposure to secondhand smoke, it also decreases the use of tobacco and the number of people who start smoking in college. It establishes a healthy learning environment while maintaining our respect for Native American traditions.

This funding also gave us the available resources for an implementation plan that included: tobacco-free signs, interior sidewalk signs for the buildings because of the cold weather, bathroom posters, payroll stuffers, window decals for campus building doors and residential homes, compliance cards and ND Quit Ads in their newsletter.

The United Tribes Technical College has become the first tribal college in North Dakota to adopt a "Tobacco Free" campus policy and 3rd in the United States. At the time the policy passed, UTTC joined 811 other colleges to have a tobacco free policy for their campus. This policy trend has grown to 1,427 colleges and universities across the US. They recognized the value of tobacco-free policy will benefit their students in present and the future by providing a healthy and safe environment to live and learn. United Tribes Technical College now protects approximately 900 students, faculty, staff and families from exposure to tobacco.

Please support SB 2024 because it continues to provides a fully funded comprehensive tobacco prevention and control program for North Dakota. We would not have been able to accomplish the work we have done over the years at United Tribes Technical College without this program.

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SB 2024/2084

1-11-17

#16

TESTIMONY SUPPORT OF SB 2024

Susan Kahler
Bismarck Burleigh Public Health
500 East Front Ave
Bismarck, ND 58506
(701) 355-1597

Chairman Holmberg, and members of the Senate Appropriations Committee. My name is Susan Kahler, Tobacco Prevention and Control Coordinator at Bismarck Burleigh Public Health Unit (BBPH). I am here to provide testimony and support for SB 2024.

Bismarck Burleigh Public Health Tobacco Prevention and Control Program receives funding from BreatheND to implement the *Saving Lives-Saving Money: ND's Comprehensive State Plan to prevent and Reduce Tobacco Use* based on Center for Disease Control Best Practices. We have been able to accomplish many tobacco/smoke-free policies and ordinances.

BreatheND's coordinated efforts showed great leadership when the ND Smoke-free law passed in 2012. BreatheND supplied our office with resources for the smoke-free law and we were able to go out into the community to educate the public and business owners on the new law. We worked with our local law enforcement to developed a protocol to address complaints of violations. On a regular basis, our office receives calls from our community members about violations. Some are straight forward, smoking within 20 feet from the building or individual smoking e-cigarette inside a building. In other situations, we have requested assistance from BreatheND staff for guidance.

One example is the ND Smoke-free law does not cover inside individual apartments or condo owners, it only covers the common areas. On a routine basis, we have received calls from tenants/owners asking for assistance with adopting a smoke-free policy for the entire building because of the health effects they are experiencing from secondhand smoke. BreatheND worked with the Public Health Law Center to develop model smoke-

free policies for apartment owners to adopt. To address this situation, came the development of "Smoke-Free Housing North Dakota". This program provides resources to tenants and landlords about smoke-free policy. Our Tobacco Prevention and Control program provides technical assistance. So far, 154 buildings and 1,498 units have smoke-free policy in the Bismarck/Burleigh County area.

Please support SB 2024 because it continues to provides a fully funded comprehensive tobacco prevention and control program for North Dakota. We have made great strides in our community with reducing tobacco use rates and protecting individuals from secondhand smoke.

2

SB 2024/2084
1-11-17
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Senate Appropriations Committee

January 11, 2017

SB 2024

Good afternoon, Chairman Holmberg and members of the Senate Appropriations Committee. My name is Deb Knuth, Government Relations Director of North Dakota American Cancer Society Cancer Action Network.

North Dakota is ranked #1 in the nation when it comes to funding for statewide tobacco prevention and cessation programs. Tobacco use causes 341 smoking attributable cancer deaths each year in our state, meaning that more than 25% of all cancer deaths have tobacco directly to blame. But now these lifesaving programs are on the chopping block.

It's critical to keep funding for tobacco prevention and cessation programs. If the Legislature cuts funding for tobacco control programs, we're at risk of losing a decade of progress significantly reducing tobacco use, especially among kids. These programs save lives! Keep North Dakota #1 by maintaining funding for tobacco prevention and cessation programs.

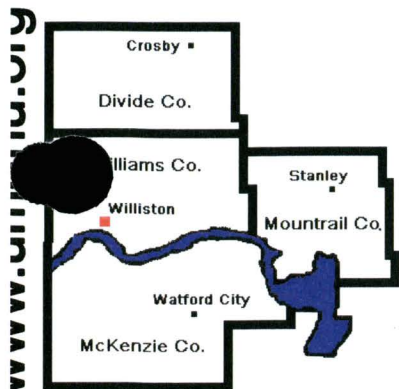
Thank you so much for allowing me to testify in support of funding for North Dakota's tobacco prevention and cessation programs.

SB 2024/2084

Upper Missouri District Health Unit 1-11-17

#18

"Your Public Health Professionals"



DIVIDE COUNTY
 Divide Co. Courthouse
 P.O. Box 69
 300 Main St. N
 Crosby, ND 58730
 Phone 701-965-6813
 Fax 701-965-6814

MCKENZIE COUNTY
 Northern Plains Building
 P.O. Box 1066
 109 W 5th St.
 Watford City, ND 58854
 Phone 701-444-3449
 Fax 701-842-6985

MOUNTRAIL COUNTY
 Memorial Building
 P.O. Box 925
 18 2nd Ave SE
 Stanley, ND 58784
 Phone 701-628-2951
 Fax 701-628-1294

WILLIAMS COUNTY
 110 W. Bdwy, Ste 101
 Williston, ND 58801-6056
 Phone 701-774-6400
 Fax 701-577- 8536
 Toll Free 1-877-572-3763

Senate Bill 2024

ND Center for Tobacco Prevention and Control Policy Budget

1:30 p.m., January 11, 2017, Senate Appropriations

Good Afternoon, Chairman Holmberg and members of the Senate Appropriations Committee. I am Javayne Oyloe, Executive Officer of Upper Missouri District Health Unit, which provides services in Divide, McKenzie, Mountrail and Williams Counties.

The track record of the Center is impressive. You have heard testimony in regard to the substantial decrease in tobacco use across our state due to the single-focused approach using voter approved tobacco settlement funds. These are not just numbers or percentages but our fellow community members, friends and family who were finally able quit using tobacco or they are the children who will never start.

What you may not have heard or seen is the track record of those who work at the Center in partnership with local public health. For example, when Upper Missouri District Health Unit employees are asked to provide tobacco prevention education as part of an oilfield employee safety meeting at 6:30 in the morning or to provide public health expertise during an evening city commission meeting in regard to licensing e-cigarette businesses, the Center staff are there to help. The Center employees start early in the morning and often work late into the evening and weekends. The dedication from the Center and local public health creates the results we have seen and what makes North Dakota stand out as a model for the nation.

Looking at the track record of documented results, leadership from the Center, the dedication of public health professionals and the decision of North Dakota voters to have a fully funded separate agency, the Center for Tobacco Prevention and Control Policy must remain fully funded. It is about the health of our neighbors, friends and families. These are the people who voted to create the Center. These are the people who ask us to protect them from tobacco harms. Please help us to continue making critical tobacco-prevention gains. Vote in support of SB 2024.

Sincerely

Javayne Oyloe
 Executive Officer
 Upper Missouri District Health Unit
 701-774-6400
joyloe@umdhu.org

"It takes safe, healthy cities with vibrant, walkable main streets in downtowns to attract and retain a skilled workforce". Governor Burgum. We too want safe, healthy communities.

Tobacco Prevention and Control Trust Fund Status Statement

SB 2024
2-2-17 #1

	2013-15	2015-17		2017-19
	Actual ¹¹	Legislative Appropriation	Revised Estimate	Executive Budget
Beginning Balance	\$40,654,657	\$49,748,321	\$49,748,321 ¹²	\$56,304,520
Revenue:				
Fiscal Year 1 Payments	\$11,392,521	\$11,304,243	11,480,889 ¹³	0
Fiscal Year 2 Payments	11,402,609	11,304,243	11,480,889 ¹⁴	0
Investment Income	43,462	56,521	142,460	142,460
Total Revenue	\$22,838,592	\$22,665,007	\$23,104,238	\$142,460
Expenditures:				
Tobacco Center - Appropriated Expenditures	(\$13,744,928)	(\$16,548,039)	(\$16,548,039)	\$0 ¹⁵
<i>Department of Health:</i>				
Local Public Health Units				(4,000,000)
Cancer Programs				(744,804)
Stroke and Cardiac Care				(756,418)
Physician Loan Repayment				(480,000)
Behavioral Health Loan Repayment				(243,640)
Tobacco Program Grant				(500,000)
<i>Department of Human Services:</i>				
Medicaid Grants				(15,000,000)
Opioid Treatment				(1,799,076)
Total Expenditures	(\$13,744,928)	(\$16,548,039)	(\$16,548,039)	(\$23,523,938)
Ending Balance	\$49,748,321	\$55,865,289	\$56,304,520	\$32,923,042

- ¹¹ Final revenue and expenditures per state accounting system reports dated June 30, 2015.
- ¹² Actual July 1, 2015 balance.
- ¹³ Actual revenue received during fiscal year 2016.
- ¹⁴ Estimated revenues based on fiscal year 2016 actual amount.
- ¹⁵ Proposed that North Dakota Century Code 23-42 is repealed which dissolves the Tobacco Prevention and Control agency.

Notes:

In November 2008, voters approved Measure No. 3, which created a tobacco prevention and control trust fund. All tobacco settlement strategic contribution fund payments received by the state will be deposited in the fund. After 2017, no additional strategic contribution fund payments are anticipated.

House Bill 1015 (2009), based on the intent of Measure No. 3, created the Tobacco Prevention and Control Committee as a state agency. Section 35, appropriates funding for the 2009-11 biennium. Section 36, provides retroactive funding for expenditures that occurred during the period of January 1, 2009, through June 30, 2009. Section 39 changes language in the measure concerning the ability to spend funding from the water development trust fund. The legislature required that water development trust fund moneys may only be spent pursuant to legislative appropriation.

#1

BreatheND

Saving lives, saving money. The voice of the people.

Tobacco Settlement Dollars for Tobacco Prevention

Provides Services to Grantees

8 positions
 Policy and Prevention
 Management of State Plan: Saving Lives Saving Money.
 Grantee Management
 Policy Management and Technical Assistance
 Ask Advise and Refer (AAR) Management
 Health Communications Management and Technical Assistance
 Program Evaluation Management
 Tobacco Prevention Training Coordination

Partners Receiving Funding

Goal 1: Prevent the Initiation of Tobacco Use Among Youth and Young Adults

Goal 2: Eliminate Exposure to Secondhand Smoke

Goal 3: Promote Quitting Tobacco Use

Goal 4: Build Capacity and Infrastructure to Implement a Comprehensive Evidence-Based Tobacco Prevention and Control Program

North Dakota Department of Health

\$500,000 Grant for Cessation Reach

Local Public Health Units in every county

32 Tobacco Prevention Positions:
 Tobacco Prevention Policy and Education

American Lung Association

3.5 Positions
 Point of Sale Grant/
 Tobacco Marketing Surveillance
 Behavioral Health Grant:
 Integrating Tobacco Counseling into Treatment
 Tobacco Prevention Education and Advocacy: E-cigarettes, Multi-unit Housing/Fire Prevention, Youth Tobacco Prevention

Tobacco Free North Dakota

1 Position
 Tobacco Prevention Education and Advocacy

Research Efforts

Current Research
 Chiropractic Study for Ask Advise and Refer (AAR) - NDSU

Previous Research
 E-cigarette – Nicotine Content and Packaging - NDSU
 Tobacco Smoke Pollution in Hospitality Venues Before and After Smoke Free Law - NDSU
 Impact of Partial Smoke Free Law on Incidence of Heart Attacks at a Rural Community Hospital - UND

Tobacco Prevention Legal Consortium/ Public Health Law Center

Tobacco Prevention Model Policies
Policy Research

10 # 11

Subcommittee SB 2024

SENATE BILL NO. 2004
LISTING OF PROPOSED CHANGES TO BASE LEVEL

Department - State Department of Health

Proposed funding changes:

Description	FTE	General Fund	Special Funds	Total
1 Adjusts funding for cessation services from the community health trust fund to the tobacco prevention and control trust fund. The Center may contract for cessation services with the State Department of Health. The funding authority for cessation is provided to the State Department of Health from the tobacco prevention and control trust fund in the event the Center contracts with the department for cessation services.			(\$3,200,000) \$3,200,000	\$0
2 Adjusts the funding source for the colorectal screening program to provide funding from the community health trust fund		(\$669,106)	\$669,106	0
3 Adjusts the funding source for the suicide prevention program to provide funding from the community health trust fund		(\$1,189,364)	\$1,189,364	0
4 Adjusts the funding source for the cardio vascular disease program to provide funding from the community health trust fund		(\$150,000)	\$150,000	0
5 Adjusts the funding source for the stroke program to provide funding from the community health trust fund		(\$698,984)	\$698,984	0
Total proposed funding changes		<u>(\$2,707,454)</u>	<u>\$2,707,454</u>	<u>\$0</u>

Other proposed changes:

- 1 Adds a section to the bill to amend Section 54-27-25 related to the tobacco settlement trust fund to remove the restriction requiring 80 percent of the transfers from the tobacco settlement trust fund to the community health trust fund must be used for tobacco prevention and control and to remove the transfer from the water development trust fund to the tobacco prevention and control trust fund if there is not adequate funding for the comprehensive plan.
- 2 Adds a section to repeal Chapter 23-38 related to the community health grant program.

SB 2004 #1
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 2-10-17

SENATE BILL NO. 2024
LISTING OF PROPOSED CHANGES TO BASE LEVEL

Department - Comprehensive Tobacco Control Advisory Committee

Proposed funding changes:

Description	FTE	General Fund	Special Funds	Total
1 Adds funding for base payroll changes.			\$42,512	\$42,512
2 Adds 1 FTE health communications coordinator.	1.00			0
3 Increases funding for operating expenses, including rent, information technology, and operating fees and services.			404,199	404,199
4 Increases funding for grants to meet CDC Best Practices.			1,260,173	1,260,173
5 Adds funding for cessation services. The Center may provide funding from the tobacco prevention and control trust fund to the State Department of Health for these services.			3,200,000	3,200,000
Total proposed funding changes		\$0	\$4,906,884	\$4,906,884

Other proposed changes:

- 1 None

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PROPOSED AMENDMENTS TO SENATE BILL NO. 2024

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Subcommittee
2-10-17

Section 4. AMENDMENT. Subsection 1 and 2 of section 54-27-25 of the North Dakota Century Code is amended and reenacted as follows:

54-27-25. Tobacco settlement trust fund – Interest on fund – Uses

1. There is created in the state treasury a tobacco settlement trust fund. The fund consists of the tobacco settlement dollars obtained by the state under subsection IX(c)(1) of the master settlement agreement and consent agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Except as provided in subsection 2, moneys received by the state under subsection IX(c)(1) must be deposited in the fund. Interest earned on the fund must be credited to the fund and deposited in the fund. The principal and interest of the fund may be appropriated to the attorney general for the purpose of enforcing the master settlement agreement and any disputes with the agreement. All remaining principal and interest of the fund must be allocated as follows:
 - a. Transfers to a community health trust fund to be administered by the state department of health. The state department of health may use funds as appropriated for community-based public health programs and other public health programs, ~~including programs with emphasis on preventing or reducing tobacco usage in this state.~~ Transfers under this subsection must equal ten percent of total annual transfers from the tobacco settlement trust fund of which a minimum ~~of eighty percent must be used for tobacco prevention and control.~~
 - b. Transfers to the common schools trust fund to become a part of the principal of that fund. Transfers under this subsection must equal forty-five percent of total annual transfers from the tobacco settlement trust fund.
 - c. Transfers to the water development trust fund to be used to address the long-term water development and management needs of the state. Transfers under this subsection must equal forty-five percent of the total annual transfers from the tobacco settlement trust fund.
2. There is created in the state treasury a tobacco prevention and control trust fund. The fund consists of the tobacco settlement dollars obtained by the state under section IX(c)(2) of the agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Interest earned on the fund must be credited to the fund and deposited in the fund. Moneys received into the fund are to be administered by the executive committee for the purpose of

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creating and implementing the comprehensive plan. ~~If in any biennium, the tobacco prevention and control trust fund does not have adequate dollars to fund a comprehensive plan, the treasurer shall transfer money from the water development trust fund to the tobacco prevention and control trust fund in an amount equal to the amount determined necessary by the executive committee to fund a comprehensive plan.~~

3. Transfers to the funds under this section must be made within thirty days of receipt by the state.

Section 5. REPEAL. Sections 23-38-01, 23-38-02, and 23-38-03 of the North Dakota Century Code are repealed.

CHAPTER 23-38
COMMUNITY HEALTH GRANT PROGRAM

2-10-17 #1
Subcommittee
SB 2024 P 6

23-38-01. Community health grant program.

1. The state department of health shall establish a community health grant program. The primary purpose of the program is to prevent or reduce tobacco usage in the state by strengthening community-based public health programs and by providing assistance to public health units and communities throughout the state. The program must build on and may not duplicate existing programs. Grants awarded under the program must be awarded on a noncompetitive basis using the per capita formula provided for in this subsection. The program must, to the extent funding is available, follow guidelines concerning tobacco prevention programs recommended by the centers for disease control and prevention. Entities awarded grants under the program may contract with or award grants to private providers that conduct tobacco cessation programs. Not more than five percent of the community health grant program funds may be expended for surveillance and evaluation activities. Funds appropriated for the program must be allocated as follows:
 - a. Forty percent of all funds appropriated for the program must be granted to a public health unit or to cooperating public health units that have an agreement with school boards concerning preventive health programs to be funded. The program must be developed with student participation and must include a plan to reduce student tobacco use.
 - b. Forty percent of all funds appropriated for the program must be granted to a public health unit or to cooperating public health units that have established a unitwide plan, developed in cooperation with local elected officials in the unit's jurisdiction, concerning the preventive health programs to be funded. The plan must address programs to reduce tobacco use by the residents living in the counties serviced by the units; however, the plan may include other chronic disease programs. In addition to any grants received under this subdivision, each county with a population of less than ten thousand must receive five thousand dollars per biennium to be used to implement the county's programs.
 - c. Twenty percent of all funds appropriated for the program must be granted to public health units to supplement existing state aid from other sources. Each unit must receive one percent of the amount allocated under this subdivision for each county within the unit and the remaining amount must be distributed to each unit on a per capita basis.
2. The state department of health, in establishing the community health grant program, shall build upon the state's existing tobacco control grant program activities and shall follow the centers for disease control and prevention's best practices for comprehensive tobacco control programs. The department shall encourage applicants to monitor program accountability with respect to tobacco-related behaviors, attitudes, and health outcomes and to include in their plans:
 - a. Community programs that:
 - (1) Engage youth in the development and implementation of interventions;
 - (2) Develop partnerships with local organizations;
 - (3) Conduct educational programs at local levels;
 - (4) Promote government and voluntary health policies, such as clean indoor air, youth access, and treatment coverage;
 - (5) Restrict minors' access to tobacco; and
 - (6) Deter smoking in public places.
 - b. Promotion of school programs by partnering with public health organizations, school boards, education associations, and other organizations in each county to provide school programs that promote:
 - (1) Tobacco-free policies;
 - (2) Evidence-based curricula;
 - (3) Teacher training;

- (4) Parental involvement; and
- (5) Cessation services for students and staff.

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23-38-02. Community health grant program advisory committee - Duties of state health officer.

1. The state health officer shall establish a community health grant program advisory committee and shall appoint, after consulting with the governor, appropriate members to advise the state department of health in the development of a community health grant program. The state health officer, who is the chairman of the committee, shall appoint to the committee the state tobacco control administrator; one high school student; one student of a postsecondary institution in the state; one representative of a nongovernmental tobacco control organization; and one law enforcement officer. In addition to the members appointed by the state health officer, the committee must include:
 - a. One individual appointed by the North Dakota Indian affairs commission;
 - b. One individual appointed by the North Dakota public health association;
 - c. The superintendent of public instruction or the superintendent's designee;
 - d. An academic researcher with expertise in tobacco control and health promotion intervention, appointed by the dean of the university of North Dakota school of medicine and health sciences; and
 - e. One physician appointed by the North Dakota medical association.
2. Members of the committee who are not state employees or officers are entitled to be compensated at a rate of sixty-two dollars and fifty cents per day and are entitled to mileage and expenses as provided by law for state officers and employees. A state employee who is a member of the committee must receive that employee's regular salary and is entitled to mileage and expenses, to be paid by the employing agency.
3. The state department of health, with the committee's involvement, shall provide assistance to:
 - a. Evaluate programs;
 - b. Promote media advocacy by working with statewide media associations;
 - c. Implement smoke-free policies by involving antitobacco groups in promoting the need for smoke-free public buildings;
 - d. Work to reduce minors' access to tobacco in all communities;
 - e. Facilitate the coordination of program components with the local level;
 - f. Involve state agencies, law enforcement, and local government in the administration and management of the program; and
 - g. Assist the state in screening and implementing the grants.
4. The state health officer shall monitor the implementation of the community health grant program. The state health officer shall provide a report to the legislative council regarding the implementation of the program not later than September 30, 2004. Upon request, the state health officer shall provide assistance to any interim legislative committee that may study the implementation of the community health grant program and shall recommend any legislation that the community health grant program advisory committee considers appropriate to improve the community health grant program.

23-38-03. Gifts, grants, and donations - Continuing appropriation.

The state department of health and public health units may accept any gifts, grants, or donations, whether conditional or unconditional. The state department of health or public health units may contract public or private entities and may expend any available moneys to obtain matching funds for the purposes of this chapter. All moneys received by the state department of health as gifts, grants, or donations under this section are appropriated on a continuing basis to the state department of health.

*Subcommittee
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 2-15-17
 #1
 P1*

PROPOSED AMENDMENTS TO SENATE BILL NO. 2024

Page 1, replace lines 11 through 13 with:

"Comprehensive tobacco control	<u>\$16,548,039</u>	<u>\$4,906,884</u>	<u>\$21,454,923</u>
Total special funds	\$16,548,039	\$4,906,884	\$21,454,923
Full-time equivalent positions	8.00	1.00	9.00"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2024 - Tobacco Prevention & Control Exec Comm - Senate Action

	Base Budget	Senate Changes	Senate Version
Comprehensive tobacco control	\$16,548,039	\$4,906,884	\$21,454,923
Total all funds	\$16,548,039	\$4,906,884	\$21,454,923
Less estimated income	<u>16,548,039</u>	<u>4,906,884</u>	<u>21,454,923</u>
General fund	\$0	\$0	\$0
FTE	8.00	1.00	9.00

Department No. 305 - Tobacco Prevention & Control Exec Comm - Detail of Senate Changes

	Adds Funding for Base Payroll Changes ¹	Adds 1 FTE Health Communications Coordinator ²	Increases Funding for Operating Expenses ³	Increases Funding for Grants ⁴	Adds Funding for a Cessation Program ⁵	Total Senate Changes
Comprehensive tobacco control	\$42,512		\$404,199	\$1,260,173	\$3,200,000	\$4,906,884
Total all funds	\$42,512	\$0	\$404,199	\$1,260,173	\$3,200,000	\$4,906,884
Less estimated income	<u>42,512</u>	<u>0</u>	<u>404,199</u>	<u>1,260,173</u>	<u>3,200,000</u>	<u>4,906,884</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	1.00	0.00	0.00	0.00	1.00

¹ Funding is added for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes.

² One health communications coordinator FTE position is added, but related funding is not included.

³ Funding is increased for various operating expenses, including rent, information technology, and operating fees and services.

⁴ Funding for grants is increased to meet Centers for Disease Control and Prevention's *Best Practices for Comprehensive Tobacco Control Programs* recommendations.

⁵ Funding is added for a cessation program. The Comprehensive Tobacco Control Advisory Committee may assume the duties of administering the cessation program or provide funding to the State Department of Health to continue the program.

SB 2024--5 strongest reasons to continue funding BreatheND(CTCAC)

#1
p2

1. **GREATER health outcomes than ever before --**
 - This agency has cut youth smoking rates in half in its 8 years. This is double the rate of decline in youth smoking North Dakota experienced in the 8 years before BreatheND.
 - With continued funding, this agency can reduce youth smoking to the low single digits – below national averages.
 - Youth smokeless tobacco use increased significantly before BreatheND and now smokeless use has decreased by 30.7 percent.
 - Adult smoking rates have steadily declined from 2011 to 2015, with continued funding, BreatheND can reduce adult smoking to below national averages

2. **GREATER health care cost savings than ever before –**
 - The significant drop in youth smoking from 2013 to 2015, (19% to 11.7%), resulting in 2,880 fewer current smokers and future health care cost savings of \$241.9 million.
 - Incredible savings, considering that smoking costs North Dakota residents \$326 million annually in health care.

3. **ACCELERATED RATE OF DECLINE in tobacco use – BETTER RETURN ON INVESTMENT. – greater efficiency**
 - Reductions in smoking were stalling in North Dakota before BreatheND.
 - Now, rates are dropping more than ever before.

4. **WE'RE AT THE CROSSROADS -- CONTINUED GREATER PROGRESS WITH BREATHEND OR PROGRESS WILL BE LIMITED OR ERODE WITHOUT BREATHEND.**
 - Smoking rates in North Dakota used to be far above national averages. Continued efforts by BreatheND are on target to bring rates below national averages over the next years.
 - If BreatheND is not allowed to continue, we will experience what every other state who has cut their tobacco program has experienced – backsliding. Our smoking rates will likely go up.
 - Our strong smoke-free law will be challenged and maybe overturned.

5. **If it isn't broke, don't BREAK it.**
 - There is enough money in the Tobacco Prevention and Control Trust Fund to fully fund BreatheND, therefore no general fund dollars are needed.
 - BreatheND governance model has proven to be the most cost effective and quickest way to cut smoking and save lives and health care costs.
 - The model of a **separate, single-focused agency guided by science** and a professional advisory committee of tobacco control policy and medical experts is proven to work.
 - A **large bureaucracy model has proven much less effective** and is not a good return on investment of funding.
 - The **tobacco settlement was about reducing tobacco use**. BreatheND is drastically cutting youth smoking and smokeless tobacco use in a way the N.D. Department of Health was not able to do.
 - The **people voted for this**. This would be the first time the N.D. Legislature has completely overturned a measure that has been proven successful.

Forum editorial: BreatheND obvious success

#1
P3

Posted on Feb 11, 2017 at 4:05 p.m.

A scheme in the North Dakota Legislature to usurp funding and dilute functions of BreatheND is wrong-headed on several counts.

First, the agency, also known as the N.D. Center for Tobacco Prevention and Control Policy, is funded by money from the national tobacco settlement of 1998. North Dakota was a major player in that successful lawsuit against Big Tobacco. The upshot: BreatheND's budget contains not a dime of appropriated taxpayer money. Legislative leaders want to get their paws on the tobacco money and do who-knows-

Second, 90 percent of tobacco settlement money already is diverted to water and education funding, which lawmakers control. That compromise formula left 10 percent of the annual settlement payments for the money's original purpose. The settlement also grants North Dakota additional payments from a "strategic contribution fund" that enhance and extend anti-tobacco efforts by the agency. Voters overwhelmingly approved a 2008 measure that requires the final nine of the payments be used only for comprehensive tobacco programs. Legislators can raid that money because enough years have passed since the measure passed. Should that happen, the will of the voters would be upended.

Third, if efficiency, fiscal responsibility and program efficacy are the mantras of this legislative session (and Gov. Doug Burgum's revisioning of state government), then lawmakers can hold up BreatheND as the poster child for those virtues. The agency is small, well-managed,

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p 4

focused from the beginning on its mission and can show measurable results. The impressive staff is fiercely dedicated to tobacco prevention and education, and have used their relatively small portion of tobacco settlement monies to achieve promised results. For example, the smoking rate among North Dakota youth was over 22 percent when BreathND went to work; today, it's down to about 11 percent. In 2012, voters passed a statewide smoke-free law, largely because of the agency's advocacy. Three years later, the Legislature approved e-cigarette youth protection, also listening to BreatheND's warnings about the nicotine-delivery devices' danger to kids.

Therefore, it is absurd that lawmakers who are deeply concerned about expenditures, budget cuts, government efficiency and revenue shortfalls should lust after unappropriated dollars that have been used with uncommon stewardship, precisely for the purpose for which they were intended.

The legislation to kill BreatheND has one purpose: to close a small shop that does big work. The bill ignores success and threatens the health of North Dakotans. In effect, lawmakers are doing the bidding of Big Tobacco. That's a very bad way to go.

Editorials represent the opinion of Forum management and the newspaper's Editorial Board.

2-13-17 SB 2024
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#2
P1

PROPOSED AMENDMENTS TO SENATE BILL NO. 2024

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact subsection 2 of section 23-12-10.4, subsection 2 of section 54-27-25, and subsection 1 of section 54-59-22.1 of the North Dakota Century Code, relating to smoking prohibited signage, the tobacco settlement trust fund, and required use of centralized desktop support services; to repeal chapter 23-42 of the North Dakota Century Code, relating to the tobacco prevention and control program; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 2 of section 23-12-10.4 of the North Dakota Century Code is amended and reenacted as follows:

2. The owner, operator, manager, or other person in control of a public place or place of employment where smoking is prohibited by this chapter may request from the ~~executive committee of the tobacco prevention and control advisory committee~~ state department of health the signs necessary to comply with the signage requirements of subsection 1.

SECTION 2. AMENDMENT. Subsection 2 of section 54-27-25 of the North Dakota Century Code is amended and reenacted as follows:

2. There is created in the state treasury a tobacco prevention and control trust fund. The fund consists of the tobacco settlement dollars obtained by the state under section IX(c)(2) of the agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Interest earned on the fund must be credited to the fund and deposited in the fund. Moneys received into the fund are to be ~~administered by the executive committee for the purpose of creating and implementing the comprehensive plan. If in any biennium, the tobacco prevention and control trust fund does not have adequate dollars to fund a comprehensive plan, the treasurer shall transfer money from the water development trust fund to the tobacco prevention and control trust fund in an amount equal to the amount determined necessary by the executive committee to fund a comprehensive plan~~ used as appropriated by the legislative assembly.

SECTION 3. AMENDMENT. Subsection 1 of section 54-59-22.1 of the North Dakota Century Code is amended and reenacted as follows:

1. The following state agencies shall obtain centralized desktop support services from the information technology department:
 - a. Office of administrative hearings.
 - b. Office of the governor.

- c. Commission on legal counsel for indigents.
- d. Public employees retirement system.
- e. North Dakota university system office.
- f. Department of career and technical education.
- g. Department of financial institutions.
- h. Department of veterans' affairs.
- i. Aeronautics commission.
- ~~j. Tobacco prevention and control executive committee.~~
- ~~k-j.~~ Council on the arts.
- ~~l-k.~~ Agriculture commissioner.
- ~~m-l.~~ Department of labor and human rights.
- ~~n-m.~~ Indian affairs commission.
- ~~o-n.~~ Protection and advocacy project.
- ~~p-o.~~ Secretary of state.
- ~~q-p.~~ State treasurer.
- ~~r-q.~~ State auditor.
- ~~s-r.~~ Securities department.

SECTION 4. REPEAL. Chapter 23-42 of the North Dakota Century Code is repealed.

SECTION 5. EFFECTIVE DATE. This Act becomes effective on July 1, 2017.

SECTION 6. EMERGENCY. This Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2024 - Tobacco Prevention & Control Exec Comm - Senate Action

	Base Budget	Senate Changes	Senate Version
Comprehensive tobacco control	\$16,548,039	(\$16,548,039)	
Total all funds	\$16,548,039	(\$16,548,039)	\$0
Less estimated income	16,548,039	(16,548,039)	0
General fund	\$0	\$0	\$0
FTE	8.00	0.00	8.00

Department No. 305 - Tobacco Prevention & Control Exec Comm - Detail of Senate Changes

	Removes Funding for Comprehensive Tobacco Control ¹	Total Senate Changes
Comprehensive tobacco control	(\$16,548,039)	(\$16,548,039)
Total all funds	(\$16,548,039)	(\$16,548,039)
Less estimated income	(16,548,039)	(16,548,039)
General fund	\$0	\$0
FTE	0.00	0.00

¹ Funding for comprehensive tobacco control, including 8 FTE positions and related salaries and wages, is removed.

This amendment also:

- Removes the appropriation section of the bill.
- Adds a section to amend North Dakota Century Code Section 23-12-10.4(2) relating to the signage responsibility of proprietors to transfer the responsibility to provide compliant signage from the Executive Committee of the Tobacco Prevention and Control Advisory Committee to the State Department of Health.
- Adds a section to amend Section 54-27-25(2) relating to the tobacco settlement trust fund to remove the transfer from the water development trust fund to the tobacco prevention and control trust fund if there is not adequate funding for the comprehensive plan and to provide the money deposited in tobacco prevention and control trust fund are to be used for purposes appropriated.
- Adds a section to amend Section 54-59-22.1(1) of the North Dakota Century Code related to required use of centralized desktop support services to remove the reference to the Tobacco Prevention and Control Executive Committee.
- Adds a section to repeal Chapter 23-42 relating to the tobacco prevention and control program.
- Adds a section to provide for an effective date.
- Declares the bill to be an emergency measure.

2-17-17 SB 2024
#1
P1

PROPOSED AMENDMENTS TO SENATE BILL NO. 2024

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact subsection 2 of section 23-12-10.4, subsection 2 of section 54-27-25, and subsection 1 of section 54-59-22.1 of the North Dakota Century Code, relating to smoking prohibited signage, the tobacco settlement trust fund, and required use of centralized desktop support services; to repeal chapter 23-42 of the North Dakota Century Code, relating to the tobacco prevention and control program; to provide an effective date; and to declare an emergency.

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1. The following state agencies shall obtain centralized desktop support services from the information technology department:
 - a. Office of administrative hearings.
 - b. Office of the governor.

1
P 2

- c. Commission on legal counsel for indigents.
- d. Public employees retirement system.
- e. North Dakota university system office.
- f. Department of career and technical education.
- g. Department of financial institutions.
- h. Department of veterans' affairs.
- i. Aeronautics commission.
- ~~j. Tobacco prevention and control executive committee.~~
- ~~k.i.~~ Council on the arts.
- ~~l.k.~~ Agriculture commissioner.
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SECTION 5. EFFECTIVE DATE. This Act becomes effective on July 1, 2017.

SECTION 6. EMERGENCY. This Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2024 - Tobacco Prevention & Control Exec Comm - Senate Action

	Base Budget	Senate Changes	Senate Version
Comprehensive tobacco control	\$16,548,039	(\$16,548,039)	
Total all funds	\$16,548,039	(\$16,548,039)	\$0
Less estimated income	16,548,039	(16,548,039)	0
General fund	\$0	\$0	\$0
FTE	8.00	(8.00)	0.00

Department No. 305 - Tobacco Prevention & Control Exec Comm - Detail of Senate Changes

1
P 3

	Removes Funding for Comprehensive Tobacco Control ¹	Total Senate Changes
Comprehensive tobacco control	(\$16,548,039)	(\$16,548,039)
Total all funds	(\$16,548,039)	(\$16,548,039)
Less estimated income	(16,548,039)	(16,548,039)
General fund	\$0	\$0
FTE	(8.00)	(8.00)

¹ Funding for comprehensive tobacco control, including 8 FTE positions and related salaries and wages, is removed.

This amendment also:

- Removes the appropriation section of the bill.
- Adds a section to amend North Dakota Century Code Section 23-12-10.4(2) relating to the signage responsibility of proprietors to transfer the responsibility to provide compliant signage from the Executive Committee of the Tobacco Prevention and Control Advisory Committee to the State Department of Health.
- Adds a section to amend Section 54-27-25(2) relating to the tobacco settlement trust fund to remove the transfer from the water development trust fund to the tobacco prevention and control trust fund if there is not adequate funding for the comprehensive plan and to provide the money deposited in tobacco prevention and control trust fund are to be used for purposes appropriated.
- Adds a section to amend Section 54-59-22.1(1) of the North Dakota Century Code related to required use of centralized desktop support services to remove the reference to the Tobacco Prevention and Control Executive Committee.
- Adds a section to repeal Chapter 23-42 relating to the tobacco prevention and control program.
- Adds a section to provide for an effective date.
- Declares the bill to be an emergency measure.

2-17-17
SB 2024
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P1

PROPOSED AMENDMENTS TO SENATE BILL NO. 2024

Page 1, replace lines 11 through 13 with:

"Comprehensive tobacco control	\$16,548,039	\$4,906,884	\$21,454,923
Total special funds	\$16,548,039	\$4,906,884	\$21,454,923
Full-time equivalent positions	8.00	1.00	9.00"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2024 - Tobacco Prevention & Control Exec Comm - Senate Action

	Base Budget	Senate Changes	Senate Version
Comprehensive tobacco control	\$16,548,039	\$4,906,884	\$21,454,923
Total all funds	\$16,548,039	\$4,906,884	\$21,454,923
Less estimated income	16,548,039	4,906,884	21,454,923
General fund	\$0	\$0	\$0
FTE	8.00	1.00	9.00

Department No. 305 - Tobacco Prevention & Control Exec Comm - Detail of Senate Changes

	Adds Funding for Base Payroll Changes ¹	Adds 1 FTE Health Communications Coordinator ²	Increases Funding for Operating Expenses ³	Increases Funding for Grants ⁴	Adds Funding for a Cessation Program ⁵	Total Senate Changes
Comprehensive tobacco control	\$42,512		\$404,199	\$1,260,173	\$3,200,000	\$4,906,884
Total all funds	\$42,512	\$0	\$404,199	\$1,260,173	\$3,200,000	\$4,906,884
Less estimated income	42,512	0	404,199	1,260,173	3,200,000	4,906,884
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	1.00	0.00	0.00	0.00	1.00

¹ Funding is added for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes.

² One health communications coordinator FTE position is added, but related funding is not included.

³ Funding is increased for various operating expenses, including rent, information technology, and operating fees and services.

⁴ Funding for grants is increased to meet Centers for Disease Control and Prevention's *Best Practices for Comprehensive Tobacco Control Programs* recommendations.

⁵ Funding is added for a cessation program. The Comprehensive Tobacco Control Advisory Committee may assume the duties of administering the cessation program or provide funding to the State Department of Health to continue the program.

SB 2024--5 strongest reasons to continue funding BreatheND(CTCAC)

SB 2024
2-17-17 #2
pg 2

1. GREATER health outcomes than ever before --

- This agency has cut youth smoking rates in half in its 8 years. This is double the rate of decline in youth smoking North Dakota experienced in the 8 years before BreatheND.
- With continued funding, this agency can reduce youth smoking to the low single digits – below national averages.
- Youth smokeless tobacco use increased significantly before BreatheND and now smokeless use has decreased by 30.7 percent.
- Adult smoking rates have steadily declined from 2011 to 2015, with continued funding, BreatheND can reduce adult smoking to below national averages

2. GREATER health care cost savings than ever before –

- The significant drop in youth smoking from 2013 to 2015, (19% to 11.7%), resulting in 2,880 fewer current smokers and future health care cost savings of \$241.9 million.
- Incredible savings, considering that smoking costs North Dakota residents \$326 million annually in health care.

3. ACCELERATED RATE OF DECLINE in tobacco use – BETTER RETURN ON INVESTMENT. – greater efficiency

- Reductions in smoking were stalling in North Dakota before BreatheND.
- Now, rates are dropping more than ever before.

4. WE'RE AT THE CROSSROADS -- CONTINUED GREATER PROGRESS WITH BREATHEND OR PROGRESS WILL BE LIMITED OR ERODE WITHOUT BREATHEND.

- Smoking rates in North Dakota used to be far above national averages. Continued efforts by BreatheND are on target to bring rates below national averages over the next years.
- If BreatheND is not allowed to continue, we will experience what every other state who has cut their tobacco program has experienced – backsliding. Our smoking rates will likely go up.
- Our strong smoke-free law will be challenged and maybe overturned.

5. If it isn't broke, don't BREAK it.

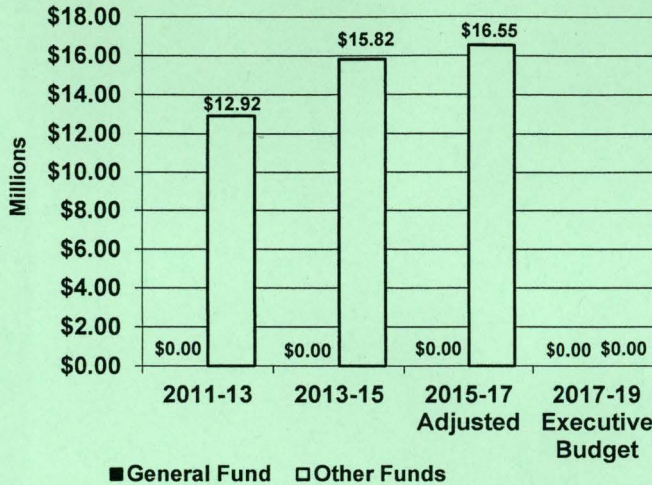
- There is enough money in the Tobacco Prevention and Control Trust Fund to fully fund BreatheND, therefore no general fund dollars are needed.
- BreatheND governance model has proven to be the most cost effective and quickest way to cut smoking and save lives and health care costs.
- The model of a **separate, single-focused agency guided by science** and a professional advisory committee of tobacco control policy and medical experts is proven to work.
- A **large bureaucracy model has proven much less effective** and is not a good return on investment of funding.
- The **tobacco settlement was about reducing tobacco use**. BreatheND is drastically cutting youth smoking and smokeless tobacco use in a way the N.D. Department of Health was not able to do.
- The **people voted for this**. This would be the first time the N.D. Legislature has completely overturned a measure that has been proven successful.

**Department 305 - Tobacco Prevention and Control Executive Committee
Senate Bill No. 2024**

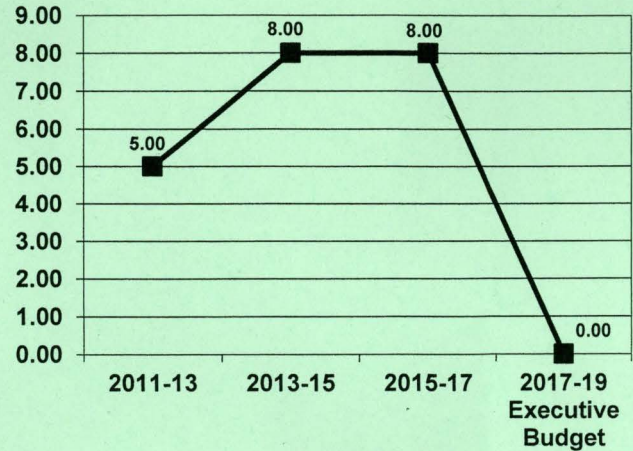
Dalrymple Executive Budget Comparison to Prior Biennium Appropriations

	FTE Positions	General Fund	Other Funds	Total
2017-19 Dalrymple Executive Budget	0.00	\$0	\$0	\$0
2015-17 Adjusted Legislative Appropriations	8.00	0	16,548,039	16,548,039
Increase (Decrease)	(8.00)	\$0	(\$16,548,039)	(\$16,548,039)

Agency Funding



FTE Positions



Dalrymple Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2017-19 Dalrymple Executive Budget	\$0	\$0	\$0
2017-19 Base Level	0	16,548,039	16,548,039
Increase (Decrease)	\$0	(\$16,548,039)	(\$16,548,039)

First House Action

Attached is a comparison worksheet detailing first house changes to base level funding and the executive budget.

**Dalrymple and Burgum Executive Budget Highlights
(With First House Changes in Bold)**

	General Fund	Other Funds	Total
1. Removes funding for 8 FTE positions and dissolves the agency	\$0	(\$16,548,039)	(\$16,548,039)

Sections in Senate Bill No. 2024

Signage responsibility of proprietors - Section 1 amends North Dakota Century Code Section 23-12-10.4(2) to provide the owner, operator, manager, or other person in control of a public place or place of employment where smoking is prohibited by Chapter 23-12 may request signage that meets the requirements of the section from the State Department of Health rather than the Tobacco Prevention and Control Advisory Committee.

Tobacco prevention and control trust fund - Section 2 amends Section 54-27-25(2) to remove restrictions relating to the administration of the tobacco prevention and control trust fund and provide money received into the fund is to be used as appropriated by the Legislative Assembly.

Centralized desktop support services - Section 3 amends Section 54-59-22.1(1) to remove the Tobacco Prevention and Control Executive Committee from the list of agencies required to obtain centralized desktop support services from the Information Technology Department.

Tobacco prevention and control program - Section 4 repeals Chapter 23-42 relating to the tobacco prevention and control program to eliminate the Tobacco Prevention and Control Executive Committee.

Effective date - Section 5 provides the Act becomes effective July 1, 2017.

Emergency - Section 6 declares the Act is an emergency measure.

Continuing Appropriations

There are no continuing appropriations for this agency.

Significant Audit Findings

There are no significant audit findings for this agency.

Major Related Legislation

At this time, no major legislation is under consideration affecting this agency

Tobacco Prevention and Control Executive Committee - Budget No. 305
Senate Bill No. 2024
Base Level Funding Changes

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				Senate Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total
2017-19 Biennium Base Level	8.00	\$0	\$16,548,039	\$16,548,039	8.00	\$0	\$16,548,039	\$16,548,039
2017-19 Ongoing Funding Changes								
Base payroll changes				\$0				\$0
Salary increase - Performance				0				0
Health insurance increase				0				0
Removes 8 FTE positions and dissolves the agency	(8.00)		(16,548,039)	(16,548,039)	(8.00)		(16,548,039)	(16,548,039)
Total ongoing funding changes	(8.00)	\$0	(\$16,548,039)	(\$16,548,039)	(8.00)	\$0	(\$16,548,039)	(\$16,548,039)
One-time funding items								
No one-time funding items				\$0				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	(8.00)	\$0	(\$16,548,039)	(\$16,548,039)	(8.00)	\$0	(\$16,548,039)	(\$16,548,039)
2017-19 Total Funding	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0

Other Sections in Tobacco Prevention and Control Executive Committee - Budget No. 305

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)	Senate Version
Signage responsibility of proprietors	Section 2 amends Section 23-12-10.4(2) to provide the owner, operator, manager, or other person in control of a public place or place of employment where smoking is prohibited by Chapter 23-12 may request signage that meets the requirements of the section from the State Department of Health rather than the Tobacco Prevention and Control Advisory Committee.	Section 1 amends Section 23-12-10.4(2) to provide the owner, operator, manager, or other person in control of a public place or place of employment where smoking is prohibited by Chapter 23-12 may request signage that meets the requirements of the section from the State Department of Health rather than the Tobacco Prevention and Control Advisory Committee.
Tobacco prevention and control trust fund	Section 3 amends Section 54-27-25(2) to remove restrictions relating to the administration of the tobacco prevention and control trust fund and provide money received into the fund is to be used for the purposes appropriated.	Section 2 amends Section 54-27-25(2) to remove restrictions relating to the administration of the tobacco prevention and control trust fund and provide money received into the fund is to be used as appropriated by the Legislative Assembly.

Other Sections in Tobacco Prevention and Control Executive Committee - Budget No. 305

**Burgum Executive Budget Recommendation
(Changes to Dalrymple Budget in Bold)**

Senate Version

Centralized desktop support services

Section 4 amends Section 54-59-22.1(1) to remove the Tobacco Prevention and Control Executive Committee from the list of agencies required to obtain centralized desktop support services from the Information Technology Department.

Section 3 amends Section 54-59-22.1(1) to remove the Tobacco Prevention and Control Executive Committee from the list of agencies required to obtain centralized desktop support services from the Information Technology Department.

Tobacco prevention and control program

Section 5 repeals Chapter 23-42 relating to the tobacco prevention and control program to eliminate the Tobacco Prevention and Control Executive Committee.

Section 4 repeals Chapter 23-42 relating to the tobacco prevention and control program to eliminate the Tobacco Prevention and Control Executive Committee.

Effective date

Section 5 provides the Act becomes effective July 1, 2017.

Emergency

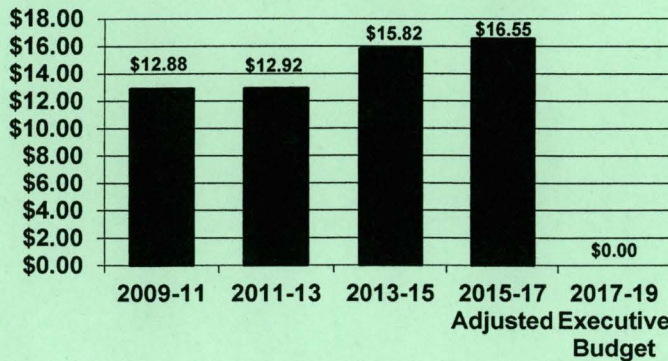
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Department 305 - Tobacco Prevention and Control Executive Committee

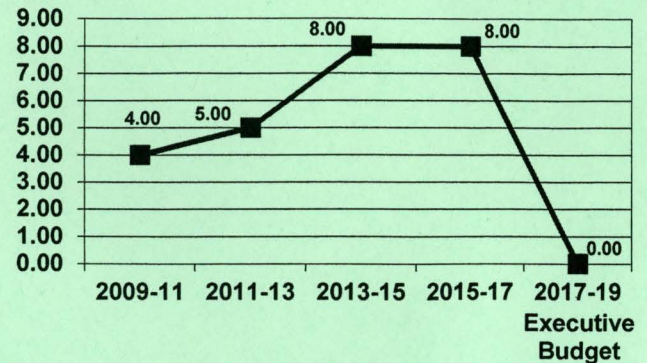
Historical Appropriations Information

Total Other Funds Appropriations Since 2009-11

Agency Funding (in Millions)



FTE Positions



Total Other Funds Appropriations					
	2009-11	2011-13	2013-15	2015-17 Adjusted	2017-19 Dalrymple Executive Budget
Total other funds appropriations	\$12,882,000	\$12,922,614	\$15,815,828	\$16,548,039	\$0
Increase (decrease) from previous biennium	N/A	\$40,614	\$2,893,214	\$732,211	(\$16,548,039)
Percentage increase (decrease) from previous biennium	N/A	0.3%	22.4%	4.6%	(100.0%)
Cumulative percentage increase (decrease) from 2009-11 biennium	N/A	0.3%	22.8%	28.5%	(100.0%)

Major Increases (Decreases) in Total Other Funds Appropriations

2011-13 Biennium

1. Reclassified 1 temporary position, to be determined by the Tobacco Prevention and Control Executive Committee, to an FTE position. \$0

2013-15 Biennium

1. Increased funding for comprehensive tobacco control for signage costs related to House Bill No. 1253 (\$250,000) and grants (\$2,750,000). \$3,000,000
2. Transitioned 3 temporary positions to FTE positions, including 1 FTE field coordinator position, 1 FTE statewide programs manager position, and 1 FTE evaluation program manager position. \$0
3. Reduced temporary salaries. (\$190,876)

2015-17 Biennium

1. Added funding to provide a grant to the State Department of Health to be used for the Centers for Disease Control and Prevention's *Best Practices for Comprehensive Tobacco Control Programs*. \$500,000

2017-19 Biennium (Dalrymple and Burgum Executive Budget Recommendations)

1. Removes funding for 8 FTE positions and dissolves the agency. (\$16,548,039)



North Dakota Tobacco Prevention and Control Executive Committee

Center for Tobacco Prevention and Control Policy

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SB2024
03.08.2017
#1

Testimony
Engrossed Senate Bill 2024
8:30 a.m., March 8, 2017
House Appropriations Human Resources Division
Representative Chet Pollert, Chair

Good morning, Chairman Pollert and members of the House Appropriations Human Resources Division. I am Jeanne Prom, executive director of the North Dakota Center for Tobacco Prevention and Control Policy. The Center, also known as "BreatheND," is the state agency office operated by the N.D. Tobacco Prevention and Control Executive Committee. (The agency is referred to as the Executive Committee, the Center, and its brand, BreatheND.) I am testifying on Engrossed Senate Bill 2024, which, in its original version, provided the appropriation for the N.D. Tobacco Prevention and Control Executive Committee.

This testimony is in support of the Executive Committee administering a fully funded comprehensive statewide tobacco prevention and control program at the level, and with the policy and other approaches, described in *Best Practices for Comprehensive Tobacco Control Programs, 2014*, published by the U.S. Centers for Disease Control and Prevention (CDC Best Practices). Alignment with CDC Best Practices was best reflected in the agency's requested budget. The next best reflection of a CDC Best Practice approach was in the original SB 2024 before it was amended and passed by the Senate.

The Executive Committee requests that the House further amend Engrossed SB 2024 to restore NDCC 23-42, placed into law by the passage of an initiated measure in 2008. The measure created the Executive Committee and the CDC Best Practice comprehensive tobacco prevention program, which has cut high school smoking rates nearly in half in its first 7 years.

As amended and passed by the Senate, Engrossed SB 2024:

- **No section** -- Removes any appropriation for the Executive Committee and its Center. **Requested House action: Restore the appropriation section at the CDC Best Practice level.**
- **Section 1** -- Amends the current smoke-free state law by taking responsibility for providing smoke-free law signs from the Center and instead, giving this duty to the department of health. **Requested House action: Remove this amendment.**
- **Section 2** -- Amends current law on use of tobacco settlement dollars that North Dakota receives from its lawsuit against major tobacco companies (NDCC 54-27-25). Maintains the tobacco control trust fund, but no longer requires the

legislature to appropriate it to the Executive Committee for comprehensive tobacco prevention.

- o Also removes the provision whereby tobacco settlement funds deposited into the water development trust fund could be used if the tobacco prevention and control trust fund did not have adequate dollars to fund a comprehensive tobacco prevention program.

Requested House action: Restore language requiring the Legislature to appropriate funds to the Executive Committee.

- **Section 3** – Amends current law on centralized desktop support services from ITD by removing the Executive Committee from the list of agencies. **Requested House action: Remove this amendment.**
- **Section 4** – Repeals the current law, NDCC 23-42, passed by an initiated measure in 2008, which created the Executive Committee and the comprehensive tobacco prevention program. **Requested House action: Remove this amendment.**
- **Section 5** – Specifies July 1, 2017 as the effective date. **Requested House action: not necessary if other requested amendments are made**
- **Section 6** – Specifies that this is an emergency measure. **Requested House action: not necessary if other requested amendments are made**

Why should the N.D. Legislative Assembly keep the comprehensive CDC Best Practices tobacco prevention program as it is in NDCC 23-42?

- 1) Greater health outcomes, AND outcomes realized in much less time.
 - o Tobacco use will continue to decline faster, and health care cost savings will produce even larger savings in subsequent years with a fully funded comprehensive CDC Best Practice tobacco prevention program than with a program at half strength. **See attachment.**
- 2) Accountability and cost effectiveness
 - o We are beginning to be able to document health care cost savings as the result of this comprehensive program.
 - o In a very short time, this agency has proven to be effective in providing leadership in tobacco prevention and in working closely with state and local grantees to meet and exceed objectives in its shared State Plan.
- 3) We are at a critical crossroads.
 - o We have the tobacco settlement payments resources and the experienced Center staff, statewide grantees, and county-level workforce now in place in every local public health unit to take us to the “end game” – nearly ending tobacco use by youth. If you limit the program now, progress already made will be at risk of eroding. The experienced state and local staff don’t just say we can do this work, *we have done this work and achieved greater outcomes in less time than before.*
 - o Let’s not go back to a less than comprehensive program: Before the comprehensive program, youth tobacco use rate declines had leveled off and were inching upward.

Background

The Executive Committee is responsible for the comprehensive tobacco control program in North Dakota (North Dakota Century Code §23.42.01 through §23.42.08, and §54.27.25). This law requires that a small portion of the money

North Dakota receives from the Master Settlement Agreement with tobacco companies ("tobacco settlement"), be:

- placed in the Tobacco Prevention and Control Trust Fund, to be
- used for a comprehensive tobacco prevention program that is
- funded at the state level recommended by the U.S. Centers for Disease Control and Prevention (CDC) in *Best Practices for Comprehensive Tobacco Control Programs*. **See attachment.**

The law also:

- Requires that the agency's comprehensive work must be described in a State Plan that outlines how the agency will significantly reduce tobacco use at an accelerated rate using CDC Best Practices.
- Created the Tobacco Prevention and Control Advisory Committee, a nine-member board appointed by the Governor. The board elects three of its members to the N.D. Tobacco Prevention and Control Executive Committee. The Advisory Committee is responsible for developing the comprehensive statewide plan to prevent and reduce tobacco use. The Executive Committee is charged with implementing, administering and evaluating the plan, which includes establishing and staffing the agency and expending funds appropriated by the Legislative Assembly.

About 75 percent of the comprehensive program is administered and funded by the Executive Committee. The Executive Committee has resources to administer and fund all of the program if necessary. However, because the N.D. Department of Health receives a federal grant and some tobacco settlement dollars for tobacco control, the health department is able to fund and administer about one-fourth of the program.

Key points

- The Executive Committee is funded entirely by a legislative appropriation from special funds in the Tobacco Prevention and Control Trust Fund.
- All trust funds are from a small portion of the tobacco settlement.
- The agency receives no state general funds, federal funds, or other tax dollars.
- The agency's sole source of funding is the Tobacco Prevention and Control Trust Fund. The fund will begin deficit spending in May 2017, after receiving its last deposit in April 2017.
- Based on legislative appropriations and expenditures from FY2010 through FY2017, the trust fund balance that is "in the bank" this year (about \$56 million) will be enough to sustain the Center for 7 more years, without any need for any state general funds.
- 2017 legislative actions redirect nearly half of the approximately \$56 million in the Tobacco Prevention and Control Trust Fund to the departments of human services and health to fund ongoing programs next biennium.
- The agency is small – 8.0 FTE, with a fulltime temporary position requested to be permanent.
- The agency has a single focus – reducing tobacco use, especially through prevention, at an accelerated rate.

See attachments – tobacco settlement trust funds.

Requested information

2013-15 audit findings

- The N.D. Office of the State Auditor conducted its biennial audit of the agency for the 2013-15 biennium and had no formal recommendations. The agency updated its policy to further clarify the duties and quantify the number of hours the committee members must work to be reimbursed for a full day, in response to one informal recommendation.

2013-15 and 2015-17

Major ongoing funding increases or decreases approved by Legislative Assemblies

- 2013-15 – Increases: an additional \$2,249,832 for grants to local public health units; \$250,000 for smoke-free signage required by 2013 HB 1253; and \$299,799 in salaries and benefits; and an additional 3.0 FTE.
- 2015-17 – Increases: \$500,000 grant to N.D. Department of Health for promoting cessation.

2015-17 – original budget and budget after the August 2016 special session – page 5, column 1

NOTE: SB 2379 passed by the Legislative Assembly in Special Session on August 4, 2016, did not include any reductions in funding for this agency, as this agency does not receive any state general funds.

NOTE: The agency budget contains no one-time funding or federal funding.

2017-19

- 90% of August 2016 budget – **page 5, column 7**
NOTE: The guidelines from the Office of Management and Budget issued to our agency on June 8, 2016 stated: “Your agency’s special fund request amount is not limited with the exception of dollars related to new FTE. However, we hope you will take this opportunity to examine your level of spending in all areas to ensure the most efficient operation and most effective use of resources from all funding sources.” The agency submitted a budget which was estimated at about 90% of the CDC Best Practices recommended budget, based on estimates in 2015 – **page 5, column 6**. The agency also provided the Senate with a budget based on 90% of the agency’s current budget -- **page 5, column 7**.
- Both governors’ recommended budget changes, and Senate changes to budget – **page 6, column 4**

	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]
	2015-17 Budget & S.B. 2024 Original	2017-2019 Budget Request Totals	2017-2019 Budget Request Increase (Decrease)	2017-2019 Percent Increase (Decrease)	2017-2019 Percent of Total Budget	2017-2019 90% of Budget Request	2015-2017 90% of Current Budget	2017-2019 Proposed Senate Amendment Did not Pass
SALARIES AND WAGES								
SALARIES - PERMANENT (8 FTE) (9 FTE Optional)	1,329,524.00	1,367,836.00	38,312.00	2.9%	7.5%	1,231,052.40	1,276,570.00	\$ 1,367,836.00
TEMPORARY SALARIES	199,971.00	205,424.00	5,453.00	2.7%	1.1%	184,881.60	191,697.00	\$ 205,424.00
FRINGE BENEFITS	532,119.00	535,652.00	3,533.00	0.7%	2.9%	482,086.80	510,607.00	\$ 535,652.00
TOTAL SALARIES AND WAGES	\$ 2,061,614.00	\$ 2,108,912.00	\$ 47,298.00	2.3%	11.55%	1,898,020.80	1,978,874.00	\$ 2,108,912.00
OPERATING EXPENSES								
TRAVEL	83,180.00	83,180.00	-	0.0%	0.5%	74,862.00	83,180.00	\$ 83,180.00
SUPPLIES - IT SOFTWARE	4,500.00	4,500.00	-	0.0%	0.0%	4,050.00	4,500.00	\$ 4,500.00
SUPPLY/MATERIAL -PROFESSIONAL	9,179.00	5,354.00	(3,825.00)	-41.7%	0.0%	4,818.60	9,179.00	\$ 5,354.00
BUILDING/VEHICLE MAINTENANCE	200.00	200.00	-	0.0%	0.0%	180.00	200.00	\$ 200.00
OFFICE SUPPLIES	19,000.00	14,214.00	(4,786.00)	-25.2%	0.1%	12,792.60	19,000.00	\$ 14,214.00
POSTAGE	10,736.00	11,810.00	1,074.00	10.0%	0.1%	10,629.00	10,736.00	\$ 11,810.00
PRINTING	27,500.00	28,000.00	500.00	1.8%	0.2%	25,200.00	27,500.00	\$ 28,000.00
IT EQUIPMENT UNDER \$5,000	126.00	-	(126.00)	-100.0%	0.0%	-	126.00	\$ -
OFFICE EQUIP AND FURNITURE SUPPLIES	5,000.00	5,000.00	-	0.0%	0.0%	4,500.00	5,000.00	\$ 5,000.00
INSURANCE	6,315.00	6,000.00	(315.00)	-5.0%	0.0%	5,400.00	6,315.00	\$ 6,000.00
RENTALS/EQUIPMENT	1,000.00	1,000.00	-	0.0%	0.0%	900.00	1,000.00	\$ 1,000.00
RENTALS/LEASES-BLDG/LAND	108,000.00	119,400.00	11,400.00	10.6%	0.7%	107,460.00	108,000.00	\$ 119,400.00
REPAIRS	8,500.00	5,000.00	(3,500.00)	-41.2%	0.0%	4,500.00	8,500.00	\$ 5,000.00
IT-DATA PROCESSING	99,051.00	120,051.00	21,000.00	21.2%	0.7%	108,045.90	99,051.00	\$ 120,051.00
IT-COMMUNICATIONS	25,000.00	25,000.00	-	0.0%	0.1%	22,500.00	25,000.00	\$ 25,000.00
IT-CONTRACTUAL SERVICES AND REPAIR	272,500.00	200,000.00	(72,500.00)	-26.6%	1.1%	180,000.00	272,500.00	\$ 200,000.00
PROFESSIONAL DEVELOPMENT	43,332.00	43,301.00	(31.00)	-0.1%	0.2%	38,970.90	43,332.00	\$ 43,301.00
OPERATING FEES	114,336.00	68,670.00	(45,666.00)	-39.9%	0.4%	61,803.00	114,336.00	\$ 68,670.00
PROFESSIONAL FEES AND SERVICES	3,782,305.00	4,278,493.00	496,188.00	13.1%	23.4%	3,850,643.70	3,021,095.00	\$ 6,678,493.00
TOTAL OPERATING EXPENSES	\$ 4,619,760.00	\$ 5,019,173.00	\$ 399,413.00	8.6%	27.5%	4,517,255.70	3,858,550.00	\$ 7,419,173.00
GRANTS								
TOTAL GRANTS	\$ 9,866,665.00	\$ 11,126,838.00	\$ 1,260,173.00	12.8%	61.0%	\$ 10,014,154.20	9,055,811.00	\$ 11,926,838.00
TOTAL EXPENDITURES	\$ 16,548,039.00	\$ 18,254,923.00	\$ 1,706,884.00	10.3%	100.00%	16,429,430.70	14,893,235.00	\$ 21,454,923.00

\$3,200,000 from Tobacco Prevention & Control Trust Fund vs. Community Health Trust Fund allocated in these areas

Column #7 (90% of current Budget) the following categories were adjusted:

Salaries & Benefits	(82,740.00)
Professional Services	(761,210.00)
Grants	(810,854.00)
	<u>(1,654,804.00)</u>

H:17 Budgets 2017-2019 Budget Projected Spending

	[1]	[2]	[2a]	[2b]	[3]	[4]	
	Total Budget	Spending to Date 1/31/2017	Projected Spending 15/17	(Over Budget) Under Budget	S.B. 2024 Original	S.B. 2024 Engrossed	
8 FTE (9 FTE Optional)							
Expenditures							
510000	Salaries and Benefits						
511000	Salaries - Permanent	1,329,524.00	1,037,953.81	1,311,099.55	18,424.45	1,329,524.00	0.00
513000	Temporary Salaries	192,771.00	147,325.99	186,095.99	6,675.01	192,771.00	0.00
514005	Overtime	7,200.00	6,717.89	8,485.76	(1,285.76)	7,200.00	0.00
516000	Fringe Benefits	532,119.00	415,734.21	525,137.95	6,981.05	532,119.00	0.00
510000	Salaries and Benefits	2,061,614.00	1,607,731.90	2,030,819.24	30,794.76	2,061,614.00	0.00
520000 Operating Expenses							
521000	Travel	83,180.00	53,124.81	70,833.08	12,346.92	83,180.00	0.00
531000	Supplies - IT Software	4,500.00	1,685.94	2,247.92	2,252.08	4,500.00	0.00
532000	Supply/Material - Professional	9,179.00	4,922.48	6,563.31	2,615.69	9,179.00	0.00
533030	Groceries		-		-		0.00
534000	Bldgs., Grounds, Vehicle Supply	200.00	201.22	268.29	(68.29)	200.00	0.00
535000	Miscellaneous Supplies		-		-		0.00
536000	Office Supplies	19,000.00	6,355.65	8,474.20	10,525.80	19,000.00	0.00
541000	Postage	10,736.00	8,551.05	11,401.40	(665.40)	10,736.00	0.00
542000	Printing	27,500.00	16,708.55	22,278.07	5,221.93	27,500.00	0.00
551000	IT Equipment under \$5,000	0.00	-		-	0.00	0.00
552000	Other Equip under \$5,000	127.00	-		127.00	127.00	0.00
553000	Office Equip & Furniture-Under	5,000.00	-		5,000.00	5,000.00	0.00
571000	Insurance	6,315.00	4,072.01	5,429.35	885.65	6,315.00	0.00
581000	Rentals/Leases-Equipment&Other	1,000.00			1,000.00	1,000.00	0.00
582000	Rentals/Leases - Bldg/Land	108,000.00	91,024.35	121,365.80	(13,365.80)	108,000.00	0.00
591000	Repairs	8,500.00	1,636.46	2,181.95	6,318.05	8,500.00	0.00
601000	IT - Data Processing	99,051.00	58,694.37	78,259.16	20,791.84	99,051.00	0.00
602000	IT - Communications	25,000.00	14,995.72	19,994.29	5,005.71	25,000.00	0.00
603000	IT Contractual Services and Re	272,500.00	257,278.11	343,037.48	(70,537.48)	272,500.00	0.00
611000	Professional Development	43,331.00	36,910.31	49,213.75	(5,882.75)	43,331.00	0.00
621000	Operating Fees and Services	114,336.00	61,629.13	82,172.17	32,163.83	114,336.00	0.00
623000	Professional Fees and Services	3,782,305.00	2,060,542.53	2,747,390.04	1,034,914.96	3,782,305.00	0.00
520000	Operating Expenses	4,619,760.00	2,678,332.69	3,571,110.25	1,048,649.75	4,619,760.00	0.00
693000	IT Equip / Software Over \$5000	0.00	0.00				
681000	Capital Assets						
712000	Grants, Benefits & Claims	9,866,665.00	7,477,007.33	9,866,665.00	-	9,866,665.00	0.00
Total	Expenditures	16,548,039.00	11,763,071.92	15,468,594.50	1,079,444.50	16,548,039.00	0.00
Expenditures by Source							
Total	General Fund Expenditures	0.00	0.00			0.00	0.00
Total	Federal Fund Expenditures	0.00	0.00			0.00	0.00
Total	Special Fund Expenditures	16,548,039.00	11,763,071.92	15,468,594.50	1,079,444.50	16,548,039.00	0.00
Total Expenditures by Source		16,548,039.00	11,763,071.92	15,468,594.50	1,079,444.50	16,548,039.00	0.00

Tobacco Prevention and Control Trust Fund Status Statement

	2013-15	2015-17		2017-19
	Actual ¹¹	Legislative Appropriation	Revised Estimate	Executive Budget
Beginning Balance	\$40,654,657	\$49,748,321	\$49,748,321 ¹²	\$56,304,520
Revenue:				
Fiscal Year 1 Payments	\$11,392,521	\$11,304,243	11,480,889 ¹³	0
Fiscal Year 2 Payments	11,402,609	11,304,243	11,480,889 ¹⁴	0
Investment Income	43,462	56,521	142,460	142,460
Total Revenue	<u>\$22,838,592</u>	<u>\$22,665,007</u>	<u>\$23,104,238</u>	<u>\$142,460</u>
Expenditures:				
Tobacco Center - Appropriated Expenditures	(\$13,744,928)	(\$16,548,039)	(\$16,548,039)	\$0 ¹⁵
<i>Department of Health:</i>				
Local Public Health Units				(4,000,000)
Cancer Programs				(744,804)
Stroke and Cardiac Care				(756,418)
Physician Loan Repayment				(480,000)
Behavioral Health Loan Repayment				(243,640)
Tobacco Program Grant				(500,000)
<i>Department of Human Services:</i>				
Medicaid Grants				(15,000,000)
Opioid Treatment				(1,799,076)
Total Expenditures	<u>(\$13,744,928)</u>	<u>(\$16,548,039)</u>	<u>(\$16,548,039)</u>	<u>(\$23,523,938)</u>
Ending Balance	\$49,748,321	\$55,865,289	\$56,304,520	\$32,923,042

¹¹ Final revenue and expenditures per state accounting system reports dated June 30, 2015.

¹² Actual July 1, 2015 balance.

¹³ Actual revenue received during fiscal year 2016.

¹⁴ Estimated revenues based on fiscal year 2016 actual amount.

¹⁵ Proposed that North Dakota Century Code 23-42 is repealed which dissolves the Tobacco Prevention and Control agency.

Notes:

In November 2008, voters approved Measure No. 3, which created a tobacco prevention and control trust fund. All tobacco settlement strategic contribution fund payments received by the state will be deposited in the fund. After 2017, no additional strategic contribution fund payments are anticipated.

House Bill 1015 (2009), based on the intent of Measure No. 3, created the Tobacco Prevention and Control Committee as a state agency. Section 35, appropriates funding for the 2009-11 biennium. Section 36, provides retroactive funding for expenditures that occurred during the period of January 1, 2009, through June 30, 2009. Section 39 changes language in the measure concerning the ability to spend funding from the water development trust fund. The legislature required that water development trust fund moneys may only be spent pursuant to legislative appropriation.

TOBACCO PREVENTION and CONTROL TRUST FUND - 2017-2019

As of February 17, 2017

Beginning Balance	\$ 56,304,520
Investment Income	142,460
 Expenditures	
Center for Tobacco Prevention and Control	\$0.00
DOH:	
Tobacco Control (\$5,500,000 LPHUs, \$500,000 DOH, 1.0 FTE, Other)	\$ 6,953,333 *
Local Public Health Unit State Aid	2,000,000 *
Cancer Programs	644,804
Stroke & Cardiac Care	756,418
Physician Loan Repayment	480,000
Behavior Health Loan Repayment	243,640
	<hr/>
	\$ 11,078,195
DHS:	
Medicaid Grants	15,000,000
Opioid Treatment	1,000,000 **
	<hr/>
	16,000,000
	<hr/>
Total Expenditures	\$ 27,078,195
	<hr/>
Ending Balance	<u><u>\$ 29,368,785</u></u>

Differences from Burgum Budget

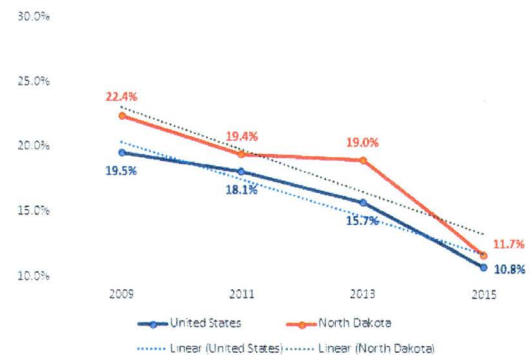
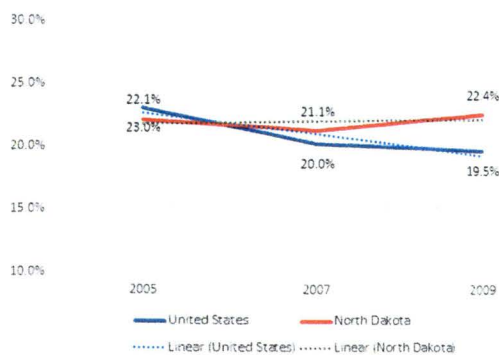
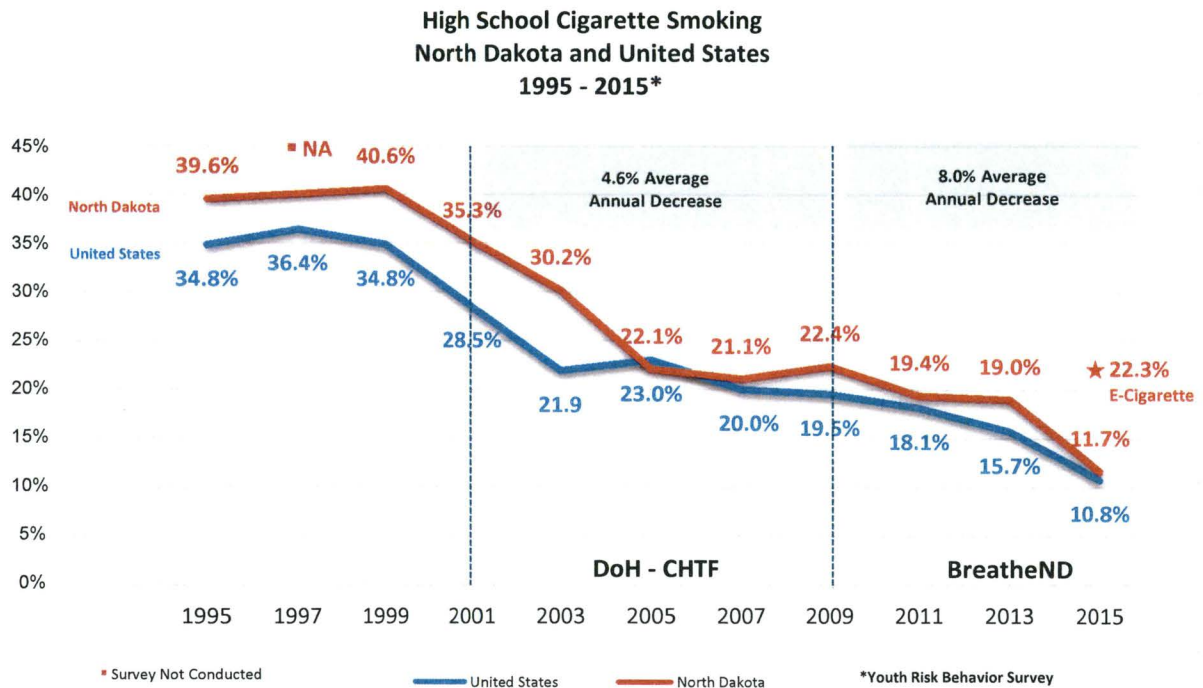
* Senate Amendments to SB 2004 - DOH Budget

** House Amendments to HB 1012 - DHS Budget

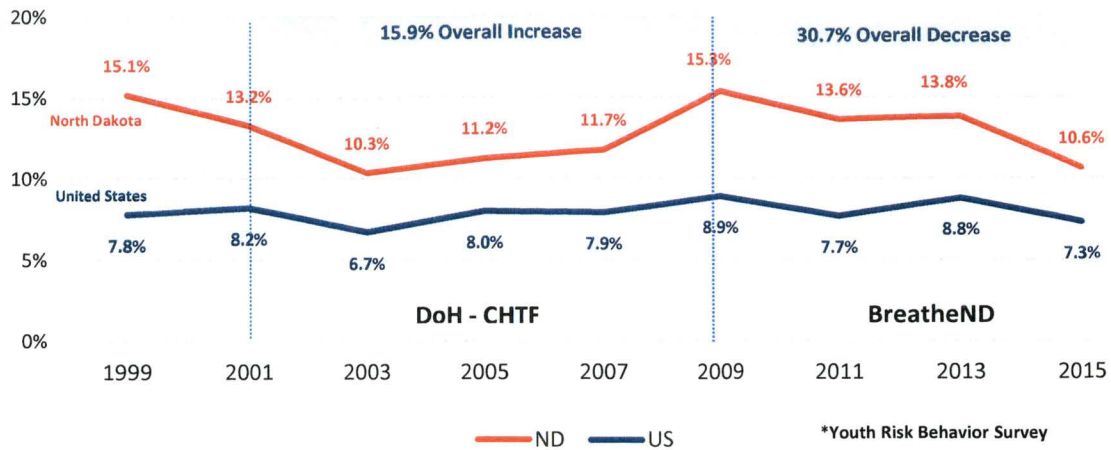
BreatheND Major Accomplishments thus far in 2015-17

Goal 1 – Prevent initiation of tobacco use among youth and young adults

- 1) Smoking by N.D. high school students decreased from 19% in 2013 to 11.7% in 2015 (2013 & 2015 N.D. Youth Risk Behavior Survey, N.D. Department of Public Instruction).

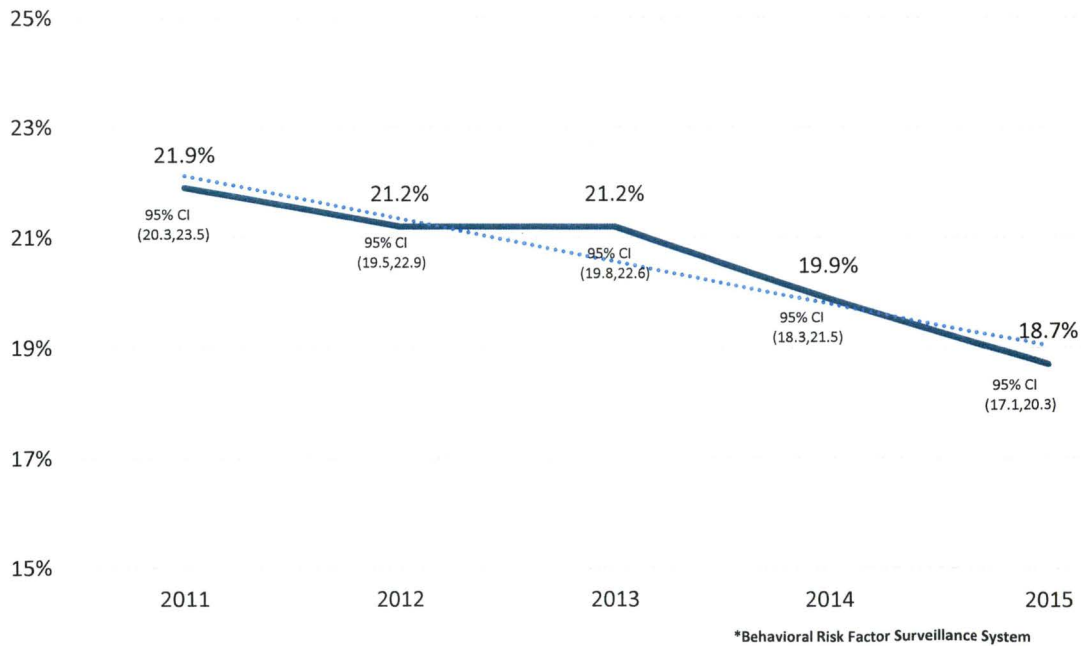


High School Smokeless Tobacco Use North Dakota and United States 1999 -2015*



- 2) Smokeless tobacco use by N.D. high school students decreased from 13.8% in 2013 to 10.6% in 2015 (2013 & 2015 N.D. Youth Risk Behavior Survey, N.D. Department of Public Instruction).

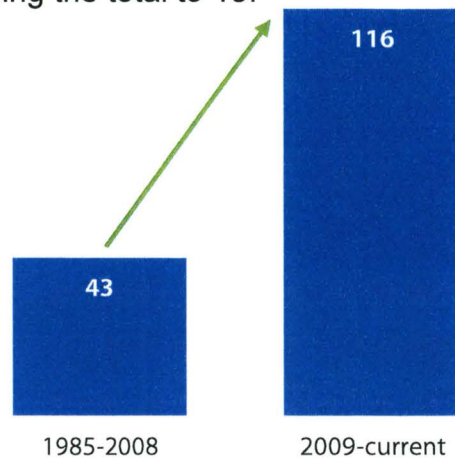
Adult Smoking in North Dakota 2011 - 2015*



- 3) In response to the emerging epidemic of e-cigarette use by N.D. high school students, BreatheND conducted a statewide public information campaign on the new e-cigarette youth protection law when it took effect in FY2016. This included statewide paid media, news in N.D. retailers' newsletter, mailing with signs to all N.D. retailers, and detailed online information.
- 4) Local public health units worked with 23 Local Education Agencies (LEAs) that adopted comprehensive tobacco-free school policies. Statewide, 70% of LEAs and 70% of the student population is covered by comprehensive policies. Four local public health units reported that 100% of LEAs in their areas were now covered by comprehensive policies, bringing the total to 116.

Number of LEAs with comprehensive tobacco-free policies has **increased by 169% since BreatheND began.**

87,920 North Dakota students in pre-K through 12th grade are **learning in tobacco-free environments.**



Accomplished in:

23 years

7 years with BreatheND

Goal 2 – Eliminate exposure to secondhand smoke

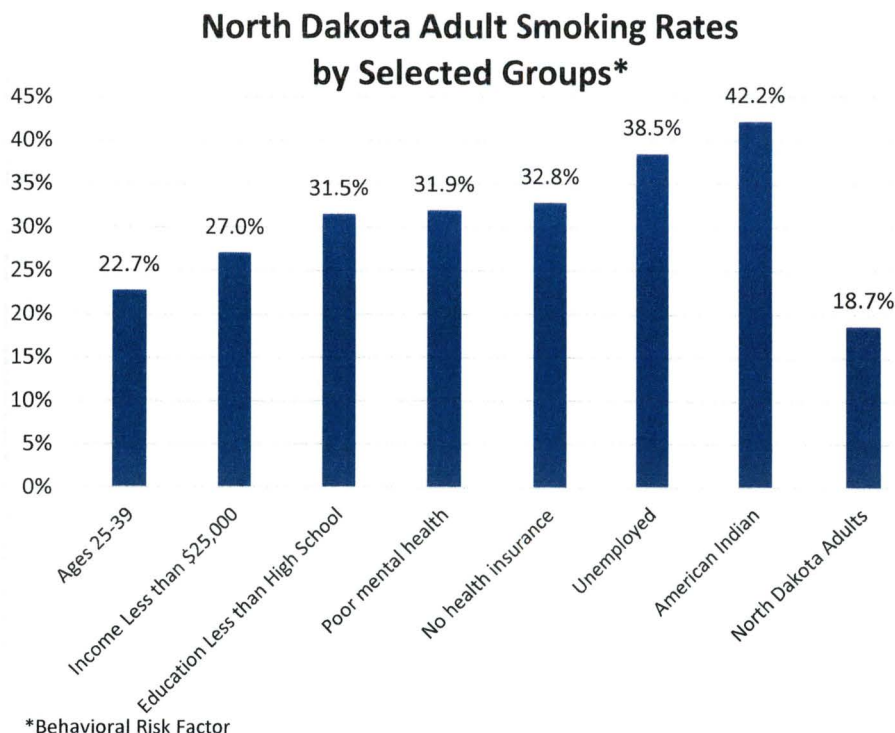
- 5) The agency worked with local public health units to enhance compliance with the N.D. State Smoke-free Law. Local public health units visited 1,684 businesses. The agency distributed 33,229 free signs (NDCC 23-12-09 through 23-12-11 and NDCC 23-42-04).
- 6) Local public health units reported 127 privately owned multi-unit housing buildings with a total of 2,296 units had smoke-free policies in place. Fourteen public housing buildings with 336 units became smoke-free.
- 7) Seventeen tobacco-free grounds policies were enacted.

Goal 3 – Promote quitting tobacco use

- 8) In response to the need to reach populations with high smoking rates, BreatheND provided a \$500,000 grant to N.D. Department of Health to promote cessation among pregnant women and American Indians through NDQuits.
- 9) BreatheND funded N.D. State University to conduct and study education of chiropractors to identify clients who use tobacco and refer to NDQuits.
- 10) BreatheND grants to local public health units resulted in up to 9,410 persons referred to NDQuits (soft and hard referral).

Goal 4 – Build capacity and infrastructure

- 11) BreatheND provided more than half of the agency budget, or a total of \$8,025,491 to all 28 local public health units reaching every county. Local public health units were able to pay for up to 32 local FTEs to coordinate tobacco use prevention activities.
- 12) Staff managed 3 grant programs and supported up to 63 annual grant awards (about 125 grants/biennium), granting 100% of the grant line (\$9,866,665), to all local public health units and 4 statewide organizations (nearly 60 percent of the total agency budget).
- 13) Staff managed 9 professional service contracts totaling \$3,658,453 to provide the following statewide services: public education through statewide health communications; comprehensive evaluation and program impact studies to increase effectiveness; technical assistance and training to improve outcomes; and grant reporting systems to enhance accountability.
- 14) Increased the tobacco state aid grants program in local public health units from \$941,081 in FY2015 to \$1,056,498 in FY2016 and \$1,021,424 in FY2017, to be consistent with CDC Best Practices and streamline local grant reporting.
- 15) A majority or near majority of residents seeing BreatheND's public education campaigns reported gaining new information from the ads, and those who saw ads had significantly more awareness of the harms caused by tobacco. Even BreatheND ads not about quitting were effective in motivating smokers to quit. (Professional Data Analysts, 2015)
- 16) Nearly three-fourths (73%) of N.D. adults were concerned about tobacco use in the state, and 78% think that reducing the number of people who smoke should be a priority for North Dakota. (Professional Data Analysts, 2015)



North Dakota's Statewide Clean Indoor Air Law Prohibits Conventional Tobacco Products and E-Cigarettes

In November 2012, North Dakota achieved a remarkable victory for statewide clean indoor air (BreatheND n.d.a.) despite major obstacles, including a harsh winter climate, an adult smoking rate of 21.9% (CDC 2013), and several prior failed legislative attempts to close exemptions in the state's 2005 clean indoor air law (CDC 2014). Despite these impediments, two-thirds of the state voted to prohibit both the smoking of conventional tobacco products and use of e-cigarettes in all non-hospitality workplaces; restaurants; bars; hotel guest rooms and communal areas; health care facilities; assisted living facilities; all licensed child and adult day care facilities; gaming facilities; indoor areas of sports arenas; and within 20 feet of entrances, exits, operable windows, air intakes, and ventilation systems of enclosed areas where smoking is not allowed (BreatheND n.d.b.). Additionally, the law provided no exemptions for tobacco-only retail or "vape shops" (Americans for Nonsmokers' Rights Foundation 2015, n.d.).

The 2012 ballot initiative on statewide clean indoor air resulted from the lack of progress in working with the legislature to try to close smoking exemptions in the state law. The initiative's sponsors, Tobacco Free North Dakota and the American Lung Association in North Dakota, worked closely with the Tobacco Control Legal Consortium to draft policy language, which included prohibiting the use of e-cigarettes anywhere smoking was prohibited. The sponsors approached stakeholders and assessed public support. Little opposition was encountered to prohibiting the use of e-cigarettes indoors. In addition to the sponsors' efforts, the North Dakota Center for Tobacco Prevention and Control Policy conducted a media campaign and worked with local partners to educate their communities, resulting in 11 smokefree ordinances prior to the issuing of the statewide ballot initiative. The landslide victory (66% vs. 33%) in favor of clean indoor air, with the initiative successfully carried in every one of North Dakota's 53 counties, demonstrated widespread public support for clean indoor air (Ballotpedia 2012).

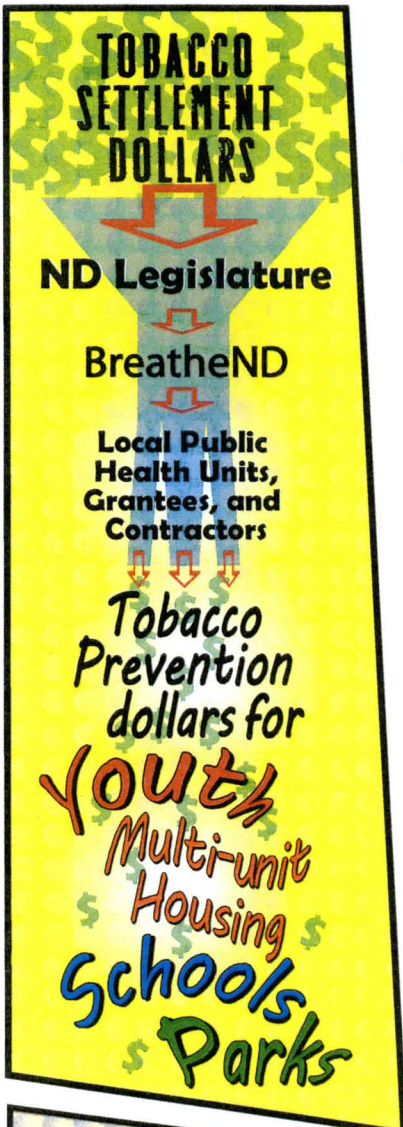
Only a few years later, the law continues to enjoy strong public support from nonsmokers (84.4%) and smokers (58%) alike. Compliance with the law is comparable to cigarette smoking; just 16.8% of North Dakotans reported having observed smoking indoors in areas where it was prohibited, and 23.2% reported having seen e-cigarettes used indoors in such places. Local enforcement personnel confirm a high level of compliance, reporting violations primarily related to smoking within 20 feet of entrances. To date, the only prosecuted violation of the law involved the sampling of an e-cigarette product inside a "vape shop" (BreatheND 2014). In hindsight, the decision to include e-cigarettes in North Dakota's smokefree law was helpful, given increasing concerns about involuntary exposure to nicotine and other aerosolized e-cigarette emissions.

E-Cigarette Use Among Youth and Young Adults

A Report of the Surgeon General



U.S. Department of Health and Human Services



Youth Smoking Rates Drop from 22.4% to 11.7%

The drop in North Dakota's high school smoking rate to 11.7% is a significant achievement and it shows that North Dakota's comprehensive tobacco prevention efforts are working.

This work in every county and outreach to every school district is possible because in 2008, North Dakota voters passed a comprehensive tobacco prevention package. The package includes a new agency, the North Dakota Center for Tobacco Prevention and Control, which was created as BreatheND. BreatheND has money from the tobacco settlement program to fund prevention efforts in schools, parks and businesses.

Keep Tobacco Settlement **DOLLARS** for Tobacco Prevention

In 2008, **North Dakotans voted** to use **Tobacco Settlement dollars** for tobacco prevention to significantly reduce tobacco use.

Annual Costs of tobacco use in North Dakota:

- \$326 million** annual ND health care costs directly caused by smoking
- \$56.9 million** annual ND Medicaid costs caused by smoking
- 1,000 adult lives** ND adults who die each year from their own smoking
- 300 kids** (under 18) who become new daily smokers each year

www.tobaccofreekids.org/facts_issues/toll_us/north_dakota

Only a small part – just over 20% – of North Dakota's tobacco settlement is invested in tobacco prevention. But what a payoff. High school smoking has been cut almost in half! Still, new products like e-cigarettes, and millions spent to promote tobacco products, threaten our kids. The N.D. Center for Tobacco Prevention and Control Policy (BreatheND) can use the balance of its trust fund for another 7 years to further cut youth smoking, e-cigarette, and other tobacco use to the low single digits! BreatheND and its trust fund put this goal within our reach.

22.3%

of high school students use **e-cigarettes**

2005-2015 Youth Risk Behavior Survey

Annual marketing expenses in North Dakota:

\$34.1 million Tobacco Industry Marketing

\$ 1.4 million North Dakota Tobacco Prevention Education



Federal Trade Commission (FTC) Cigarette and Smokeless Tobacco Reports for 2013 published in 2016

90% of North Dakotans agree that keeping youth smoke-free should be a priority for North Dakota

Independent Evaluation: Professional Data Analysts (PDA) 2016 Survey



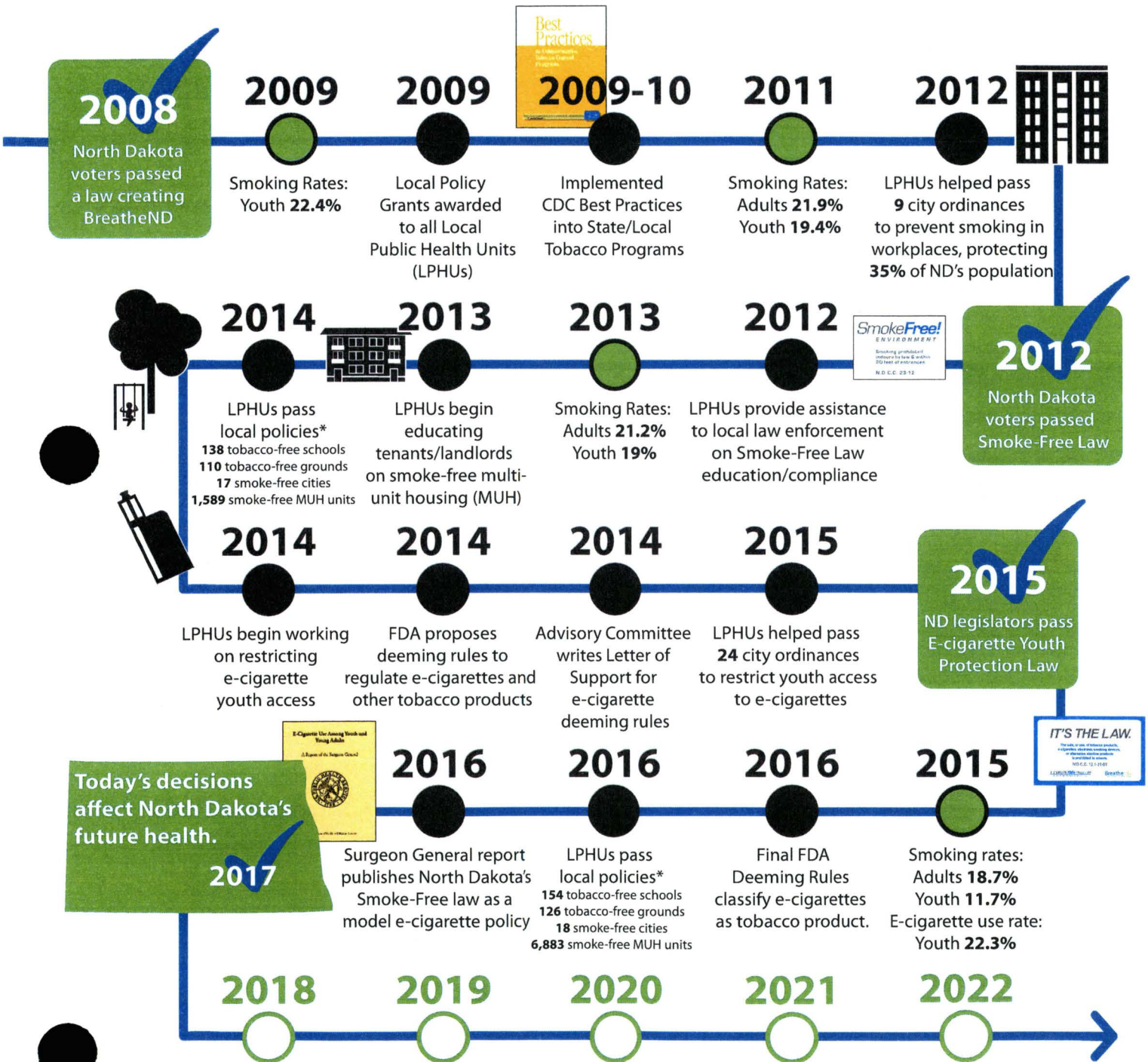
Public Health
Prevent. Promote. Protect.

BreatheND
Saving lives, saving money. The voice of the people.

An initiated measure approved by North Dakota voters provides funding to North Dakota health units to diminish the toll of tobacco in our state by addressing the number one preventable cause of death and disease: tobacco use.

ND's Comprehensive Tobacco Prevention Plan: Saving Lives, Saving Money

uses tobacco settlement dollars for tobacco prevention.



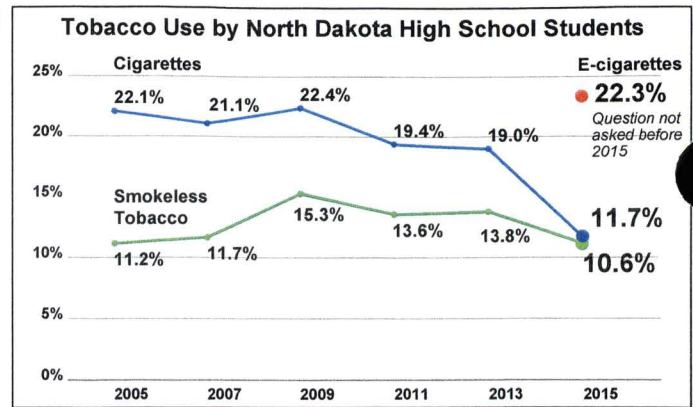
North Dakota's comprehensive tobacco prevention plan: Saving Lives, Saving Money

Goal 1: Prevent the Initiation of Tobacco Use Among Youth and Young Adults

Goal 2: Eliminate Exposure to Secondhand Smoke

Goal 3: Promote Quitting Tobacco Use

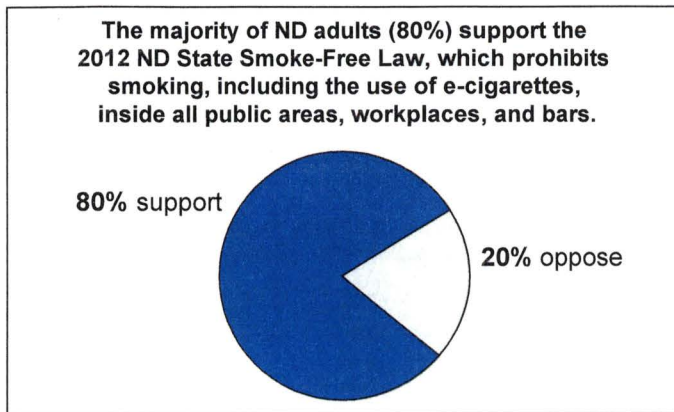
Goal 4: Build Capacity and Infrastructure to Implement a Comprehensive Evidence-Based Tobacco Prevention and Control Program



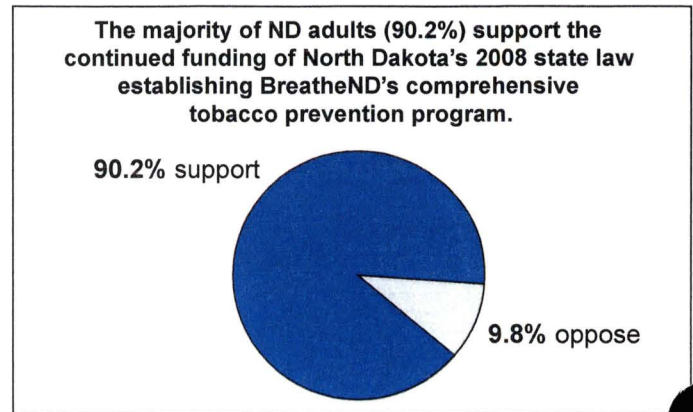
Source: 2005 - 2015 Youth Risk Behavior Survey

"...the tobacco industry aggressively markets and promotes lethal and addictive products, and continues to recruit youth and young adults as new consumers of these products."

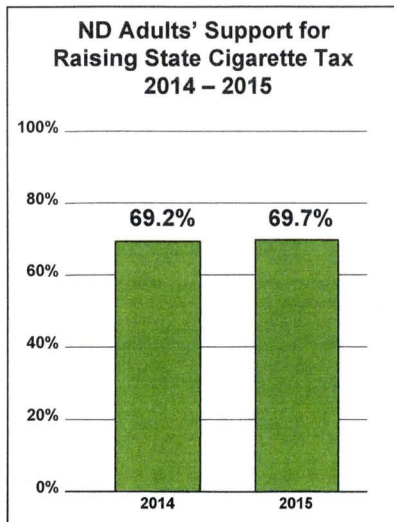
A Report of the Surgeon General, 2014



Source: Support for 2012 State Law, ND Public Opinion Survey, 2015



Source: Support for Measure 3, ND Public Opinion Survey, 2015



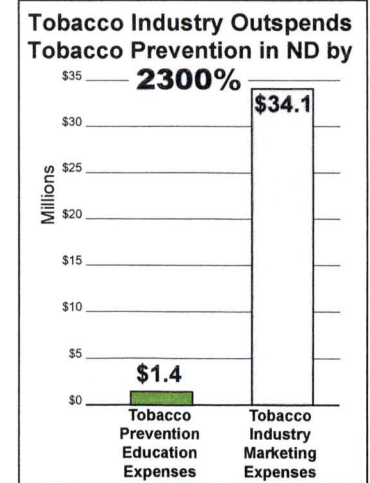
Source: ND Public Opinion Survey, 2014, 2015

Time-limited Trust Fund

Payments from the tobacco settlement's Strategic Contribution Fund end in 2017.

This final payment to the BreatheND trust fund will be made in 2017. A balance of about \$54 million will be used to fund comprehensive tobacco prevention at BreatheND for an estimated **seven** years beyond 2017.

Tobacco Settlement Dollars for Tobacco Prevention



Source: Federal Trade Commission (FTC) Cigarette and Smokeless Tobacco Reports for 2013 published in 2016

North Dakota uses tobacco settlement dollars for tobacco prevention: The state's comprehensive tobacco prevention plan, Saving Lives, Saving Money, is based on proven Best Practices established by the Centers for Disease Control and Prevention. The North Dakota Center for Tobacco Prevention and Control Policy (BreatheND), along with its local public health partners work hard to educate and pass effective policies and interventions within their communities to prevent tobacco use among our kids.

* Policies passed/verified from FY2009 through FY2016 include the following: **154** Tobacco-free schools, protecting 67% of all students, **126** Tobacco-free grounds, including parks, medical, dental, chiropractic, pharmacy, optometric, hospital, long-term care, ambulance services, Grand Forks Air Force Base treatment facility, physical therapy, etc., **18** Smoke-free cities, with **7** cities passing ordinances stronger than the state law, Smoke-free Multi-unit Housing buildings (**6,883** units) agreed to make properties smoke free to further protect our kids and adults from secondhand smoke.

Our efforts are paying off. Youth smoking rates dropped from **22.4% in 2009 to 11.7% in 2015**. Adult smoking rates dropped from **21.9% in 2011 to 18.7% in 2015**. However, there is more work to be done: youth e-cigarette use rates are at 22.3% among our high school kids, and the tobacco industry continues to target our youth with new products to hook them to a lifetime addiction to nicotine.

How North Dakota Distributes their Tobacco Settlement Dollars

for water, schools, health, and tobacco prevention

Tobacco Settlement (Master Settlement Agreement - MSA) payments to ND (actual/estimated)

ND State Biennium	100% of the Annual Tobacco Settlement Payments PLUS the Strategic Contribution Fund	Annual Tobacco Settlement Payments			Strategic Contribution Fund Tobacco Prevention & Control Trust Fund (BreatheND)
		45% Water Development Trust Fund	45% Common Schools Trust Fund	10% Community Health Trust Fund (ND Health Department)	
1999-2001	\$ 52.9	\$ 23.8	\$ 23.8	\$ 5.3	
2001-2003	53.5	24.1	24.1	5.3	
2003-2005	46.2	20.8	20.8	4.6	
2005-2007	43.7	19.7	19.7	4.3	
2007-2009	75.6	27.7 ¹	27.7 ¹	6.1 ^{1,2}	\$14.1 ³
2009-2011	64.0	18.2	18.2	4.1	23.5 ³
2011-2013	63.0	18.1	18.1	4.0	22.8 ³
2013-2015	64.6	19.0	19.0	4.2	22.4 ³
2015-2017	63.0	18.1	18.1	4.0	22.8 ³
Subtotal	\$526.5	\$189.5	\$189.5	\$41.9	Total \$105.6
2017-2019	52.5	23.6	23.6	5.3	
2019-2021	52.5	23.6	23.6	5.3	
2021-2023	52.5	23.6	23.6	5.3	
2023-2025	52.5	23.6	23.6	5.3	
2025-perpetuity (no end date)	52.5/ per year	23.6/ per year	23.6/ per year	5.3/ per year	
Subtotal Annual Tobacco Settlement payments continue for perpetuity	\$789.0	\$307.5	\$307.5	\$68.4	

- 1 First of ten payments from the Strategic Contribution Fund was disbursed 45-45-10 to water, schools and health trust funds.
- 2 From 2008 forward, 80% of the Community Health Trust Fund must be used for tobacco prevention and control.
- 3 Nine of ten Strategic Contribution Fund payments will be deposited in the Tobacco Prevention and Control Trust Fund for a comprehensive tobacco prevention program administered by BreatheND.

BreatheND
Saving lives, saving money. The voice of the people.

What you need to know about the Tobacco Settlement in North Dakota

In November 1998, North Dakota and 45 other states signed the Master Settlement Agreement (MSA). The MSA is called the **“tobacco settlement”** because it settled state lawsuits against major tobacco companies. North Dakota’s lawsuit cited how tobacco companies violated N.D. consumer protection and anti-trust laws (N.D. Century Code 51-15 and 51-08.1), resulting in more N.D. youth and adults becoming addicted to tobacco.

States agreed that the central purpose of the tobacco settlement is to **reduce smoking and tobacco use**, especially by youth.

The tobacco settlement requires that major tobacco companies pay states billions each year, based on U.S. tobacco sales. **These “annual payments” continue “in perpetuity”** – without any end date. From the first payment in 1999 through 2008, North Dakota received an average of more than \$25 million/year. The 1999 Legislature invested only 10% in a new Community Health Trust Fund, funding some tobacco control efforts through the N.D. Department of Health. The other 90% was split evenly, with 45% deposited into a new Water Development Trust Fund, and 45% into the Common Schools Trust Fund. (The 45-45-10 distribution is in NDCC 54-27-25.)

From 2008 to 2017, North Dakota will receive 10 additional “Strategic Contribution Fund” payments, averaging about \$12 million/year, over and above the annual payments. Strategic Contribution Fund payments are based on each state’s contribution to finalizing the tobacco settlement, and North Dakota’s contribution was significant. North Dakota’s negotiation assured that payments to small states would be large enough to fund a comprehensive statewide tobacco prevention program. The state’s first Strategic Contribution Fund payment, received in April 2008, was disbursed according to the 45-45-10 formula to water, schools and health.

In November 2008, N.D. **voters passed Initiated Measure 3**. This law (NDCC 23-42, 54-27-25) requires that the remaining 9 of 10 Strategic Contribution Fund payments be **placed in a Tobacco Prevention and Control Trust Fund for a comprehensive tobacco prevention program**. The law also requires 80% of the community health trust fund be used for tobacco control at the state health department. The law continues to direct the annual payments to trust funds for water (45%), schools (45%), and community health (10%).

The Governor-appointed nine-member Advisory Committee of tobacco control experts developed a **state plan** for the new comprehensive program. Three Advisory Committee members, an Executive Committee, implement the state plan through the **N.D. Center for Tobacco Prevention and Control Policy, also known as “BreatheND.”** The state plan must follow the U.S. Centers for Disease Control’s (CDC) Best Practices funding and program recommendations.

Strategic Contribution Fund payments to North Dakota end in 2017. The Tobacco Prevention and Control Trust Fund’s balance of about \$54 million provides funding and time to further reduce high school smoking from 11.7% to the low single digits. Nearly eliminating N.D. youth tobacco use is within reach!

The other tobacco settlement **annual payments to North Dakota do not end**. North Dakota will continue to receive an estimated \$26 million/year, split 45-45-10 between water, schools and the N.D. Department of Health’s Community Health Trust Fund.

BreatheND
Saving lives, saving money. The voice of the people.

North Dakota

Program Intervention Budgets

2014

Recommended Annual Investment

\$9.8 million

Deaths in State Caused by Smoking

Annual average smoking-attributable deaths	1,000
Youth aged 0-17 projected to die from smoking	13,900

Annual Costs Incurred in State from Smoking

Total medical	\$326 million
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State Revenue from Tobacco Sales and Settlement

FY 2012 tobacco tax revenue	\$28.2 million
FY 2012 tobacco settlement payment	\$31.5 million
Total state revenue from tobacco sales and settlement	\$59.7 million

Percent Tobacco Revenue to Fund at Recommended Level

16%

	Annual Total (Millions)		Annual Per Capita	
	Minimum	Recommended	Minimum	Recommended
I. State and Community Interventions				
Multiple social resources working together will have the greatest long-term population impact.	\$2.9	\$3.7	\$4.15	\$5.29
II. Mass-Reach Health Communication Interventions				
Media interventions work to prevent smoking initiation, promote cessation, and shape social norms.	\$0.9	\$1.3	\$1.29	\$1.86
III. Cessation Interventions				
Tobacco use treatment is effective and highly cost-effective.	\$2.3	\$3.5	\$3.29	\$5.00
IV. Surveillance and Evaluation				
Publicly funded programs should be accountable and demonstrate effectiveness.	\$0.6	\$0.9	\$0.87	\$1.22
V. Infrastructure, Administration, and Management				
Complex, integrated programs require experienced staff to provide fiscal management, accountability, and coordination.	\$0.3	\$0.4	\$0.44	\$0.61
TOTAL	\$7.0	\$9.8	\$10.04	\$13.98

Note: A justification for each program element and the rationale for the budget estimates are provided in Section A. The funding estimates presented are based on adjustments for changes in population and cost-of-living increases since *Best Practices — 2007* was published. The actual funding required for implementing programs will vary depending on state characteristics, such as prevalence of tobacco use, sociodemographic factors, and other factors. See Appendix E for data sources on deaths, costs, revenue, and state-specific factors.

Centers for Disease Control and Prevention • Office on Smoking and Health
www.cdc.gov/tobacco • tobaccoinfo@cdc.gov • 1 (800) CDC-INFO or 1 (800) 232-4636

Funding Recommendation Formulas: The recommended levels of investment (per capita and total) are presented in 2013 dollars using 2012 population estimates. To account for inflation and changes in the U.S. population over time, these estimates can be updated using data from the U.S. Department of Labor Consumer Price Index and U.S. Census Bureau.

BENEFITS AND SAVINGS FROM SMOKING DECLINES IN NORTH DAKOTA

From 2013 to 2015, the youth smoking rate in North Dakota declined significantly, sharply reducing the harms and costs caused by smoking in the State.

	<u>2013</u>	<u>2015</u>	<u>Fewer Current Smokers</u>
<i>High School Youth Smoking</i>	19.0%	11.7%	2,880

Because of these declines:

- **11,520** fewer kids alive today in North Dakota will grow up to be addicted adult smokers
- **3,840** fewer of today's residents in North Dakota will ultimately die prematurely from smoking

In addition, by prompting current adult and youth smokers to quit, the state has locked in enormous savings over the lifetimes of each person stopped from future smoking. Put simply, the lifetime health care costs of smokers total at least \$21,000 more than nonsmokers, on average, despite the fact that smokers do not live as long, with a somewhat smaller difference between smokers and former smokers.

The substantial ongoing improvements in public health from the smoking declines detailed above have secured the following reductions in health care costs:

<i>Future Health Cost Savings from Youth Smoking Declines</i>	\$241.9 million
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Tobacco use is the number one cause of preventable death in North Dakota, killing 1,000 people each year, while thousands of others suffer from smoking-caused disease and disability. It is also a substantial drain on the state's economy, costing the state \$326 million in health care costs every year. Providing significant funding to statewide tobacco prevention and cessation programs would provide additional tobacco use declines and produce enormous public health and economic benefits.

For more on state investments in tobacco prevention and related smoking-decline benefits and savings, see: http://www.tobaccofreekids.org/facts_issues/fact_sheets/policies/prevention_us_state/

Notes and Sources. Behavioral Risk Factor Surveillance System. Youth Tobacco Survey, Youth Risk Behavior Surveillance System or specific state youth smoking surveys. Youth prevented from becoming adult smokers is calculated by applying the percent change in the state's youth smoking rate to the estimate of youth projected to become adult smokers (which is based on adjusted CDC Behavioral Risk Factor Surveillance System (BRFSS) prevalence data for 18-25 year olds and U.S. census data for the population under 18 years old). Estimates of lives saved is calculated using CDC methodology presented in CDC, "Projected Smoking-Related Deaths Among Youth—United States," *MMWR* 45(44):971-974, November 11, 1996. Future health care savings from smoking reductions accrue over the lifetimes of those persons who quit or do not start. The lifetime health care costs of smokers total at least \$21,000 more than nonsmokers, on average, despite the fact that smokers do not live as long; but the average savings per each adult quitter are less than that because adult smokers have already been significantly harmed by their smoking and have already incurred or locked-in extra, smoking-caused health costs. See Hodgson, TA, "Cigarette Smoking and Lifetime Medical Expenditures," *Milbank Quarterly* 70(1), 1992. See also, Campaign for Tobacco-Free Kids factsheet, *Lifetime Healthcare Costs: Smokers v. Non-Smokers v. Former Smokers*; Warner, KE, et al., "Medical Costs of Smoking in the United States: Estimates, Their Validity, and Their Implications," *Tobacco Control* 8(3):290-300, Autumn 1999. On average, the federal government reimburses the states for roughly 57% of their Medicaid program costs. CDC, *Best Practices for Comprehensive Tobacco Control Programs*, 2014, http://www.cdc.gov/tobacco/stateandcommunity/best_practices/.

**ANALYSIS OF THE TOBACCO PREVENTION AND CONTROL TRUST FUND
FOR THE 2015-17 AND 2017-19 BIENNIUMS
(REFLECTING LEGISLATIVE ACTION AS OF CROSSOVER)**

	2015-17 Biennium		2017-19 Biennium	
Beginning balance		\$49,341,421		\$55,897,620
Add estimated revenues				
Tobacco settlement revenues collected to date	\$11,480,889 ¹			
Projected tobacco settlement revenues	11,480,889 ²		\$0 ²	
Investment and miscellaneous revenue	142,460 ³		142,460 ³	
Total estimated revenues		23,104,238 ⁴		142,460 ⁴
Total available		\$72,445,659		\$56,040,080
Less estimated expenditures and transfers				
Tobacco Prevention and Control Executive Committee:				
Expenditures pursuant to 2015 HB 1024	\$16,548,039 ⁵		\$0 ⁵	
State Department of Health (2017 SB 2004):				
Local public health unit grants			\$2,000,000	
Cancer programs			644,804	
Stroke and cardiac care programs			756,418	
Physician loan repayment program			480,000	
Behavioral health loan repayment program			243,640	
Tobacco program grant			500,000	
Tobacco prevention and control program			6,453,333	
Department of Human Services (2017 HB 1012):				
Medicaid grants			15,000,000	
Opioid treatment			1,000,000	
Total estimated expenditures and transfers		16,548,039		27,078,195
Estimated ending balance		\$55,897,620		\$28,961,885

¹As of January 2017 the state has received tobacco settlement payments totaling \$31,947,333 for the 2015-17 biennium, of which \$20,466,444 was deposited in the tobacco settlement trust fund and \$11,480,889 was deposited in the tobacco prevention and control trust fund. To date, the state has received total tobacco settlement collections of \$495,923,569, including \$387,862,947 under subsection IX(c)(1) of the Master Settlement Agreement and \$108,060,622 under subsection IX(c)(2) of the Master Settlement Agreement. Of the \$495,923,569, \$401,660,676 has been deposited into the tobacco settlement trust fund and \$94,262,893 has been deposited into the tobacco prevention and control trust fund.

²Tobacco prevention and control trust fund revenues have been estimated based on actual revenues received through January 2017 and executive budget estimated revenues for the 2017-19 biennium. The 2017-19 revenues do not include a deposit in the tobacco prevention and control trust fund because the final payment under subsection IX(c)(2) of the Master Settlement Agreement is anticipated in April 2017.

³In August 2015 the Tobacco Prevention and Control Executive Committee entered into an agreement with the State Investment Board to provide investment management services for the tobacco prevention and control trust fund. On September 30, 2015, the Tobacco Prevention and Control Executive Committee transferred \$47.3 million to the State Investment Board for management. The investment policy statement adopted by the executive committee includes an asset mix of 75 percent global fixed income, 10 percent global equity, and 15 percent cash. Estimated investment income reflects earnings and realized gains, but does not include changes in the market value of the investments.



North Dakota Tobacco Prevention and Control Executive Committee

Center for Tobacco Prevention and Control Policy

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SB 2024
03-08-2017
#1

Testimony

Senate Bill 2024 in support of continued funding for a comprehensive tobacco prevention program

March 8, 2017

House Appropriations Human Resources Division Committee

Representative Chet Pollert, Chair

Good morning Mr. Chair and members of the Committee. My name is Larry Shireley and I am the Evaluation Programs Manager for BreatheND. I was the State Epidemiologist for 16 years and Director of the Division of Disease Control for the North Dakota Department of Health. I also served 26 years in the Air Force and ND Air National Guard as a public health officer with my last 7 years fulltime as the first commander of the 81st Civil Support Team. Before joining BreatheND I was the Director of Policy for the Community Healthcare Association of the Dakotas. I am here to provide information about some of the significant impacts of the comprehensive tobacco prevention program coordinated by BreatheND and of the potential impacts of decreasing funding for the program.

In public health, primary prevention is the guiding principal to controlling disease, healthcare costs and ultimately premature death. We know that tobacco use, primarily cigarette smoking, is the number one cause of preventable disease and premature death in North Dakota. We also know that nicotine is highly addicting and that quitting smoking is extremely difficult. So what has been the impact of BreatheND in preventing cigarette smoking? It has already been noted that since the inception of BreatheND

and the comprehensive tobacco prevention program, the high school smoking rate decreased nearly 50% from 22.4% in 2009 to 11.7% in 2015. To provide further information of the effectiveness of the comprehensive tobacco prevention program, BreatheND requested additional analyses of the impact of decreased smoking rates by expert tobacco prevention specialists, Drs. John Tauras and Frank Chaloupka of the University of Illinois in Chicago (UIC).

The researchers estimated that due to the decreased high school smoking rate, there were 673 fewer high school students who smoked between 2010 and 2015 resulting in a projected total lifetime healthcare cost savings of \$17.8 million dollars. Not only has the high school smoking rate declined, the percentage of North Dakota middle school students who smoked decreased over 50% during this same time period from 7.3% to 3.6%, resulting in nearly 1,300 fewer middle school students who smoked. This decrease is projected to result in a total lifetime healthcare cost savings of over \$34 million dollars. It is important to note that the decline in smoking rates of both North Dakota high school and middle school students was greater than the national rate from 2010 to 2015. Combined, the lifetime health care cost savings resulting from funding a comprehensive tobacco prevention program during this period due to student smoking decreases is projected to be more than \$52 million dollars.

In addition to the impact of decreased youth smoking rates, the prevalence of smoking by pregnant women fell from 17% to 14% from 2009 to 2014; an 18% decrease compared to the national decline of 10%. As a result, the researchers indicated that between 2010 and 2015, 50 fewer low birth weight babies were born, resulting in first

year hospital cost savings of \$1.8 million dollars. However, the impact and costs savings are likely much greater since these analyses do not include numerous other costs associated with low weight babies.

What is the potential impact of reducing the amount spent to fund a comprehensive tobacco prevention program? Drs. Tauras and Chaloupka estimated that reducing the funding for the program to the current planned funding level would result in an increase of the prevalence of adult smoking from 18.7% to 19.1% and 1,780 more adult smokers in FY18 than in FY17. This increase in adult smokers is estimated to result in an increase of smoking-related health care costs between \$1.8 and \$5.5 million dollars in FY18. Extrapolating to the expected increase in North Dakota's population, this increased adult smoking rate is estimated to result in between \$12.6 to \$38.6 million in additional healthcare costs during the next seven years. Additionally, productivity losses due to smoking are expected to be between \$1.5 and \$4.6 million dollars in FY18 and a total of between \$10.5 and \$32.1 million dollars during the next seven years.

The potential impact of decreased funding on youth smoking is also expected to be significant. It is estimated that the high school smoking rate would increase from 11.7% to 12.55% yielding an increase of 283 students who smoke in FY18 and a total increase of 697 who will smoke during the next 7 years. They also projected an expected increase in the prevalence of smoking among middle school students from 3.6% to 4.14%. This increased smoking prevalence rate is estimated to result in an additional 188 middle school students who will become smokers in FY18, and a total of 435 additional smokers in the next seven years. They estimated that the increase in youth

smoking rates will result in an increase of almost \$30 million dollars in lifetime increased healthcare costs from FY18 TO FY24.

Study after study indicate comprehensive tobacco prevention programs are cost effective, decrease cigarette sales, and decrease youth, college student and adult smoking prevalence. As it has been illustrated, decreasing funding for the comprehensive program has the potential impact of not only reversing the successes we have achieved in reducing youth smoking, but will also likely increase smoking-related disease, mortality and their associated healthcare costs. The UIC researchers summed up their report by stating, "The spending on tobacco control in North Dakota is almost certainly generating a significant return on investment."

The successes of North Dakota's comprehensive tobacco control program coordinated by BreatheND are evident and it is clear that the program has, and is, meeting the goals of North Dakotans who voted for implementing Measure 3 in 2008 to establish an effective, comprehensive tobacco prevention program. From experience, I know how important and difficult it can be to document program success, but there is little doubt about the effectiveness of North Dakota's comprehensive tobacco program. Therefore, it seems incomprehensible why a program with such proven successes would be disbanded. Therefore, I urge your continued support and funding for North Dakota's comprehensive tobacco prevention program under the coordination of BreatheND. Thank you and I will be pleased to answer any questions.



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SB2024
03-08-2017
#2

**TESTIMONY SUPPORT TO KEEP THE CENTER/BREATHEND FUNDED
AMEND SB2024
March 8, 2017**

Donna Thronson, Health Communications Manager
North Dakota "Center" for Tobacco Prevention and Control Policy (BreatheND)
Chairman Pollert and members of the House Appropriations Human Resources Division:

I am Donna Thronson - Health Communications Manager for the ND Center for Tobacco Prevention and Control Policy (aka the Center, or BreatheND). I am here to share with you how health communications work at a Centers for Disease Control Best Practice level.

Mass-Reach Health Communications Interventions is one of the five CDC Best Practice critical components to reduce and prevent tobacco use. CDC identifies that the "**most effective population-based approaches**" for mass reach include: television, radio, billboards, print and digital advertising at both the state and local levels.

So, why is a mass reach approach needed?

Mass reach health communications at a comprehensive level – advertising and public relations outreach at a STATE AND LOCAL LEVEL – is designed to EDUCATE the public on tobacco's harms, so that our citizens support healthier choices, and choose to remain tobacco free and support efforts that encourage a tobacco free community. When you increase awareness, you impact behavior and attitudes.

Behavior and attitude changes result in support for public policy. And policy is what we – the Center/BreatheND - do best. And strong, effective policy is how we reduce tobacco use rates among our kids and help tobacco users quit. Because of strong, comprehensive policies, we begin to see a shift in what is considered "normal," which then results in fewer kids ever starting, and encourages existing tobacco users to quit. Remember – it used to be acceptable to smoke in schools, in airplanes, and even hospitals. The change part of these hard-fought battles is soon taken for granted as policies are normalized.

There are three categories to health communications, and each category has a recommended gross rating point level that best practices must meet to be effective on a mass-reach level. The three categories are: 1) Educating on the harms of secondhand smoke 2) Tobacco Industry De-normalizing (exposing the tobacco industry's marketing tactics), and 3) Cessation.

CDC Best Practices and research tells us that campaigns must be hard-hitting to be effective. The Center's messages are hard hitting. We know this because **we pre-test all messages, then pre-test the commercials before we run them statewide. And finally, we contract with a third-party evaluator to make sure our ads and messages are on track to meet our tobacco prevention goals.**

The Center's messages provide education, so that we see a shift in attitudes and opinions, and also help tobacco users quit:

(reference attachment A)

Attachment A shows results of a third party evaluation (Professional Data Analysts, Inc.) of BreatheND's ads, and one ad from the ND Department of Health (Chains). Note that all three categories are covered in this report: secondhand smoke, tobacco industry de-normalizing, and cessation:

BreatheND ads performed very well in terms of memorability, diffusion, and imparting a new perspective. ***And I'd like to draw your attention to the intentions to quit using tobacco (far right column).*** All categories and ads outperformed the "Chains", ad for having a cessation impact. And the ***ads with the greatest impact for cessation are in the tobacco industry de-normalizing category. These are the ads that focus on kids being targeted by the tobacco industry – this category produces even greater demand for quitting than the CDC National Tips from Former Smoker's campaign: 43% vs. 34%. These are incredible results.***

Attachment A also shows the support for policy. ***For example, if you look at support for smoke free apartments, prior to any secondhand smoke campaign to keep apartments smoke free, support was at 59% (2014), with two years of education through mass media and local educational efforts, support increased to 86%.*** As a result, we now have 6,883 smoke free apartment units where people can live smoke-free and healthier lives. We know these ads work. When the ads are run, calls for help into the Center and to local public health increase.

The bottom line is that these ads work and are cost effective.

LOCAL SUPPORT:

In addition, HEALTH COMMUNICATIONS INTERVENTIONS also include local community outreach efforts, such as preparing news releases, brochures, print ads, and adjusting model policies to fit each local community for their specific needs: ***this work gets done by us – CENTER STAFF - working with local public health on a one-to-one basis to assure their local public health public relations and policy efforts align with the overall strategy. This is important so that each community can concentrate on policy for their specific community. This task is a daily process to assure the progress continues and state plan goals are being met.***

The Center is about policy. And when policies are challenged by opposing forces, mostly under the influence of the tobacco industry, the Center and its partners are there to support strong policy, which result in better health outcomes.

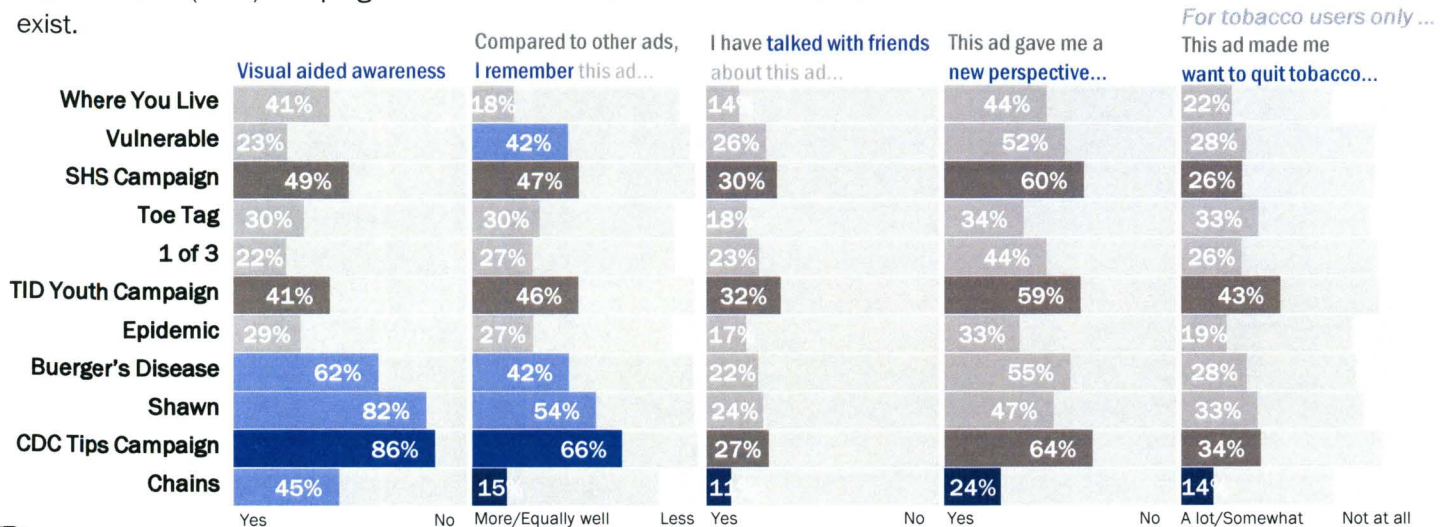
I urge you to support the continuation of the work of the Center and keep SB2024 funded.

Overall, all three campaigns performed well. Visual aided awareness was highest for the CDC Tips ads. The range of aided awareness in FY16 is higher than FY15; however, the same disparity in awareness levels of the CDC Tips campaign (86%) and the SHS (49%) and TID Youth (41%) campaigns exist.

BreatheND ads are performing well in terms of memorability, diffusion, and imparting new perspective. The individual CDC Tips ads and the ad *Vulnerable* had slightly stronger memorability than the other ads, otherwise impact levels were similar across ads and campaigns. Ad effectiveness increased from FY15.

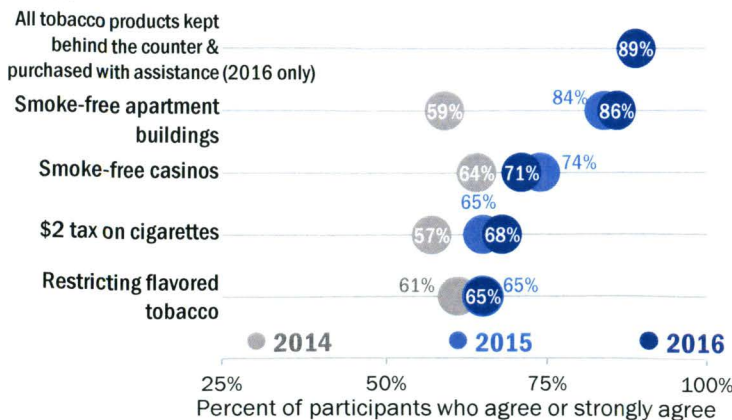
The ads are reaching important groups of North Dakotans equally, including tobacco and non-tobacco users, men and women, and all ages.

Despite higher aided awareness, the ad *Chains* had the lowest impact and effectiveness levels of all the ads evaluated.



Tobacco-related policy support remains high

The highest levels of tobacco-related policy support are for keeping all tobacco products behind the counter and purchased with clerk assistance (89%) and smoke-free apartment buildings (86%). Support for policies like an increased cigarette tax and restrictions on fruit and candy flavored cigarettes, is moderate but gaining support from 2014 to 2016.



Generally females and non-tobacco users show the highest levels of support. Young adults and those in the oil corridor are less likely to support smoke-free casinos and restricting flavored tobacco products.

Recommendations

- ▶ The Center met the 2014 CDC guidelines and should continue to develop ads and purchase GRPs in line with CDC recommendations.
- ▶ Aided awareness of the SHS and TID campaigns was lower than the hard-hitting, graphic CDC Tips campaign. The Center may want to continue monitoring ad awareness and consider re-evaluating these ads in the future.
- ▶ It may be helpful for The Center in collaboration with the ND DOH to consider which qualities of the ad *Chains* or its media buys contribute to its weaker impact.
- ▶ Attitudes towards secondhand smoke, the tobacco industry, the health-related effects of tobacco, and cessation were very high regardless of ad awareness. In future evaluations, The Center should keep this in mind as it will be difficult to show continued improvement.
- ▶ Even though overall tobacco-related policy support is strong, there is room for improved support, especially among males. The Center may wish to continue working towards increased policy support.



North Dakota Tobacco Prevention and Control Executive Committee
 Center for Tobacco Prevention and Control Policy
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SB2024
 03.08.2017
 #3

House Appropriations Human Resources Committee
 Senate Bill 2024
 March 8, 2017

Chairman Pollert and Human Resources Committee members. I am Susan Simonson, Health Communications Coordinator at the Center (BreatheND).

I am here to provide testimony to keep the Center funded.

With 30 years of communications experience, I provide support to the Local Public Health Units on a daily basis by assisting with individualized signage, print ads, newsletters, brochures, presentations, and general IT. These tools assist the Local Public Health Units as they educate at the local level.

Not only do I provide this localized assistance but I also maintain our BreatheND website that delivers tobacco prevention education 24/7.

By using Google Analytics, I am able to calculate the site's impact. One notable calculation involves tracking the sessions, multiplying by the average-time-on-site and then dividing to determine the number of hours of interaction. With this calculation, I am able to determine that in

January, 2017 the site provided **190 hours** of tobacco prevention education
 (16,323 sessions x 42 seconds = 685,566 seconds = 190 hours)
 and in February, 2017 the site provided **218 hours** of tobacco prevention education
 (15,113 sessions x 52 seconds = 785,876 seconds = 218 hours).

These website stats equate to more than an additional full-time position, without the added cost of health insurance, sick-leave, and retirement benefits.

The website is one example of how we, as Center staff, are encouraged to be lean and effective in our work. This is the kind of efficiency we need in state government and we provide it.

Because of the lives impacted through this tobacco prevention education, I ask that you amend SB 2024 to fund the Center and keep this tobacco prevention education alive.

Thank you.



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SB 2024
03-08-2017
#4

House Appropriations Human Resources Committee

Senate Bill 2024

March 8, 2017

Chairman Pollert and Human Resources Committee members. I am Barbara Andrist, Statewide Programs Manager at the North Dakota Tobacco Prevention and Control Policy.

I am a registered nurse having worked in public health for the past 40 years, 21 years at Upper Missouri District Health Unit. I bring up being a public health nurse because my present position has a medical analogy. The Center or BreatheND is the central nervous system for tobacco prevention and control in North Dakota. We work with local public health units, statewide and national organizations, state agencies, state licensing boards, and you as legislators to organize tobacco prevention and control efforts into an integrated and effective structure to maximize proven tobacco CDC Best Practice interventions to accomplish our goals.

How does the Center do this? A comprehensive state tobacco prevention and control plan based on CDC Best Practices which you have a copy of. This plan is a team effort led by me. The team consists of local public health, statewide organizations like American Lung of ND, the ND Department of Health Tobacco Control program and Center staff. The content has rationale which describes why we do this, a baseline tells us where we are at and an evaluation tells us if we met our projected objective outcome. Health data from surveillance and evaluation work are fundamental in our measured outcomes.

The state plan is required in NDCC 23-42 to be annually evaluated for effectiveness as well as having a biennial independent evaluation. If the strategies in each objective are not getting us to the objective's evaluation outcome measure, we revise the strategies to meet the object and start the process over. The revisions suggested by the biennial independent evaluation are incorporated into the state plan as well. The advisory committee directs the plan and evaluation.

The state plan once approved becomes the work plan for local public health units, statewide special initiative grants; the basis for our health communications which educates and provides information to our citizens; guides the development of our model policies; facilitates research in our state; provides statewide reporting framework for all grantees, provides the basis for knowledge and skill building in our quarterly training for grantees and advocates working for system policy changes. Our funding level at the recommended CDC level is crucial to accomplishment of our state plan.

AAR – Ask, Advise and Refer is an annual chart audit for tobacco state aid for local public health; Ask about tobacco use, Advise the client to quit and Refer the client to the Quitline or provider. This is an example of a system change that also serves as a quality improvement measurement for client health. I work with local public health on the chart audits, receive the completed audits and with our independent evaluator to give constructive feedback to improve the public health system of AAR.

Being the central nervous system, we monitor the environment. SB 2088 is an example of an environmental awareness – licensed addiction counselor’s scope of practice currently does not allow them to do tobacco or nicotine counseling. This obstacle was identified when surveillance data showed the smoking rate for someone with a behavioral health issue is almost double the rate compared to the general population tobacco use rate. Why not improve the efficiency of successful treatment of all substance use during the counseling session with a trusted counselor? Working with the Behavioral Health Division at ND Department of Human Services and the ND Board of Addiction Counseling Examiners we have Senate Bill 2088 to expand the scope of practice not only for tobacco and nicotine but gambling and other harmful substances.

In 1982, RJ Reynolds tobacco company documents stated: “If a man has never smoked by age 18, the odds are three to one he never will. By age 21, the odds are twenty to one.” Prevention is the key to our state plan and my work at the Center. We are on the road to single digit tobacco use but only having a fully funded central nervous system based on CDC Best Practices for Tobacco Prevention and Control.

BreatheND

Saving lives, saving money. The voice of the people.

SAVING LIVES – SAVING MONEY NORTH DAKOTA'S COMPREHENSIVE STATE PLAN TO PREVENT AND REDUCE TOBACCO USE 2016-2018 YEAR 8 FY2017

Goal 1: Prevent the Initiation of Tobacco Use Among Youth and Young Adults

Objective 1: By June 30, 2017, increase the price of cigarettes by a minimum of \$2.00 per pack and a corresponding price increase for all other tobacco products excluding FDA approved Nicotine Replacement Therapy products.

Rationale: Campaign for Tobacco-Free Kids, from projections of research, findings are that each 10% cigarette price increase reduces youth smoking by 6.5%, adult smoking rates by 2% and total consumption by about 4% (adjust down to account for tax evasion effects). The Guide to Community Preventive Services, November, 2012, pg. 1-2 confirms public health effects are proportional to the size of price increase and scale of intervention.” CDC Best Practice for Comprehensive Tobacco Control Programs January 2014 recommends increase the unit price of tobacco products for preventing tobacco use among youth.

Baseline: Current cigarette excise tax is \$0.44. The North Dakota cigarette tax was last increased in 1993 and current tax ranking is 48th in the United States. Excise tax on other tobacco products (pipe tobacco and cigars) is 28% on wholesale purchase price. Chewing tobacco and snuff are taxed on weight. Electronic smoking devices are not defined nor taxed as a tobacco product in ND Century Code. Youth smoking prevalence rate is 11.7% (YRBS 2015) and youth smokeless tobacco rate is 10.6% (YRBS 2015). Adult smoking prevalence rate is 19.9% and adult male smokeless tobacco rate is 11.8% (BRFSS 2014). ND American Indian adult smoking rate is 45.7% (BRFSS 2014).

Evaluation: Youth smoking prevalence rate drops to single digits.

Youth smokeless tobacco rate drops to HP2020 goal 6.9% from ND 10.6%. (YRBS 2015)

ND American Indian rate drops from 49% to 47%. (Source: 2013 CDC's State Tobacco Activities Tracking and Evaluation (STATE) system, Data Highlight Report. Estimates are a combination of two years of data.)

Minimum price per pack of cigarettes is increased by \$2.00 per pack along with a corresponding price increase for other tobacco products.

Adult smoking prevalence rate drops to HP2020 goal of 12% from ND 17.5%. (2015 Adult Tobacco Survey)

Lead: ND Center for Tobacco Prevention and Control Policy

Strategies:

1. Conduct surveys of public, legislators, and candidates to determine level of support.
2. Develop a policy plan with state and local support (legislative strategy, educational materials including information on all tobacco products, develop and activate coalitions among populations affected by tobacco-related disparities and youth).
3. Introduction of legislative bill to increase all tobacco prices.
4. Introduction of legislative bill to define electronic smoking devices as a tobacco product.
5. Monitor legislative activity and implement policy plan.
6. Evaluation of policy plan after session.
7. Advocate for federal excise tax increase.
8. Continued dialogue with tribal leaders and ND state officials (Governor, Tax Commissioner, Attorney General and Indian Affairs Commissioner Executive Director) for consideration of tribal and state tobacco compacts matching or exceeding the state price of cigarettes by a minimum of \$2.00 per pack and a corresponding price increase for all other tobacco products excluding FDA approved Nicotine Replacement Therapy.

Objective 2: By June 30, 2018, the ND Center for Tobacco Prevention and Control Policy comprehensive model tobacco-free school policy will cover 90% of the total student enrollment and be adopted by 90% of the defined Local Education Agencies in each public health unit.

Rationale: "Community programs and school and college policies and interventions should be part of a comprehensive effort, coordinated and implemented in conjunction with efforts to create tobacco-free social norms, including increasing the unit price of tobacco products, sustaining anti-tobacco media campaigns and making environments smoke-free." (Best Practices for Comprehensive Tobacco Control Programs, January 2014, p. 19). Tobacco-free school policy promotes a tobacco-free lifestyle and environment for all students, staff and visitors and establishes a tobacco-free social norm.

Baseline: ND has 227 Local Education Agencies in FY 2016. As of December 31, 2015, 149 (66%) of the LEAs have adopted comprehensive tobacco-free school policies and 66.7% of LEA student enrollment are protected by comprehensive tobacco-free school policies.

Evaluation: 90% of total student enrollment will be covered by a comprehensive tobacco-free policy. 90% of the LEAs in each public health unit will adopt or maintain a comprehensive tobacco-free policy.

Lead: ND Center for Tobacco Prevention and Control Policy

Strategies:

1. Communicate with School Health Interagency/Community Work Group (SHIW) about the ND Center for Tobacco Prevention and Control Policy (ND Center) comprehensive model tobacco-free school policy (August 2013).
2. ND Center staff/grantees secure endorsement from other potential partners, (i.e. ND United, ND Council of Educational Leaders) in addition to continuing dialogue with the North Dakota School Boards Association (NDSBA) for the August 2013 ND Center for Tobacco Prevention and Control Policy comprehensive model tobacco-free policy.
3. Local public health grantees conduct and coordinate work to facilitate LEA adoption of ND Center comprehensive model tobacco-free school policy.
4. ND Center facilitates efforts in passage of ND Center's comprehensive model tobacco-free

school policy and providing statewide LEA policy status.

Objective 3: By June 30, 2017, ND Center for Tobacco Prevention and Control Policy will develop with North Dakota University System (NDUS) a comprehensive post-secondary tobacco-free campus policy.

Rationale: “With 99% of all first use of tobacco occurring by age 26, if youth and young adults remain tobacco-free, very few people will begin to smoke or use smokeless products.” (2012 Surgeon General’s Report, “Preventing Tobacco Use Among Youth and Young Adults Executive Summary”). “Community programs and school and college policies and interventions should be part of a comprehensive effort, coordinated and implemented in conjunction with efforts to create tobacco-free social norms, including increasing the unit price of tobacco products, sustaining anti-tobacco media campaigns, making environments smoke-free.” (Best Practices for Comprehensive Tobacco Control Programs, January, 2014, p.19). Background information: Many of the policies currently on the tobacco-free campus policy listing were passed prior to ND Center model policy language and have missing criteria as a result.

Baseline: An endorsed tobacco free policy between the Center and NDUS has yet to be established. Currently, United Tribes Technical College is the only post-secondary institution which meets the Center’s comprehensive post-secondary tobacco-free campus policy.

Evaluation: Comprehensive post-secondary tobacco-free campus policy developed and endorsed by both the Center and NDUS.

Lead: ND Center for Tobacco Prevention and Control Policy

Strategies:

1. Collaborate with NDUS to take policy implementation action.
2. Grantees complete annual assessment.
3. Center maintains /updates campus tobacco policy database.
4. Grantees complete annual assessment.
5. Highlight comprehensive tobacco-free campus success.
6. Acknowledge traditional tobacco as deemed appropriate by institutions.

Objective 4: By June 30, 2018, each local public health unit will adopt at least one ordinance restricting youth access to tobacco products at point-of-sale.

Rationale: In the 2012 Surgeon General’s Report on Preventing Tobacco Use Among Youth and Young Adults, “Prevention efforts must focus on both adolescents and young adults because among adults who become daily smokers, nearly all first use of cigarettes occurs by 18 years of age (88%) with 99% of first use by 26 years of age. Advertising and promotional activities by tobacco companies have been shown to cause the onset and continuation of smoking and other tobacco products use among adolescents and young adults” (p.8). The tobacco industry’s own internal correspondence and

testimony in court, as well as widely accepted principles of advertising and marketing, support the conclusion that tobacco advertising recruits new users as youth and reinforces continued use among young adults. (p.522). Emerging and traditional tobacco products are the instruments for recruitment.

Baseline: Twelve* of 24 public health units have adopted at least one ordinance restricting youth access to tobacco products at point of sale. *Collaborative units in FY2016 include Trail/Steele, Ransom/Sargent, and Central Valley/Lamoure.

Evaluation: Adoption of ordinances restricting youth access to tobacco products at point of sale for remaining 12 public health units.

Lead: ND Center for Tobacco Prevention and Control Policy

Strategies:

1. Provide education for grantees, coalitions, local and state policy makers, local communities, youth, and leaders on tobacco industry strategies that recruit new users and increase use.
 - a. Tobacco advertising and marketing tactics: price discounts, in-store branded displays, payment for prime shelf space, packaging design.
 - b. Oppose a tobacco tax increase.
 - c. Location of tobacco retailers.
2. Conduct statewide and local retail environment study of tobacco marketing.
3. Grantees mobilize grassroots to garner support for stronger local policies.
4. Educate local coalitions and communities about local/state ordinance options to prevent youth tobacco use initiation incorporating Counter Tools local assessment data.
5. Conduct level of public support surveys as well as local and state policy and decision makers/candidates.
6. Monitor policy attempts in local communities and state policy activity.
7. Identify, monitor, and combat tobacco industry influence.
8. Provide technical assistance on FDA 2009 Family Smoking Prevention and Tobacco Control Act.
9. Promote adoption of Board of Health resolutions.

Goal 2: Eliminate Exposure to Secondhand Smoke

Objective 1: By June 30, 2017, uphold the North Dakota Smoke-Free Law as passed in November 2012.

Rationale: North Dakota, in November 2012, passed one of the strongest laws in the United States to protect all citizens from secondhand smoke and prevent youth initiation use of tobacco products. Secondhand smoke is a mixture of over 7,000 chemicals which contaminates both indoor and outdoor air. Exposure to secondhand smoke may lead to adverse health effects to all exposed, especially children. Some adverse health effects experienced by children are middle ear disease, respiratory symptoms, impaired lung function, asthma, pneumonia, and sudden infant death syndrome. These symptoms and diseases have been casually linked to secondhand smoke. Adults exposed to secondhand smoke, also have casually linked evidence from nasal irritation to lung cancer, coronary heart disease and reproductive effects in women, i.e. low birth weight of infants. Chronic diseases caused by smoking are clearly articulated in the US Surgeon General's Report in How Tobacco Smoke Causes Disease, (2010, page iii), There is no safe level of exposure to cigarette smoke.

Baseline: During the 2013 North Dakota legislative session, two modifications were made to North Dakota Century Code, 23-12-09 – 23-12-11: 1) A definition of entrance was added and 2) signage necessary for compliance is available from the executive committee.

Evaluation: Any change in state smoke-free law.

Lead: ND Center for Tobacco Prevention and Control Policy

Strategies:

1. Educate the public, partners, and policy makers on smoke-free environment issues, including compliance and implementation of smoke-free law.
2. Educate on the benefits of and encourage cities to adopt state law or comprehensive smoke-free model law into city code.
3. Monitor legislative activity and intervene as necessary to deflect efforts to weaken current law.
4. Identify, monitor, and combat tobacco industry influence.
5. Conduct public poll, communicate and distribute results of ongoing support for smoke-free law.
6. Conduct valid and reliable survey of legislators and candidates on smoke-free issues.
7. Review and update annually evidence-based, fact sheets, and policy documents.
8. Engage tribal leaders in discussion about adoption of comprehensive smoke-free law.
9. Provide technical assistance for compliance and implementation of law.
10. Enlist environmental health staff at state and local levels to enhance and maintain compliance of law.

Objective 2: By June 30, 2017, prevent preemption in all North Dakota state tobacco prevention and control laws.

Rationale: "Preemption can eliminate the benefits of state and local policy initiatives. Preemption can also have a negative impact on enforcement, civic engagement, and grassroots movement building" (Pertschuk, Pomeranz, Aoki, Larkin, Paloma, 2012) "Assessing the Impact of Federal and State Preemption in Public Health: A Framework for Decision Makers" Journal of Public Health Management Practice, June 15, 2012). Preemption is typically negotiated most times behind the scenes in Congress or state capitols between legislative sponsors or impacted industries and sometimes with

representative of public health. Expect preemption to become part of any proposed public health legislation.

Baseline: As of 2013, no North Dakota state tobacco prevention and control laws have preemption measures included.

Evaluation: Absence of North Dakota state preemption and support of tobacco prevention and control laws.

Lead: ND Center for Tobacco Prevention and Control Policy

Strategies:

1. Educate the public, grantees, partners and policy makers.
2. Monitor legislative bills.
3. Maintain and expand data base of anti-preemption Board of Health Resolutions.
4. Encourage local communities to pass more stringent tobacco prevention ordinances.

Objective 3: By June 30, 2018, advocate for policies/ordinances/laws that restrict exposure to secondhand smoke and tobacco use in indoor areas not covered by ND Smoke-Free Law, e.g. multi-unit housing, casinos.

Rationale: Secondhand smoke is a well-established risk factor for morbidity and mortality due to the hundreds of toxic carcinogens found in secondhand smoke. Twenty three percent of North Dakota's population or approximately 152,000 people reside in multi-unit housing. ND Smoke-free air law protects persons at work and in other public places. However, multi-unit housing still represents a major source of secondhand smoke exposure due to transfer of secondhand smoke through shared walls, hallways, ventilation systems, electrical lines, and plumbing systems. Exposure in multi-unit housing can be as high as 65% when air comes from other units via ventilation and smoke drift. Drifting smoke is a commonly reported complaint in multi-unit housing. Smoke-free and tobacco-free multi-unit housing benefits are decreased apartment cleaning costs, fire risks and liability, and increased marketability.

Baseline: As of quarter 2 fiscal year 2016, Public Housing Authorities in North Dakota have 491 units and 2 buildings (no units listed for these buildings) which are reported to be smoke-free. Zero (0) casinos on reservations are smoke-free.

Evaluation: Number of units where smoke-free policies have been adopted.

Lead: ND Center for Tobacco Prevention and Control Policy

Strategies:

1. Develop a multiunit housing (MUH) database.

2. Educate coalitions, policy makers, communities, state agencies, advocacy organizations and leaders on harms caused by secondhand smoke and the importance of continuing to develop policies to protect the public from secondhand smoke and tobacco use.
3. Engage public, private, and tribal [housing authorities](#) and public/private licensing authorities in policy education efforts.
4. Provide education and training on proven strategies for compliance and implementation.
5. Provide technical assistance.

Objective 4: By June 30, 2018, advocate for policies/ordinances/laws that restrict exposure to secondhand smoke and tobacco use at outdoor public venues not covered by ND Smoke-free air law. Strategic venue priorities are what communities use the most i.e., city or county parks, recreational areas, health care facilities, child care facilities and outdoor worksites.

Rationale: North Dakota's smoke-free air law covers indoor spaces; consequently many citizens may be exposed to secondhand smoke and the resultant toxins at outdoor venues. Outdoor venues that are smoke-free and tobacco-free promote healthy, active living and a tobacco-free lifestyle, favorably role modeling for children and youth. Tobacco-free outdoor areas reduce environmental clean-up cost, potential fire concern, and toxic waste exposure for children and animals. Local control for smoke-free and tobacco-free outdoor venues give communities the solutions that address specific local concerns.

Baseline: All public health units have at least one strategic venue with a tobacco-free grounds policy.

Evaluation: Number of outdoor strategic venues that adopted a policy/ordinance/law.

Lead: ND Center for Tobacco Prevention and Control Policy

Strategies:

1. Educate coalitions, policy makers, local communities, advocacy groups/ organizations and leaders on harms caused by secondhand smoke and the importance of continuing to develop policies to protect the public from secondhand smoke and all types of tobacco use.
2. Engage public, private, and tribal authorities in policy education efforts.
3. Provide education and training on proven strategies for implementation.
4. Develop databases for city/county parks and health care facility grounds.

Goal 3: Promote Quitting Tobacco Use

Objective 1: By June 30, 2018, increase annual [treatment reach](#) of NDQuits to 2.5% of all smokers and smokeless tobacco users.

Rationale: [The Community Guide](#) from Community Preventive Services Task Force(August, 2012) recommends "three interventions effective at increasing use of quitlines; mass-reach health communications interventions that combine cessation messages with a quitline number; provision of free evidence-based tobacco cessation medications for quitline clients interested in quitting and quitline

referral interventions for health care systems and providers. Evidence also indicates quitlines can help to expand the use of evidence-based services by tobacco users in populations that historically have had the most limited access to and use of evidence-based tobacco cessation treatments” (p.1). CDC baseline target rate is 6%, which no state has yet achieved.

Baseline: Annual treatment reach in FY 2015 was 1.62%

Evaluation: Increase annual treatment reach from 1.62% to 2.5%.

Lead: ND Department of Health

Strategies:

1. Target regions and priority populations where evaluation has indicated need for paid and earned media campaigns.
2. Promote cessation services with the Campus Tobacco Prevention Project.
3. Expand NDQuits services to include emerging technologies.
4. Provide education about NDQuits to providers in healthcare settings, health insurance providers, priority populations, worksites, and community services and resources as well as supporting community tobacco prevention control efforts by using motivational interviewing, problem solving, and marketing of services.
5. Provide NRT for eligible, enrolled uninsured and underinsured tobacco users for up to 8 weeks through NDQuits and some local public health units.
6. Distribute quarterly NDQuits reports to partners.
7. Complete and distribute annual evaluation to partners.
8. Assure for Medicaid coverage of over-the-counter and prescription pharmacotherapy for tobacco use cessation.

Objective 2: By June 30, 2018, increase the number of health care settings and enhance public health agencies that use the systems approach for tobacco dependence treatment as recommended in the US Public Health Service Treating Tobacco Use and Dependence, Clinical Practice Guideline-2008 Update.

Rationale: The Community Preventive Services Task Force in The Community Guide (August, 2012) recommends “quitline interventions, particularly proactive quitlines (i.e. those that offer follow-up counseling calls), based on strong evidence of effectiveness in increasing tobacco cessation among clients interested in quitting: and policies and programs changes be communicated to health care providers and tobacco users to increase awareness, interest in quitting and use of evidence-based treatments.”

Baseline: A. Statewide local public health units meeting the established 90% standard in FY2015 (2014 calendar year chart audits) for Ask (Measure1) was 94%; Advise (Measure 2) was 85%; Refer (Measure 3) was 89% and Exposure to Secondhand Smoke (Measure 4) was 93%. B. 2012 ND Adult Tobacco Survey of ND smokers reporting health care providers Asking them about cigarette smoking was 72.2%, Advising them to quit was 48% and Referring them to cessation resources was 24.1%.

Evaluation measure: A. Statewide local public health units will meet the established 90% standard in Advise (Measure 2) and Refer (Measure 3).

B. Increased ND smokers reporting health care providers' intervention of Ask to 80%, Advise to 60%, and Refer to 35% based on the ND Adult Tobacco Survey.

Lead: ND Department of Health and the ND Center Statewide Programs Manager

Strategies:

1. Provide education and technical assistance to health care providers on implementation to deliver 5 A's of the Public Health Service Guidelines for Treating Tobacco Use and Dependence i.e. clarify and strengthen skills to motivate clients, describe medication options, offer immediate on site counseling and offer/direct medication options and document exposure to secondhand smoke, i.e. Ask about tobacco use, Advise to quit, Assess willingness to make a quit attempt, Assist in aiding the patient in quitting by providing counseling (refer to cessation services for additional support) and medications and Arrange-ensure follow-up contact.
2. Implement and expand participation in the Million Heart S grant for eligible health care systems.
3. Advocate for health care providers to implement provider reminder systems; especially focusing on populations affected by tobacco-related disparities.
4. Conduct annual program or population based audit of AAR/SHS exposure in local public health units.
5. Advocate for annual reports/audits of 5 A's in health care systems that have implemented Public Health Service Guidelines for Treating Tobacco Use and Dependence for internal quality improvement.
6. Partner with the ND Department of Human Services and 8 regional human services centers as priority organizations.
7. Advocate that all healthcare systems and local public health units have a systematic orientation process for implementation of Public Health Service Guidelines for Treating Tobacco Use and Dependence for all employees with direct client care responsibilities.

Objective 3: By June 30, 2017, ensure that providers in behavioral treatment programs provide clients with evidence-based nicotine dependence interventions.

Rationale: "The National Survey on Drug Use and Health reports during 2009-2011, an annual average of 19.9% of adults aged 18 and older had mental illness defined as having a mental, behavioral or emotional disorder, excluding developmental and substance use disorders. One in 3 adults (36%) with a mental illness smoke cigarettes which is significantly higher than the national of 1 in 5 adults (21%) with no mental illness. Smoking prevalence among US adults with mental illness or serious psychological distress range from 34.3% (phobias or fears) to 88% (schizophrenia) compared to 18.3% with no such illness. In clinical settings, screening for tobacco use and offering effective cessation treatments would likely further reduce tobacco use prevalence and result in a substantial reduction in tobacco-related morbidity and mortality." (MMWR, 2013, Vol. 62, p1-3).

Baseline: Based on an RTI survey conducted in August 2014, with a 60% response rate from 75 mental health and substance abuse treatment organizations; 50% of the respondents indicated a written policy, protocol or guideline regarding interventions to address tobacco use.

Evaluation: Increase in behavioral treatment programs written policy, protocol or guideline evidence-based nicotine dependence interventions.

Lead: ND Center Statewide Programs manager

Strategies:

1. Assess current interventions used during the treatment period and develop a database.
2. Provide and document educational opportunities for licensed mental health practitioners, addiction counselors, and students about treating tobacco use during the treatment process.
3. Work with providers to integrate clients quitting, offer addiction counseling related to nicotine/tobacco dependence and provide recommended FDA approved tobacco cessation therapies into standards of practice during behavioral health treatment.
4. Promote tobacco-free campuses for all half-way houses, transitional living, homeless shelters, human service centers, and addiction treatment facilities.

Goal 4: Build Capacity and Infrastructure to Implement a Comprehensive Evidence-Based Tobacco Prevention and Control Program

Objective 1: By June 30, 2017, maintain and enhance the administrative structure to manage the comprehensive North Dakota Tobacco Prevention and Control Program adjusted annually by most current CDC Best Practice for Tobacco Prevention and Control Programs.

Rationale: "A comprehensive tobacco control program requires considerable funding to implement; therefore a fully functioning infrastructure must be in place in order to achieve the capacity to implement effective interventions. Sufficient capacity is essential for program sustainability, efficacy and efficiency, and enables programs to plan their strategic efforts, provide strong leadership and foster collaboration among the state and local tobacco control communities. An adequate number of skilled staff is also necessary to provide or facilitate program oversight, technical assistance and training." (Best Practices for Comprehensive Tobacco Control Programs, January, 2014, p. 64).

Baseline: January 2015 agency is fully staffed with 8 full time employees.

Evaluation: Funding based on CDC Best Practice for Tobacco Prevention and Control Programs secured for the next biennium, 2017-2019.

Lead: ND Center for Tobacco Prevention and Control Policy

Strategies:

1. Align initial budget, then maintain and document biennial fiscal management and program budgets by most current CDC Best Practice recommended percentages.

2. Maintain and enhance a real time fiscal and programs management/reporting system to ensure program accountability at the state and local level and for state grantees or contractors.
3. Advocate for most current CDC Best Practice state level funding.
4. Recruit and employ competent and adequate number of staff to achieve program goals.
5. Review and modify grant allocation guidelines.
6. Integrate goals, objectives, and strategies from the State Tobacco Prevention and Control Plan, "Saving Lives, Saving Money", into ND Department of Health Chronic Disease CDC tobacco prevention grant, state wide coalitions, state wide and allied health organizations, and associations.
7. Implement the Health Communications Plan, educating the public and decision makers on the health effects of tobacco use and evidence-based program and policy interventions.
8. Participate in professional development opportunities.
9. Assist in recruiting and provide orientation to new advisory committee members.

Objective 2: By June 30, 2018, build local/state infrastructure and capacity to collaboratively deliver evidence-based tobacco prevention and control interventions from the most current CDC Best Practices for Comprehensive Tobacco Control Programs and The Guide to Community Preventive Services: Tobacco Use Prevention and Control with on-going recommendations to reach all citizens in local public health units and tribal reservations including one Indian service area.

Rationale: "The social norm change model presumes that lasting change occurs through shifts in the social environment - initially or ultimately - at the grassroots level across local communities." Best Practices for Comprehensive Tobacco Control Programs (January, 2014, p.7).

Baseline: All public health units have at least a half-time tobacco prevention coordinator position since 2012. The position due to funding may be a combination of personnel positions to equal 0.5 FTE.

Evaluation: Grantees meet or exceed 0.5 FTE tobacco prevention coordinator position.

Lead: ND Center for Tobacco Prevention and Control Policy, ND Department of Health for tribal grantees

Strategies:

1. Maintain funding to local public health units, tribes, statewide and community partnerships and evaluate funding allocations dependent on emerging issues.
2. Assure staff is adequate in number, have qualifications, and competency in tobacco prevention and control.
3. Update strategic annual training plan for grantees, partners, tribal partners, and Advisory Committee.
4. Provide quarterly strategic trainings interfaced with the state plan and work plan objectives and technical assistance to grantees and partners.
5. Build, practice and strengthen skills in mobilizing partners and effectively communicating with decision makers about policy change at grassroots to support and reinforce "Saving Lives,

Saving Money” in communities i.e. public, boards of health, policy and decision makers and effectively counter pro-tobacco influences.

6. Monitor grantee and contractor work plan and budget activities.
7. Collaborate with local states attorneys and law enforcement to ensure compliance with local and state smoke-free laws.
8. Publicize tobacco prevention and control successes.

Objective 3: By June 30, 2018, implement effective, ongoing tobacco prevention and control health communication initiatives that focus on changing the broad social norms of tobacco. The communication initiatives will deliver strategic, culturally appropriate and high-impact earned and paid messages through sustained and adequately funded campaigns integrated into the overall comprehensive North Dakota Tobacco Prevention and Control plan.

Rationale: “Mass-reach health communication interventions can be powerful tools for preventing smoking initiation, promoting and facilitating cessation, and shaping social norms related to tobacco use. (p. 30) An effective state mass reach health communication intervention delivers strategic, culturally appropriate and high-impact messages via sustained and adequately funded campaigns that are integrated into a comprehensive state tobacco control program effort. Best Practices for Comprehensive Tobacco Control Programs (January, 2014 p. 32) On December 17, 2014 the ND Center met with CDC staff and authors of Best Practice Guidelines and CDC approved the ND Center to exceed the recommended levels, due to the facts that North Dakota has a fully-funded comprehensive tobacco prevention and control program and that North Dakota youth and adult tobacco use rates are higher than the national average. It was also determined that the primary target market for transforming social norms has flexibility to target ages 25-54, with a secondary market of targeting ages 12-24.

Baseline: FY 2015 PDA health communications independent evaluation reports ND mass-reach health communication meets CDC Best Practices for Tobacco Prevention and Control Programs.

Evaluation: CDC Best Practices mass reach health communication recommended levels include: 1,600 GRPs per quarter for four quarters for addressing cessation or protecting people from the harms of secondhand smoke, targeting ages 25-54. An additional 1,200 GRPs per quarter for four quarters are recommended for each of two ongoing campaigns: transforming social norms and the remaining campaign category not included in the primary 1,600 GRP campaign.

Lead: ND Center for Tobacco Prevention and Control Policy
Strategies:

1. Maintain **PETF** funding from local public health units.
2. Educate policy makers, leaders, and the public on the harmful effects of secondhand smoke and tobacco use, costs of tobacco, tobacco industry tactics, benefits of increasing the price of tobacco, cessation, increasing the minimum age of sale for all tobacco products, youth access to tobacco, point of sale strategies and new and emerging products.
3. Educate policy makers, leaders, and the public on the importance of policy and its impact on changing social norms.

4. Annually update and distribute health communications guidelines.
5. Assure that messages, where appropriate, emphasize all tobacco products.
6. Assure that messages, where appropriate, emphasize priority populations.
7. Emphasize to policy makers, leaders and the public, the importance of sustaining a comprehensive tobacco prevention program funded at the CDC recommended level.

Objective 4: By June 30, 2017, review and update a comprehensive statewide surveillance and evaluation plan.

Rationale: Key outcome indicators help measure progress toward achievement of tobacco prevention and control goals and objectives.

Baseline: Since 2010 a comprehensive statewide surveillance and evaluation plan has been in place.

Evaluation: A revised, current comprehensive statewide surveillance and evaluation plan is completed.

Lead: ND Center for Tobacco Prevention and Control Policy and ND Department of Health

Strategies:

1. Meet annually with partners (government/non-government) to assess data needs, share data sets, and distribute information.
2. Analyze and synthesize data or receive feedback from existing data sets, i.e. [ATS](#), [BRFSS](#), [YRBS](#), [YTS](#), [National Survey on Drug Use and Health](#) (NSDUH), ND Quits evaluation, [Synar](#), tax, Comprehensive program independent evaluation as per ND Century Code, and other studies.
3. Develop and implement data collection systems, research, and evaluation studies that monitor, measure, and assess program outcomes.
4. Document and publish findings from tobacco prevention control program activities and initiatives.
5. Develop and implement tobacco prevention efforts to achieve [health equity](#) and reduce tobacco-related disparities among population groups.
6. Maintain a current inventory of Center funded-research.
7. Update internal evaluation and surveillance standards.

Objective 5: By June 30, 2018, sustain ND comprehensive tobacco prevention and control program in conformance with current CDC recommendations.

Rationale: “Evidence-based, statewide tobacco control programs that are comprehensive, sustained and accountable have been shown to reduce smoking rates, tobacco related deaths and diseases caused by smoking” ([Best Practices for Comprehensive Tobacco Control Programs](#), (January 2014, p. 6).

Baseline: 2013-2015 Independent Biennial Report by RTI states the ND comprehensive tobacco prevention and control program is in conformance with the current CDC Best Practices for Tobacco Prevention programs.

Evaluation: ND Comprehensive tobacco prevention and control program based on current CDC Best Practices for Tobacco Prevention meets current CDC Best Practices for Tobacco Prevention programs for 2015-2017.

Lead: ND Center for Tobacco Prevention and Control Policy

Strategies:

1. Modify the comprehensive evidence-based tobacco prevention and control program's state plan based on the independent biennial evaluation recommendations.
2. Advocate and communicate regularly with Governor, Health Officer, legislative body and partners regarding progress and outcomes of program.
3. Partners and local public health reinvigorate and mobilize local grassroots coalitions and recruit new local/statewide partners.
4. Communicate outcomes, the need for continual funding in light of new and emerging tobacco products/issues and the consequences of not continuing a comprehensive program.
5. Build, practice and strengthen skills in mobilizing partners and effectively communicating with decision makers about policy change at grassroots to support and reinforce "Saving Lives, Saving Money" in communities or at the state level and to effectively counter pro-tobacco influences.
6. Examine and modify the comprehensive evidence-based tobacco prevention and control program's state plan using The Guide to Community Preventive Services.

Definitions of Terms:

Adult Tobacco Survey (ATS): Adult Tobacco Survey is an annual phone based survey that provides state level data on adult (≥ 18 years) tobacco use, knowledge, attitudes, and tobacco use prevention and control policies. It also provides state-level data on long term, intermediate, and short-term indicators key to a comprehensive tobacco prevention and control program. Both a national and state ATS are done if funding is available.

Behavioral Risk Factor Surveillance System (BRFSS): Behavioral Risk Factor Surveillance System is a national telephone survey developed and conducted on a monthly basis to monitor state-level prevalence of the major behavioral risks among adults which are associated with premature morbidity and mortality.

E-cigarette: Means any device that can be used to deliver aerosolized or vaporized nicotine to the person inhaling from the device, including an e-cigarette, e-cigar, e-pipe, vape pen or e-hookah. E-cigarette includes any component, part, or accessory of such a device, whether or not sold separately, and includes any e-cigarette substance. E-cigarette does not include any universal use battery or battery charger when sold separately. In addition, e-cigarette device does not include drugs, devices, or combination products authorized for sale by the U.S. Food and Drug Administration, as those terms are defined in the Federal Food, Drug and Cosmetic Act.

Family Smoking Prevention and Tobacco Control Act: Became law on June 22, 2009. It gives the Food and Drug Administration (FDA) the authority to regulate the manufacture, distribution, and marketing of tobacco products to protect public health. For more information see: <http://www.fda.gov/tobaccoproducts/guidancecomplianceinformation/ucm246129.htm>

Health Equity in tobacco prevention and control: The opportunity for all people to live a healthy, tobacco-free life, regardless of their race, level of education, gender identity, sexual orientation, the job they have, the neighborhood they live in, or whether or not they have a disability.

Healthcare settings are establishments where health care providers provide client specific health encounters potentially occurring in a variety of places, i.e. medical clinics, hospitals, dental offices, chiropractic offices, mental health facilities, etc.

Local Education Agencies: BreatheND reports comprehensive schools as identified by the North Dakota Department of Public Instruction. A Local Education Agency (LEA) includes operating and non-operating public districts as well as special education units, career and technology centers and BIA, nonpublic and state institution schools.

Multi-unit housing: Classification of housing where multiple separate housing units for residential inhabitants are contained within one building or several buildings within one complex.

The **National Survey on Drug Use and Health (NSDUH)** provides national and state-level data on the use of tobacco, alcohol, illicit drugs (including non-medical use of prescription drugs) and mental health in the United States. NSDUH is sponsored by the [Substance Abuse and Mental Health Services Administration \(SAMHSA\)](#), an agency in the [U.S. Department of Health and Human Services \(DHHS\)](#).

Public Education Task Force (PETF): Local public health units pool locally-dispersed funds, which collectively contributes to a statewide health communications tobacco prevention educational campaign to prevent and reduce tobacco use prevalence.

Preemption: In Public Health, preemption typically is action taken by higher levels of government, (like state legislatures or Congress) to limit the authority of lower jurisdictions to adopt stronger laws.

Priority populations are populations who experience a disproportionate health and economic burden from tobacco use. In ND, our priority populations are Native Americans, LGBTQ (Lesbian, Gay, Bisexual, Transgender, and Questioning), persons with mental health and substance abuse addiction issues, homeless, and low socioeconomic persons (100% of federal poverty level). (Tobacco prevalence data is usually based on the poverty threshold equal to the 100% of federal poverty level).

Public Housing Authority is a government agency, generally affiliated with a local government which has responsibility for the ownership and operation of subsidized housing and rental assistance programs.

Synar: Synar Amendment, which requires States to have laws in place prohibiting the sale and distribution of tobacco products to persons under 18 and to effectively enforce those laws.

Tobacco: Any product that contains tobacco, is derived from tobacco, or contains nicotine or similar substances, that is intended for human consumption or is likely to be consumed, whether smoked, heated, inhaled, chewed, absorbed, dissolved, or ingested by any other means. The term “Tobacco Products” includes E-cigarettes and other electronic smoking devices, pipes and rolling papers, but does not include any product approved by the United States Food and Drug Administration for legal sale as a tobacco cessation product and is being marketed and sold solely for the approved purpose.

Tobacco Technical Assistance Consortium (TTAC): A part of the Emory’s Center for Training and Technical Assistance, dedicated to assisting organizations in building capacity to achieve and develop highly effective tobacco control programs and policies. TTAC provides individualized technical assistance, customized trainings and extensive resources to help clients succeed in their tobacco control efforts.

Traditional tobacco use as defined by the CRST Cultural Preservation Office and the Great Plains Tribal Chairman’s Health Board means “plants for healing the mind, body, and spirit. There are four plants that are used in Lakota ceremonies: tobacco, sage, sweet grass and cedar. Traditional Tobacco is called “čañšaša,” another name is “kinikinik.” Čañšaša translates to red willow. Tobacco is used: 1) in our sacred pipe in ceremonies and is not inhaled; 2) in its natural form to make tobacco ties for prayer or thanksgiving in times of need; 3) only for special purposes in prayer, offering or rituals; 4) as an offering to an elderly when we need his or her help, advice or prayer; 5) as an offering when we see the sacred eagle in the sky, as the eagle is the intercessor to Tunkašila, Great Spirit; 6) as an offering to the drum at pow-wows to give special blessing to the heartbeat of the nation and onto the singers at the drum; 7) as an offering when a person asks someone to do a ceremony such as naming (hunka) – pipe ceremony, singing, sweat lodge or any of the Lakota ceremonies; 8) as an offering to a person as a way to ask for forgiveness to heal bad feeling when emotions are hurt; 9) as an offering or to an elderly to seek knowledge and to show appreciation to that person for sharing. Traditional tobacco is never abused because it is in its natural form without additives.”

Treatment Reach: North American Quitline Consortium (NAQC) defines treatment reach as “the proportion of the target population (all adult smokers) who receive an evidence-based treatment (both counseling and pharmacotherapy) from a quitline.

Youth access is the North Dakota legal age of 18 to purchase tobacco products.

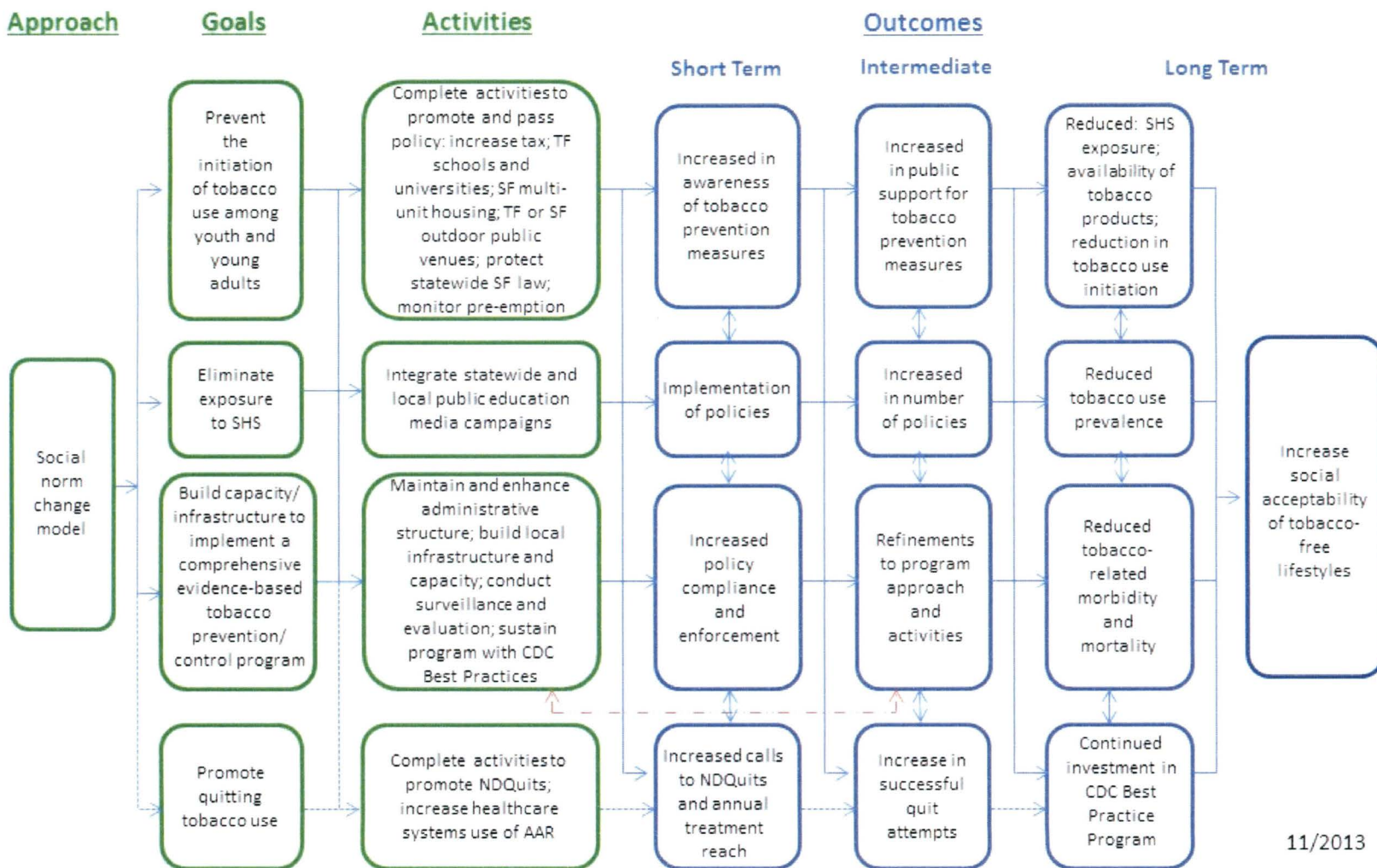
Youth Risk Behavior Survey (YRBSS): Youth Risk Behavior Surveillance System is a national written survey which monitors six priority health-risk behaviors that contribute markedly to the leading causes of death, disability, and social problems among youth. It is conducted every two years (odd numbered years) during the spring semester providing data representative of 9th- 12th grade students in public and private schools throughout the United States.

Youth Tobacco Survey (YTS): Youth Tobacco Survey is a survey done, dependent on state interest of middle and high school youth, measuring tobacco-related beliefs, attitudes, behaviors, and exposure to pro-and anti-tobacco influences. A national Youth Tobacco Survey is done roughly biennially.

ND Comprehensive Tobacco Prevention and Control Program Objectives by Goal and CDC Best Practices

Objective	Prevent Initiation	Eliminate Secondhand Smoke Exposure	Promote Quitting	Build Capacity and Infrastructure	CDC Best Practices Component
Increase the cigarette excise tax	X		X		State and community
Increase the % of tobacco-free schools	X				State and community
Increase the # of tobacco-free post-secondary institutions	X				State and community
Develop and advocate point of sale ordinances to restrict youth access	X		X		State and community
Support of federal tobacco excise tax by ND congressional delegation	X		X		State and community
Uphold statewide smoke-free law	X	X	X		State and community
Prevent preemption in state tobacco prevention and control laws	X			X	State and community
Increase of indoor smoke-free air exempted from ND smoke-free law	X	X	X		State and community
Increase of smoke-free and tobacco free outdoor venues	X	X	X		State and community
Increase treatment reach of NDQuits			X		Cessation
Increase health care settings using Public Health Service (PHS) guidelines			X		Cessation
Increase of mental health providers providing clients with evidence based nicotine dependence interventions			X		Cessation
Maintain and enhance administrative structure to manage comprehensive program				X	Administration and management
Build local infrastructure and capacity				X	Administration and management
Implement health communication initiatives	X	X	X	X	Health communication
Conduct surveillance and evaluation				X	Surveillance and evaluation
Sustain program in conformance with Current CDC Best Practices				X	Administration and management

ND Center for Tobacco Prevention and Control Policy Program Logic Model



11/2013

GOAL
The Center's tobacco prevention efforts focus on changing the broad social norms around the use of tobacco by influencing the public, which includes current and potential future tobacco users, by creating a social environment and legal climate where tobacco becomes less desirable, less acceptable and less accessible.

SB2024
03.08.2017
#5

TESTIMONY TO KEEP SB2024 FUNDED
3-8-2017

BECKY ANDERSON
PRACTICING RESPIRATORY THERAPIST
FARGO, ND
Becky.Anderson@sanfordhealth.org

Chairman Pollert and members of the House Appropriations Human Resources Division:

Good morning, I'm Becky Anderson, a registered respiratory therapist with a 37-year career serving the people of ND. As a respiratory therapist, I have been on the front lines of the tobacco epidemic for my entire career. My early professional years were marked by caring for people with chronic disease, especially those with COPD and lung cancer. Those at the end of their lives spent a considerable amount of time hospitalized. As an impressionable young therapist, I remember their names, I remember their faces, and I remember their stories. I remember the physical devastation and emotional burden which are the result of nicotine addiction. I have sat beside the bed of thousands of patients, trying to bring some small measure of comfort and light at a time many of them were at the end of their lives... dying way too young in their 50's and 60's, a few in their 70's. **As they shared their stories with me, it always struck me as tragic that nicotine addiction is an epidemic which starts in childhood, some under ten years old, and 90% of tobacco users start before the age of 18.** This is disturbing on many levels and significant because children are becoming addicted to nicotine when their brains are still developing. The result is that they become addicted easier and have a more difficult time quitting.

Healthcare professionals seek out evidence of "best practice" to build our care programs. This is what the ND Center for Tobacco Prevention is good at. They have impressive results. For these reasons the timing to move this program is wrong. **Uprooting this program now will have long-term negative consequences when it comes to educating on and implementing effective tobacco prevention policy, on both the local and state levels. Policies are important because they make tobacco use less acceptable to the public, which is why kids choose to never start using tobacco, and it's what encourages current tobacco users to quit.** These policies include tobacco-free and smoke-free parks and recreation areas, tobacco free grounds, and tobacco free schools. **And yes, this includes educating and advocating to increase the price of tobacco.** Without strong leadership, and the ability to stand strong for policy, we risk compromising

educational and policy efforts to the point where efforts are ineffective. For these reasons, I ask that you keep the Center funded. The Center staff and partners can get this job done the right way. ND's children deserve a better future... and it's within our grasp. This is a fight to the finish and it's within our grasp.

TESTIMONY SUPPORT TO KEEP THE CENTER/BREATHEND FUNDED
AMEND SB2024

SB2024
03-08-2017
#6

March 8, 2017

DR. ERIC JOHNSON
TOBACCO PREVENTION ADVISORY COMMITTEE MEMBER
PHONE: 701-777-3811

Chairman Pollert and members of the House Appropriations Human Resources Division:

I'm here today to roll up my sleeves and talk results with you. As a doctor and a person who is passionate and dedicated about improving the health of our communities, results matter to me. And they should matter to you, because these aren't just numbers. These are your family members, your neighbors, your friends, and this is your wallet. To have a serious discussion about reducing health care costs must include this.

BreatheND is focused on results. From the beginning, this program has carried out smart and effective efforts to drive successful tobacco prevention and improve health. For example, North Dakota passed a Smoke-Free Law in 2012. BreatheND laid the groundwork for this law by preparing and assisting local communities to put policies in place. And then they followed through after the vote by helping every community comply with the law, which passed in every legislative district.

Prior to the state law, Grand Forks passed a smoke free city ordinance.

Smoking and secondhand smoke affects the heart and blood vessels, increasing the risk of heart attacks in both smokers, and non-smokers. Just four months after the Smoke-Free ordinance was implemented, we found the rate of heart attacks a North Dakota hospital treated decreased by 24.1%. That's a quarter fewer heart attacks compared to 4 months before the law was passed. And that's just one hospital. Not only were families spared the emotionally taxing experience of dealing with a loved one hospitalized for a heart attack, they were also spared the bill. That reduction amounts to a cost savings of more than \$150,000 in that four month period. Those results matter and were published in a leading tobacco related disease research journal.

This is what BreatheND is so good at: identifying the methods that will make the greatest impact and thoroughly executing them. This is known as best practices- those that have the science behind them. My fellow Governor appointed Executive and Advisory Committee members have always been excited to see the science at work for every day North Dakotans.

In my career, I have treated both young people and adults suffering from severe illnesses and health conditions caused by tobacco. The pain and suffering I've seen nicotine-addicted users put themselves and their families through is needless. One case at a time, I can and do work to get people healthier.

BreatheND has been on the path of best practices from its beginnings. As a physician, I am interested in quality interventions that matter, and that includes strong policy pieces that translate to better health for all. Treating tobacco addiction is an important component in public health policy, but

among the scientific community, we know prevention is critical. I have been so fortunate to be associated with successful health policy here in North Dakota. My clinic practice has been focused on chronic disease processes and how they affect patients for nearly 25 years; In addition to BreatheND, I serve on national committees with the American Medical Association and the American Diabetes Association that also create best practices for education and prevention in the areas of chronic disease. I have a good working knowledge of how to address "the big picture". BreatheND has been the engine for creating an environment where chronic disease prevention actually exists, specifically related to tobacco.

The normalization of smoking into our society after decades of successful marketing by tobacco companies has collectively lulled us to sleep, allowing us, at times, to deny the truly horrific scope of death and disability inflicted by these products.

I can't tell you how you should vote on BreatheND's funding. I can tell you that BreatheND has been the home to sound scientific practices in the world of tobacco prevention and control for North Dakota that can influence the rates of tobacco death and disability for our state.

3/8/1 TESTIMONY SUPPORT TO KEEP BREATHEND FUNDED/AMEND SB2024

March 8, 2017

North Dakota House Appropriations Human Resources Division:

Theresa Will, RN/Administrator: City-County Health District, Valley City

Phone: 701-845-8518

Good morning, Chairman Pollert and members of the House Appropriations Human Resources Division:

My name is Theresa Will, I am the Director at City-County Health District, the Local Public Health Unit for Barnes County, located in Valley City. I am here to voice my support for keeping SB2024 funded. This bill supports the vote of the people and their decision to invest a small portion of tobacco settlement dollars for tobacco prevention - *not only for 7 years, but through its entirety*. With this program, we have made remarkable progress in decreasing the tobacco use rates. The partnership between public health and the Center for Tobacco Prevention and Control Policy is helping North Dakotans live healthier lives – here are some of our successes:

- a local ordinance that protects our youth from the dangers of electronic cigarettes;
- smoke free parks;
- tobacco free County and City grounds and vehicles;
- model school policies in all schools within our county;
- and we assist apartment managers with the tools to help their buildings become smoke-free so all tenants can have healthier, smoke-free homes.

This local policy work could not be achieved without the local policy grant, and technical assistance from the Center, which has supported approximately 1.3 FTE in Barnes County over the past many years.

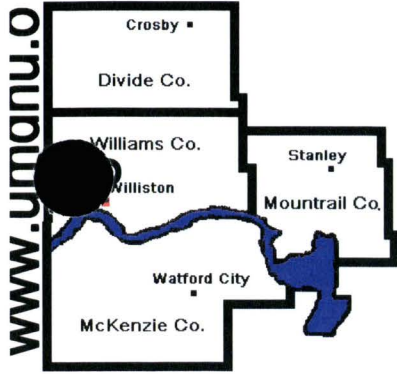
Before the vote of the people, before we had our comprehensive program, outcomes were limited.

Through the leadership of the Center and with a STRONG FOCUS ON POLICY, we now see consistent results across the state.

Now is not the time to move this program. The Center's expertise gives us the strong backbone to hold the line and keep policies strong so we continue to see youth tobacco use rates drop to the low single digits. Moving this program now is short sighted. It will have serious long-term consequence on our kids' health and health care costs will continue to be out of control. Keep the Center funded and let's end the tobacco epidemic.

Upper Missouri District Health Unit

"Your Public Health Professionals"



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 300 Main St. N
 Crosby, ND 58730
 Phone 701-965-6813
 Fax 701-965-6814

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MOUNTRAIL COUNTY
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 18 2nd Ave SE
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WILLIAMS COUNTY
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 Fax 701-577- 8536
 Toll Free 1-877-572-3763

Senate Bill 2024

ND Center for Tobacco Prevention and Control Policy Budget

8:30 a.m., March 8, 2017, House Appropriations

Good Morning, Chairman Pollert and members of the House Appropriations Committee, Human Resources Division. I am Javayne Oylo, Executive Officer of Upper Missouri District Health Unit, which provides services in Divide, McKenzie, Mountrail and Williams Counties.

The track record of the Center is impressive. You have heard testimony in regard to the substantial decrease in tobacco use across our state due to the single-focused approach using tobacco settlement funds. These are not just numbers or percentages but our fellow community members, friends and family who were finally able quit using tobacco or they are the children who will never start.

About a decade ago, I am one of the people who led the conversation in regard to leveraging the tobacco settlement funding to create a statewide, coordinated tobacco prevention effort. At that time North Dakota youth smoking rates were stalling, and chewing tobacco rates were climbing. Nationally, aggressive prevention efforts were successful in a short period of time. In a number of states we saw with a quick reduction in tobacco use rates, reduced healthcare costs followed. It was time to intensify our efforts.

Today we see the track record of documented results because of leadership from the Center, the dedication of public health professionals and other partners. These tobacco prevention efforts are driven through policy. Policy drives change, the ND Center for Tobacco Prevention and Control Policy must remain fully funded if we want to continue to reduce tobacco use at an accelerated rate. Help us to continue making critical tobacco-prevention gains and keep effective policies in place. As you have heard, this work is not done. Please keep this work funded at BreatheND.

Sincerely

Javayne Oylo
 Executive Officer
 Upper Missouri District Health Unit
 701-774-6400
joylo@umdhu.org

"It takes safe, healthy cities with vibrant, walkable main streets in downtowns to attract and retain a skilled workforce". Governor Burgum. We too want safe, healthy communities.

SB 2024
03.08.2017
#9

Testimony
Senate Bill 2024
House Appropriations, Human Resources Committee
Wednesday, March 8, 2017

Good morning Chairman Pollert and Members of the House Appropriations, Human Resources Committee. I am Kathleen Mangskau. I am retired and spent many years working on tobacco prevention in North Dakota. I am unable to attend the hearing today and have asked a colleague to read my testimony. I am providing information on some of the historical perspectives that may help to shape the future course of tobacco programming in the state. Progress in tobacco prevention in North Dakota has been a very slow and tedious process. It took more than 20 years to pass a strong comprehensive smoke-free law in the state.

In 2001 with the infusion of the Community Health Grant Program funding, we finally were able to put in place some programs that helped us reduce the youth smoking rates. We had a strong focus on Best Practices implementing what we knew was proven to work. With the strong commitment of local health departments we were able to pass numerous smoke-free policies in schools and communities and finally in 2005 an initial statewide smoke-free law. This law however was not comprehensive and it took another 7 years and a statewide initiated measure in 2012 to put a strong, comprehensive law on the books. With these efforts between 2001 and 2009 we saw youth smoking rates drop from 40.6 percent to 22.1 percent. During this period there were some significant components lacking. No funding had been appropriated for public education thus severely limiting the state program's ability to encourage policy and environmental change as well as drive people to quit. There was also limited funding for evaluation of the program, which is a critical component of implementing quality programs. By 2007 with only the limited Community Health Grant Program funds and some federal funding we were not able to continue our significant decline and we started to see youth smoking rates plateau. By 2009 the low hanging fruit in cessation had been picked and we needed further education and policy change to drive tobacco users to quit. When only extremely limited additional funding from the Strategic Contribution Funds were appropriated in 2007, tobacco control advocates felt the need to join forces to put forth an initiated measure to acquire the necessary funding for a comprehensive program to continue the tobacco prevention efforts to further reduce youth tobacco use rates and

help adults to quit. With the infusion of the Breathe ND tobacco settlement funds we were once again able to reduce youth smoking rates further from 22.4 percent in 2009 to 11.7 percent in 2015.

While significant progress has been made, our job is not done. Still far too many children and adults continue to use tobacco resulting in significant health costs and loss of lives. To cut these efforts now and reduce this to a maintenance program* is not the time. We do not want to backslide and see these efforts in vain. SB 2024 needs to be supported and the tobacco tax needs to be increased before we should be thinking about a maintenance program only. If the North Dakota Legislature wants to fund only a maintenance program then they should significantly increase the tobacco tax so we have the necessary policies that we know work in place.

Thank you for the opportunity to share this information. If you have questions, I can be reached at 701-214-7010.

*A maintenance program tries to maintain current efforts but does not work on implementing additional policies, programs and services.

3B2024
03.08.2017
#10

TESTIMONY SUPPORT TO KEEP THE CENTER/BREATHEND FUNDED

AMEND SB2024

March 8, 2017

DR. JOHN WARFORD – AND FORMER BISMARCK CITY MAYOR

johnsr@warfordortho.com

Chairman Pollert and members of the House Appropriations Human Resources Division:

You've heard the words "comprehensive statewide tobacco prevention program" a few times today. I'm here today to share my personal experiences that speak to what that means and why it's the best way to reduce the toll tobacco takes on North Dakota.

I've held a variety of roles in the Bismarck-Mandan community over the years.

- I served as the mayor of Bismarck from 2002-2014.
- I've practiced orthodontics for 43 years and counting.
- And I am currently the Dean of the Gary Tharaldson School of Business at the University of Mary.

In each of those areas of the community, I've watched BreatheND make a meaningful impact. Let's start with my orthodontics practice as I've been there the longest- since 1973.

- Every day I average 75-100 patients.
- Which means I have personally seen and treated a large portion of the oral health needs in the Bis-Man community.
- Before BreatheND's efforts, a significant portion of my patients- men and women, teenagers and adults- suffered from serious health effects caused by tobacco products.
 - I saw many cases of leukoplakia, the thickened, white patches that form inside the mouth.
 - A handful of my patients were even diagnosed with oral cancer.
 - That was particularly prevalent for patients using smokeless tobacco.

After BreatheND embarked on educational efforts, I saw a direct and dramatic decline in use and oral manifestations.

Then, as Mayor, I watched the process at work. In 2010, BreatheND worked with us to develop a smoke-free ordinance that included bars in the city.

- In 2011, a special election was held and 60% of the voters opted to keep the smoke-free ordinance.
- This was big step forward for city officials to protect all citizens from second-hand smoke and encourage the cessation of tobacco users.
- The public education efforts of BreatheND were instrumental in the creation and sustaining of the ordinance through the vote.
- The ordinance worked to protect the citizens of Bismarck.

- I attribute that to the success of BreatheND and the courage of the Bismarck City Commission to stand up against Big Tobacco and the hospitality bar industry, and put health first.

I'm now serving as Dean of University of Mary's school of business, where I've continued to watch BreatheND positively impact the lives of young people.

- The program worked closely with student government and the student population to achieve a tobacco-free status.
- I enjoy working on a tobacco-free campus, which means a healthy workplace for myself and my colleagues, and a healthy environment for students to learn.
- I also recognize the important example this sets for the 18-22-year-olds on our campus.
 - We are instilling healthy behaviors for these young people to have even brighter futures.

My experience with BreatheND tells the story of the many levels on which this program works.

- Changing cultural norms about the use of tobacco is not a one-size-fits-all approach. We need education, policy work, and strong partnerships.
- We need to respond to the changing cultures of one generation to the next.
- That's why BreatheND is aggressive and creative about its educational efforts, from working with college students to building relationships with city officials.
- And that's just here in Bismarck.
- These comprehensive efforts are happening all over the state.

I can actually see the results of all this work at my practice. I have fewer patients suffering serious oral health conditions caused by tobacco than ever before.

I fully support full funding for BreatheND to continue this multi-layered approach. I'm encouraged by the program's successes thus far and excited for what the future will bring.

It's important to remember that BreatheND is about **policy prevention work**, and not treatment reach. No other agency can do this work. The difference is that treatment reach impacts those already suffering. Tobacco prevention means that North Dakota will save money and lives, by having to address fewer chronic diseases caused by tobacco – the leading cause of preventable death and disease.

Chairman Pollert and members of the House Appropriations Human Resource Division,

My name is Beth Hughes and I am a respiratory therapist and an educator. I have just a few words of my own to add to this testimony. Thank you for listening carefully.

The people of ND have given you the enormous responsibility of making thoughtful, considerate decisions regarding their safety and well-being. I believe that each of you takes this responsibility very seriously.

So I ask you. Do you want to have the dubious distinction of being the first legislators in ND history to go on record as voting directly against the will of the people? Do you want to go down in history as the lawmakers who chose to dismantle a nationally recognized, efficiently run, model program that saves the lives of North Dakotans of all ages?

Do you want to go on record as saying that the number one killer of North Dakotans is not worthy of a comprehensive program (that does not use general funds) that aims to stop kids from ever starting to use tobacco?

Or instead, would you like to go on record as saying, "Yes! I want to support the vote of the people! I want to be known as an advocate for kids, and a thoughtful, considerate lawmaker who has reviewed BreatheND's comprehensive model for tobacco control and am proud to support the many people in local public health and the staff members at BreatheND who work indefatigably to make great strides, in a very short period of time, in tobacco control!

I have to tell you, I have been waiting for you folks to look at what has happened in the area of tobacco control in ND since BreatheND came into existence, and to take some credit for the strides that have been made! I have been waiting, and hoping, that, by now, you folks would be proudly touting the 50% reduction in youth smoking, the many new smoke-free public places and the increase in the number of smoke-free multi-unit housing facilities. You have a nationally recognized program of excellence that I would have thought you would be incredibly proud of!

For 37 years, I have poured my heart and soul, both through my work, and as a volunteer advocate, into this battle against Big Tobacco, its deep, deep pockets, and the death and disease it has inflicted upon too, too many North Dakotans. If you vote to defund BreatheND it will be a win for them, and a loss for all the rest of us. Is that what you want?

Dubious distinction of dismantling a successful, comprehensive tobacco control program, or great pride in representing a state that is a national leader in strong health policy? Which will you choose?

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#12

TESTIMONY SUPPORT TO KEEP THE CENTER/BREATHEND FUNDED
AMEND SB2024
March 8, 2017

Pam Crawford, North Dakota Tobacco Prevention and Control
Advisory and Executive Committee

Chairman Pollert and members of the House Appropriations Human Resources Division:

I am Pam Crawford. I am a member of the Tobacco Prevention and Control Advisory Committee and I am here today advocating for this organization.

I AM IN SUPPORT OF KEEPING BREATHEND FUNDED.

This group has one sole purpose and focus. They exemplify efficiency, fiscal responsibility and creativity in government. They have a proven track record of making a difference for the better for North Dakota citizens.

The funding and mission of this organization were established by North Dakota voters in 2008 with the passage of Initiated Measure No. 3 requiring the State to develop and implement a comprehensive statewide tobacco prevention and control plan consistent with CDC's best practices. Funding for this agency is provided through the Tobacco Settlement strategic payments.

This agency has been fiscally responsible in its utilization of those funds.

To terminate this agency at this time will erode the good work that has been done. By good work I mean policy interventions that impact our tobacco use rates, in both youth and adults. And policy is about changing the social norms to make tobacco use less acceptable for everyone, so that fewer kids start.

The strategy used by BreatheND is sound, and is proven to work. It's about using CDC Best Practices – it's about driving the hard line on policy and to not buckle when policies are challenged by opposing forces, mostly under the influence of the tobacco industry.

Sound policy is what will reduce our youth smoking rates and get tobacco users to quit. Every smoke-free and tobacco free policy makes tobacco users wonder if smoking is worth the effort, and it encourages kids to never start – out of sight – out of mind.

Let BreatheND finish this program to driving youth use rates to single digits before you put it into a maintenance program.

I urge you all to support the continuation of the work of Breathe North Dakota AND KEEP SB2024 FUNDED. To discontinue this program at this time appears incongruent with the wishes of North Dakota voters who wanted this comprehensive program and wanted the strategic payments to be utilized to fund this program.

Thank you.

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03-08-2017
#13

**TESTIMONY SUPPORT OF FUNDING SB2024
3-8-2017**

**MARVIN J. LEIN, CEO
MID DAKOTA CLINIC, PC
BISMARCK, ND**

To Whom It May Concern:

With budgetary constraints continuing to play a major role in establishing funding priorities for the next biennium, I wish to express strong support for programs specifically established for the prevention of smoking. Such as BreathND.

BreathND's specific funding has had a measurably positive impact on preventing many, many North Dakota patients from facing the detrimental health effects, and negative economic impacts, of smoking related illness, disability and even death.

The funding already established by a vote of the people should continue to be preserved exclusively for BreathND's effective tobacco-prevention work and its many, many community health benefits.

Respectfully,

Marvin J. Lein, CEO
Mid Dakota Clinic, PC



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03-08-2017
#14

 **Tobacco Free**
North Dakota
2718 Gateway Ave. Ste. 303
Bismarck, ND 58503

www.tfnd.org

My name is Heather Austin, and I am the Executive Director for Tobacco Free North Dakota. Tobacco Free North Dakota (TFND) and many other organizations have all signed a formal: Resolution to Support the Continuation of North Dakota's CDC-Based Comprehensive Tobacco Control Program Delivered by the North Dakota Center for Tobacco Prevention and Control Policy (BreatheND) Through the Tobacco Prevention and Control Trust Fund.

In it, we recognize that tobacco use remains North Dakota's number one preventable cause of disease and death, with 1,000 North Dakotans dying annually. We highlight the staggering cost of smoking-caused direct healthcare needs for North Dakota's taxpayers. And, we acknowledge that the tobacco industry is never going to stop targeting our youth with new emerging products aimed at creating new lifelong addicts to nicotine. We hope that by providing our vocal support to North Dakota's fully-funded comprehensive tobacco prevention program and to BreatheND, we can convince our legislators to continue to provide funding for saving lives and for saving money in North Dakota. Thank you.

This Resolution has been signed by:

**The American Lung Association,
Bismarck Tobacco Free Coalition,
Cavalier County Board of Health,
Central Valley Health District,
City-County Health District Board of Health,
Dickey County Tobacco Free Coalition,
Foster County,
Grand Forks Board of Health,
Grand Forks Tobacco Free Coalition,
Lake Region District Health,
Nelson-Griggs District Health Unit,
The North Dakota Society for Respiratory
Care,
North Star School Board,
North Star SADD (Students Against
Destructive Decisions),**

**North Star FCCLA,
Ransom County Board of Health,
Richland County Health Department Board
of Health,
Rolette County Public Health District Board
of Health,
SAFE Coalition of Fargo,
Towner County Commissioners,
Towner County Public Health Board,
Towner County Safe Communities Coalition,
Traill County Board of Health,
Upper Missouri District Health,
Walsh County,
Walsh County Health District Board,
Walsh County Tobacco-Free Coalition,
Wells County District Health Unit,
and Tobacco Free North Dakota.**



2718 Gateway Ave. Ste. 303
Bismarck, ND 58503

www.tfnd.org

The Resolution reads as follows: WHEREAS tobacco use remains North Dakota's leading preventable cause of death, with 1,000 North Dakotans dying each year from their own smoking, and 14,000 kids under the age of 18 who now live in North Dakota are projected to die prematurely due to smoking;

WHEREAS tobacco use in North Dakota also imposes a staggering economic burden, with smoking-caused direct healthcare costs alone amounting to \$326 million each year, and each North Dakota household paying \$795 per year in "hidden" state and federal taxes for smoking-caused government expenditures;

WHEREAS the tobacco industry is continuously introducing new nicotine products and marketing them to youth through product innovations, technology, and flavorings, resulting in a high school e-cigarette use rate of 22.3%;

WHEREAS new nicotine products often circumvent existing local, state and federal laws, such as legal age of sale restrictions, advertising restrictions, smoke-free laws, and tax laws;

WHEREAS on November 4, 2008, 54% of North Dakota voters approved Initiated Measure #3 to allocate the state's Strategic Contribution Fund payment to a Best Practices tobacco prevention program fully-funded at the CDC recommended level, and public support for this program has grown significantly to 81.7% as of 2016;

WHEREAS the establishment and success of North Dakota's Center for Tobacco Prevention and Control Policy, the nation's only fully-funded comprehensive tobacco prevention program, has contributed to a reduction in adult tobacco use from 21.9% in 2011 to 18.7% in 2015, and a reduction in youth tobacco initiation from 22.4% in 2009 to 11.7% in 2015;

WHEREAS the North Dakota Center for Tobacco Prevention and Control Policy, in order to continue to succeed in effectively preventing youth initiation and in reducing tobacco-caused death and disease, and to respond effectively to new tobacco product introductions, operates with an independent Governor appointed committee of tobacco control policy and medical experts to insulate the program from political and tobacco-industry influence and to effectively use proven scientific approaches;

NOW THEREFORE BE IT RESOLVED that, in keeping with North Dakota voters' establishment of and support for the North Dakota Center for Tobacco Prevention and Control Policy and its mission of Saving Livings-Saving Money: ND's Comprehensive State Plan to Prevent and Reduce Tobacco Use, TFND supports the continuation of North Dakota's Center for Tobacco Prevention and Control Policy funded by the Tobacco Prevention and Control Trust Fund.

Heather Austin
Executive Director, Tobacco Free North Dakota
Cell: 701-527-2811
heather@tfnd.org
www.tfnd.org

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#15

Board of Directors

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Kristie Wolff

Jared Erling

Reba Mathern-Jacobson

March 8, 2017

Chairman Pollert and House Appropriations Human Resources Division,

My name is Reba Mathern-Jacobson with the American Lung Association in North Dakota. With a grant from BreatheND we've collaborated on a project to integrate tobacco treatment into behavioral health settings.

North Dakota's behavioral health professionals need more professional education on tobacco intervention and recovery. **Their agencies and workplaces need technical support to implement best-practice policy (such as tobacco-free grounds) and procedures (such as standardized tobacco assessment and treatment protocols).** One beauty is that this includes private and public behavioral health systems, so that improvements can be comprehensive, sustainable and statewide.

While smoking rates in the general population have been on a steady downward trend, smoking rates among those with mental illness or addiction remain high, making them the largest disparity group. They purchase 40% of all tobacco in our country. Three fourths of smokers have a past or present problem with mental illness or addiction. At least 65% of people in treatment for substance use disorders also smoke cigarettes.

As a consequence, smoking is the number one cause of death in people with mental illness or addiction. People with a serious mental illness die 25 years younger than the rest of the population, due to tobacco. People with an alcohol addiction die more often of tobacco related illnesses than from alcohol.

People with behavioral health disorders need, and in fact *want*, treatment opportunities and support within the context of their behavioral health care. Tobacco use is inextricably related to the problems presented due to mental illness and other addictions. Quitting smoking is associated with improved mental health outcomes and even a 25% increased likelihood of long-term abstinence from alcohol and drugs.

Clients and their counselors will have greater success with mental health and addictions treatment when tobacco treatment is integrated into behavioral health settings. These are good strides in North Dakota but much work remains yet to be done.

Maintaining funding for BreatheND is crucial to this project.

Thank you,
Reba Mathern-Jacobson, MSW, Director Tobacco Control

2017 Trainings

1. 5-part webinar series with national authority Tony Klein, March-June
2. 8 one-day trainings with Dr. Williams for each Human Service Center and their community partners
 - April - Dickinson, Bismarck
 - May - Grand Forks, Fargo
 - June - Williston, Minot
 - July - Devils Lake, Jamestown
1. 2-day training with experts Dr. Williams and team of Rutgers

Date of report: July 8, 2016

Title of Project: Treating Tobacco Dependence in Behavioral Health Settings

Training Dates Covered by the Report: June 21 & 22, 2016, Fargo, North Dakota

In June 2016, Rutgers, Robert Wood Johnson Medical School, Division of Addiction Psychiatry conducted an on-site 2 Day CE/CME Activity on "Treating Tobacco Dependence in Behavioral Health Settings". Providers from the areas surrounding Fargo, North Dakota attended 2 days of training and rated the experience as excellent. The program had 95 registrants, of which 74 attended.

The first lecturer for the program was Jill Williams, MD. The emphasis in Day 1 was an overview of tobacco use in mental health populations in addition to assessment and pharmacology treatment to tobacco users. Participants reported that Dr. Williams was an effective presenter. **More than half of the participants indicated that this education increased their understanding of the subject and based on the content of the activity, they would implement a change in their practice/workplace.** Of the seventy four (74) participants in attendance the breakdown shows us that, seventy (70) participants completed the evaluation, of which the majority rated Dr. Williams and program content in the highest possible rating (5).

The second day of the training featured lecturers' Marc L. Steinberg, PhD., and Trish Dooley, MA, LPC, CTTs. **The emphasis in Day 2 was using motivational interviewing in tobacco dependence treatment, as well as explaining the role of mental health professionals in prompting a tobacco free environment, and to teach a wellness-based group treatment approach to facilitate the adoption of a tobacco free lifestyle for mental health consumers.** The overall majority of participants rated the lecturers as effective presenters and felt this education met their expectations.

Additionally, all participants gave a moderately high rating, stating that they would as a result of the training be able to better:

1. Describe the prevalence and consequences of tobacco use and mental illness (99%).
2. Explain the neurobiology of smoking and behavioral health condition (92%).
3. Recognize the basic "spirit" of motivational interviewing, treatment engagement strategies (i.e., open-ended questions, affirmations, reflective listening) and describe "change talk" (97%).
4. Describe valuable tools for assessing tobacco dependence including DSM criteria, Fagerstorm scores and measurement of expired carbon monoxide (99%).
5. Review the risks, role and benefits of the FDA approved medications for treating tobacco dependence including indications and contradictions, special precautions and warnings (97%).
6. Identify brief interventions, group and individual counseling, and social supports to address tobacco use and prevent relapse after a quit attempt (85%).
7. Describe the advantages of using a peer-to-peer approach to addressing tobacco for individuals with behavioral health conditions (84%).
8. Determine ways policy can reduce tobacco use and support treatment and review practical strategies to overcome common challenges in becoming a tobacco free facility (90%).
9. Assess the influence that tobacco marketing communications have on smoking behaviors and dispel myths and misconceptions about tobacco products (96%).

10. Identify evidence-based treatment plans for treating tobacco dependence in special high risk/diverse populations with behavioral health conditions (89%).

The majority of participants in the training stated the program enhanced their understanding of the subject (99%); would influence how they did their job(97%); would help improve their performance (92%); was evidence based and scientifically balanced (99%). The following is a list of some of the comments from participants. Additional evaluation feedback from participants can be found on attached report.

- Excellent training- Thank you!
- This provided great information, current info that was well-organized and presented in an interesting energetic manner.
- This trio was refreshingly clear-enthusiastic-enjoyed sharing the latest research- and were so knowledgeable, friendly, extending. Dynamic presenters, invaluable information
- Supercalifragalistic experience, as expected
- Great program!
- It was excellent
- Excellent workshop, great information, useful

Participants are supportive of implementing changes based on new learning (57%), however barriers identified included billing concerns, time and support, smoking among staff members, time constraints, lack of facilities and facilitators to conduct cessation are among many of the barriers expressed on the evaluation forms.

Participants were successful in acquiring new knowledge. Seventy three people completed a pretest and 72 completed a post test. Pretest scores ranged from 0 to 83% correct; the mean pretest score was 41% correct (SD 17), indicating baseline knowledge was poor. Post test scores ranged from 8 to 100% correct; the mean posttest score was 67% (SD 19) correct.

Mean posttest scores significantly increased from pretest (n=70; Paired t test, $t = -11.7(df 69)$; $p < 0.001$). Scores increased by an average of 27 points between pre and posttest.

We hope we have met your training needs and look forward to working with you again in the future.

Sincerely,

Lucija Milicevic
Program Assistant
Division Coordinator Addiction Psychiatry
Rutgers Robert Wood Johnson Medical School
Rutgers, The State University of New Jersey

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Kristie Wolff – Program Manager, American Lung Association in North Dakota
SB 2024
North Dakota House Appropriations Committee

March 8, 2017

Chairman Pollert and members of the House Appropriations Committee, my name is Kristie Wolff, I am the Manger of Tobacco Prevention and Advocacy for the American Lung Association in North Dakota.

Today I am here to speak in support of a fully funded tobacco prevention program following CDC best practices, as voted on by the people.

Currently 80% of my work at The American Lung Association is funded by a grant from the Center for Tobacco Prevention and Control Policy also known as BreatheND.

Over the past year my work has included developing a partnership with Fire Depts. across the state and with the ND Fire Prevention Association. This partnership has focused on education related to smoking material fires.

According to the National Fire Prevention Association, smoking material fires are the leading cause of fire deaths in the United States and 25% of people who die in a smoking-material fire are not the smoker.

In the spring of 2016 cities across the state saw a significant spike in smoking material fires. To help bring awareness to the issue, several ND fire departments adopted Operation Butt Out, a locally developed education program that focuses on how to safely extinguish smoking materials “all the way, every time.”

The American Lung Association in ND became a resource for participants in this program by providing education on smoke free multi-unit housing policies and e-cigarette fires and explosions. BreatheND’s numerous resources have been a valuable tool used during this education process.

This important work has only just begun. There is so much more to do. The next step in this partnership is to help guide rental property owners through the process of implementing smoke free policies. These policies save lives and save money.

Another primary focuses of my work funded through BreatheND is statewide education related to electronic cigarettes. These flavored high tech products are addicting the next generation. Currently 22.3% of ND high school kids use electronic cigarettes. Continued education and monitoring of these emerging products is vital. The tobacco industry is not going to stop, therefore we cannot stop either.

Tobacco is still a problem in ND, so it is critical to continue to fully fund North Dakota's tobacco prevention program through BreatheND. This agency has a single focus and a proven track record of success. Thank you for your time and consideration, I would be happy to answer any questions.

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#17

TESTIMONY IN SUPPORT OF FUNDING FOR SB 2024

Sommer Wilmeth
1236 North Parkview Drive
Bismarck, ND 58501
(701) 934-0540

Chairman Pollert and Members of the House Appropriations, Human Resources Committee.

My name is Sommer Wilmeth; I am a senior at Century High School. I am speaking on behalf of the Century High School Students Against Destructive Decisions (SADD) students. I am here to provide testimony in support for funding Senate Bill 2024.

With the work of BreatheND, local public health units, and community members of all ages since the program's implementation in 2008, resulted in cutting youth smoking rates in half.

This is an incredible achievement for our state. However, the tobacco industry is clever and continues to find ways to addict kids to nicotine. Their latest attempt – electronic cigarettes.

When walking from my car to school in the mornings before class, I can say on an average day I see 5 to 10 classmate's vaping in their cars. It appears the tobacco industry's slick advertising has created a persona that vaping is cool and harmless. Personally, I have seen my peers and a very close friend fall into big tobacco's trap. Since I have turned 18 I have been asked multiple times to buy nicotine products.

Thank goodness I'm educated on the effects of these products and able to explain to my peers how they are being targeted by big tobacco. I learned these skills back in October when I attended the Bismarck Tobacco Prevention Youth Summit, funded by BreatheND. At the summit there were about 60-70 youth from area schools each being trained to be a youth advocate in tobacco prevention, just like me. At the summit we learned how the tobacco industry uses slick advertising to get youth hooked.

The tobacco industry will never stop, whether it's through traditional cigarettes, e-cigarettes, or smokeless tobacco. This means that North Dakota needs to continue to take a stand against big tobacco and fund the good work being done through BreatheND.

A successful tobacco prevention and control program is based off of the Centers for Disease Control Best Practices. The Center, along with Bismarck Burleigh Public Health and other local public health units across the state, are important partners to keep North Dakota on track to continue to reduce youth tobacco use rates. Together we can continue to decrease youth tobacco use rates and sustain a generation free from an addiction to nicotine. Please fund SB2024. Thank you.

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TESTIMONY SUPPORT FUNDING FOR SB 2024

Mara Yborra
United Tribes Technical College
3315 University Drive, Bismarck, ND 58504
(701) 255-3285

Chairman Pollert and House Appropriations Human Resources Division

My name is Mara Yborra; I am speaking on the behalf of the Healthy Community Coalition from the United Tribes Technical College. I am here to provide testimony and support for funding SB 2024.

The Healthy Community Coalition is a group comprised of representatives from campus departments who focus on health initiatives for the campus. We are fortunate enough to have received technical support and funding through Bismarck Burleigh Public Health, Tobacco Prevention and Control program to work on adopting a comprehensive tobacco free college policy to include the entire campus.

A majority of the students at United Tribes Technical College are Native American and their family members live on campus with them. Native Americans are disparately affected by tobacco. There is a 42% smoking rate for Native Americans in North Dakota. The tobacco industry is counting on this disparity and the college age group becoming addicted to their products in order to secure sales for the future. United Tribes is committed to the health and well-being of the children, students, faculty and staff of our campus, and to visitors who come here.

Bismarck Burleigh Public Health (BBPH) Tobacco Prevention Program provided technical support through education, resources and information about the importance of strengthening UTTC's smoke-free policy to a comprehensive tobacco free policy to include the entire campus. We were able to move forward on passing a tobacco free

policy at the United Tribe Technical College in 2013 with implementation in 2014. We have learned that a tobacco-free policy provides an environment that reinforces healthy behavior. As the policy removes the immediate threat of exposure to secondhand smoke, it also decreases the use of tobacco and the number of people who start smoking in college. It establishes a healthy learning environment while maintaining our respect for Native American traditions.

This funding also gave us the available resources for an implementation plan that included: tobacco- free signs, interior sidewalk signs for the buildings because of the cold weather, bathroom posters, payroll stuffers, window decals for campus building doors and residential homes, compliance cards and ND Quit Ads in their newsletter.

The United Tribes Technical College has become the first tribal college in North Dakota to adopt a "Tobacco Free" campus policy and 3rd in the United States. At the time the policy passed, UTTC joined 811 other colleges to have a tobacco free policy for their campus. This policy trend has grown to 1,427 colleges and universities across the US. They recognized the value of tobacco-free policy will benefit their students in present and the future by providing a healthy and safe environment to live and learn. United Tribes Technical College now protects approximately 900 students, faculty, staff and families from exposure to tobacco.

Please support funding SB2024. It is important to continue to fund The Center for Tobacco Prevention and Control Policy, because of their policy expertise. If North Dakota wants to continue reducing tobacco use rates, and keep tobacco from influencing the next generation, we need to remember that it's about policy change. It's about working with good partners like the Center and Bismarck Burleigh Public Health. Thank you.

**TESTIMONY SUPPORT FUNDING FOR SB2024
3-8-2017**

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03-08-2017
#19

**ALISON HARRINGTON
PRACTICING RESPIRATORY THERAPIST
BISMARCK, ND
PHONE: 701-530-8527**

Chairman Pollert and Members of the House Appropriations, Human Resources Committee. I'm Alison Harrington, a respiratory therapist. On average I counsel 5-15 tobacco users a day. I always ask them at what age did they start using tobacco, the most common answer is between 13-15 years old. The youngest age I've heard is as young as 5 years old. The younger they are when they start using tobacco, the more addicted they are and the harder it is for them to quit.

I counsel tobacco users of all ages who want to quit for many different reasons but most commonly it is for their health, their family, they've experienced a life threatening event, they've been diagnosed with a chronic disease or lung cancer, or they are pregnant.

As a respiratory therapist I see what smoking does to the lungs at all age levels, from the young children who are exposed to 2nd and 3rd hand smoke that have asthma, to the adults who have been diagnosed with lung cancer or Chronic Obstructive Pulmonary Disease (COPD).

This addiction is like no other, it cannot be quit very easily despite what many think. As part of my profession, I help pregnant women through nicotine addiction counseling. In North Dakota nearly 14% of pregnant women are hooked on nicotine. This is a serious health situation and addiction is real and nearly impossible for some people to quit. This is why we need to fund prevention – we know that 90 percent of our youth start smoking by their 18th birthday. If we can prevent this, we are close to solving the problem of tobacco addiction.

Tobacco kills 1,000 North Dakotans each year and costs us \$326 million in health care each year. If we want to reduce health care costs, we must address the leading cause of preventable death and disease – tobacco use. If we can prevent children from ever starting we can cut down on the cost of healthcare treatment. This good work must be kept at BreatheND. They know how to get the job done. It's about prevention. We need to start our focus on the End Game and reduce tobacco use to the low single digits, and the way we do this is to prevent our children from ever starting. We need to make the world a better place for them. They are our future.

6 Overview of Key Studies of the Effects of Smoking Bans on Acute Coronary Events

In this chapter, the committee discusses key studies, and 11 publications from those studies, of the effects of smoking bans on acute coronary events. The articles reviewed in this chapter address two of the associations that the committee is evaluating:

- The association between secondhand-smoke exposure and acute coronary events (Questions 2, 3, and 5, see Box 1-1).
- The association between smoking bans and acute coronary events (Questions 4, 5, 6, 7, and 8, see Box 1-1).

Eleven publications deal with studies that looked at the effects of smoking bans in eight natural experiments: three studies in overlapping regions of Italy (Barone-Adesi et al., 2006; Cesaroni et al., 2008; Vasselli et al., 2008); one study in Pueblo, Colorado, after 18 months of followup (Bartecchi et al., 2006) and after 3 years of followup (CDC, 2009); and one study each in Helena, Montana (Sargent et al., 2004), Monroe County, Indiana (Seo and Torabi, 2007), Bowling Green, Ohio (Khuder et al., 2007), New York state (Juster et al., 2007), Saskatoon, Canada (Lemstra et al., 2008), and Scotland (Pell et al., 2008). The legislation in Bowling Green, Ohio, allowed smoking in some restaurants and bars; it called for a smoking restriction rather than a smoking ban. The studies examined changes in heart-attack rates, or acute myocardial infarctions (acute MIs) after the implementation of the bans (and one restriction) and were not designed to answer questions about the association between exposure to secondhand smoke and cardiovascular disease. Most of the studies did not measure individual exposures to secondhand smoke or the smoking status of individuals; thus, they were designed to evaluate the association between smoking bans and acute MIs, not the effects of secondhand-smoke exposure. The publications on the smoking bans in Monroe County, Indiana, and Scotland, however, contain data on smoking status and results of analyses only in nonsmokers; these two studies were designed to assess the association between secondhand-smoke exposure and acute MIs.

The committee discusses the studies below, including information on the smoking bans and restriction in the different locations, available information on secondhand-smoke exposure, study designs, and study results. Publications that examine the effect of the same smoking ban are discussed together; the most comprehensive or recent publication is discussed first. The different smoking bans are discussed in order by earliest publication date. Details of the smoking bans and restriction in the different regions are presented in Table 6-1; available information on the effect of the bans on potential secondhand smoke exposure—including data on enforcement and compliance, air monitoring, and biomonitoring—is presented in Table 6-2; and details of the study designs and published results are presented in Table 6-3.

Brief report

Impact of a Comprehensive Smoke-Free Law Following a Partial Smoke-Free Law on Incidence of Heart Attacks at a Rural Community Hospital

Eric L. Johnson, M.D., & James R. Beal, Ph.D.

Department Family and Community Medicine, University of North Dakota School of Medicine and Health Sciences, Grand Forks, ND 58202-9037

Corresponding Author: Eric L. Johnson, M.D., Department of Family and Community Medicine, University of North Dakota School of Medicine, 501 N. Columbia Road Stop 9037, Grand Forks, ND 58202-9037, USA. Telephone: 701-777-3272; Fax: 701-777-3849; E-mail: eric.l.johnson@med.und.edu

Received May 21, 2012; accepted August 23, 2012

Abstract

Introduction: Secondhand smoking (passive smoking) is associated with many negative health effects, primarily respiratory and cardiovascular diseases. Approximately, 46,000 deaths from cardiovascular disease are associated with secondhand smoke exposure annually in the United States, which is roughly 150 deaths in North Dakota. Studies show that passage of smoke-free laws at the community level can reduce the incidence of heart attack.

Methods: We conducted a retrospective review of electronic medical records of patients admitted for heart attacks 4 months prior (April 15, 2010 through August 14, 2010) to implementation of the smoke-free ordinance and 4 months following (August 15, 2010 through December 14, 2010) implementation of the comprehensive smoke-free ordinance in Grand Forks, ND, United States.

Results: We found an association between the heart attack rate and implementation of the comprehensive smoke-free law. The heart attack rate prior to the ban was 0.5% (83/16,702) compared with 0.3% (63/18,513) after the ban ($p = .023$). Thus, the rate of heart attacks decreased 30.6% and number of heart attack admissions decreased 24.1%, from 83 to 63, after implementation of a comprehensive smoke-free law.

Conclusions: We found an implementation of the comprehensive smoke-free law was associated with a decrease in the heart attack rate. The heart attack rate decreased 30.6%. Our finding was similar to previous community level smoke-free law implementation studies and notable for the change going from a partial smoke-free law to a comprehensive smoke-free law.

Introduction

Secondhand smoking (passive smoking) is associated with many negative health effects, primarily respiratory and cardiovascular diseases (Institute of Medicine, 2009; U.S. Department of Health and Human Services, 2006). Approximately, 46,000 deaths from cardiovascular disease are associated with secondhand smoke exposure annually in the United States. (Myers, 2010), which is roughly 150 deaths in North Dakota. Secondhand smoke, even in brief exposure, can increase risk of heart attack and those with pre-existing heart disease are at particular risk (U.S. Department of Health and Human Services, 2006). Studies show that passage of smoke-free laws at the community level can reduce the incidence of heart attack (Bartecchi, Alsever, Nevin-Woods, Estachio, Bartleson, & Krantz, 2006; Bruintjes, Bartelson, Hurst, Levinson, Hokanson, & Krantz, 2011; Herman & Walsh, 2011; Lemstra, Neudorf, & Opondo, 2008; Myers, 2010; Naiman, Glazier, & Moineddin, 2010; Sargent, Shepard, & Glantz, 2004). However, another study found no significant difference in the acute myocardial infarction (AMI) mortality in six states with bans compared with other states with no ban (Rodu, Peiper, & Cole, 2011).

On August 15, 2010, Grand Forks, ND implemented a smoking ban ordinance. Prior to the comprehensive law, the city had a partial smoke-free workplace law that had exempted bars and other select areas and businesses. The purpose of this study was to determine whether a smoking free ordinance was associated with decreased hospitalization for heart attack. Specifically, data from a rural community hospital were used to compare admissions for myocardial infarction (MI) and acute coronary syndrome 4 months prior to and 4 months following the implementation of the comprehensive smoke-free ordinance.

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Table 1. Comparison of Clinical and Demographic Characteristics of Patients Hospitalized for Heart Attack, 2010

Characteristic	Total 100% (n = 146)	Prior ban 56.9% (n = 83)	After ban 43.1% (n = 63)	p Value
Heart attack rate ^a	0.42 (146)	0.49 (83)	0.34 (63)	0.023
Age, mean ± SD	65.3 ± 14.0	67.0 ± 13.4	63.1 ± 14.7	0.093
Gender, men	61.0 (89)	56.6 (47)	66.7 (42)	0.218
Death rate	17.1 (25)	21.7 (18)	11.1 (7)	0.093

^aHeart attack rate = number of heart attacks/total admissions.

Table 2. Comparison of Clinical and Demographic Characteristics of Hospitalized Patients, 2010

Characteristic	Total 100% (n = 35,194)	Prior ban 47.3% (n = 16,693)	After ban 52.6% (n = 18,501)	p Value
Heart attack rate ^a	0.42 (146)	0.49 (83)	0.34 (63)	0.023
Age, mean ± SD	48.3 ± 19.6	48.5 ± 19.6	48.2 ± 19.5	0.238
Gender, men	40.4 (14,212)	40.1 (6,695)	40.6 (7,517)	0.317
Death rate	2.2 (759)	2.5 (421)	1.8 (338)	0.000

^aHeart attack rate = number of heart attacks/total admissions.

Methods

We conducted a retrospective review of electronic medical records of patients admitted for heart attacks 4 months prior (April 15, 2010 through August 14, 2010) to implementation of the smoke-free ordinance and 4 months following (August 15, 2010 through December 14, 2010) implementation of the comprehensive smoke-free ordinance in Grand Forks, ND, United States. The 4-month timeframe was used to reduce any seasonality impact that the severe winter months of January, February, and March may have on heart attack admissions. Heart attacks were defined using International Classification of Diseases, Ninth Revision (ICD-9) codes for the diagnosis for MI and acute coronary syndrome (ACS), specifically: 410.90-AMI of unspecified site, episode of care unspecified; 410.91 AMI of unspecified site, initial episode of care; 411.1-intermediate coronary syndrome. Heart attack rate was defined as the number of heart divided by the total number of admissions for the given period. The institutional review boards of the University of North Dakota and Altru Health Systems approved this study.

Setting

Grand Forks, ND has a population of 55,600 with approximately 92% being White. Altru Health Systems is a rural, community-based hospital and clinics with 3,800 health professionals serving 200,000 residents of northeast North Dakota and northwest Minnesota. Altru Health Systems hospital, a 262 bed acute care center, is the only one in Grand Forks and within a 70 mile radius. As a result, within the community, the intended public health benefit of the smoke-free law could be more easily assessed compared with larger urban areas with multiple medical centers. Data were limited to patients from the metro area of Grand Forks (zipcodes 58201, 58202, 58203, and 58206). Similar to the Helena, MT (Sargent et al., 2004) and Pueblo, CO (Bartecchi et al., 2006) studies, only patients that made it to hospital alive were included in the study. Patients transferred

from other facilities in the region were not included in the study because in all likelihood the patient lived outside Grand Forks and thus would not be significantly impacted by the ordinance.

SPSS 19.0 for Windows was used to analyze demographic and clinical characteristics of patients. Frequencies and relative percentages were computed for each categorical variable. Chi-square tests were performed to determine which categories were significantly different from one another, and *t* test was used to compare continuous variables. All *p* values were two-sided, and *p* value < 0.05 was considered significant. Missing data were excluded from analysis.

Results

Overall, during the entire study period, the heart attack rate was 0.4% (n = 146), with 17.1% (25) resulting in death (Table 1). The average age for heart attack patients was 65.3 ± 14.0 years and 61.0% (n = 89) were men.

There was an association between heart attack rate and implementation of the comprehensive smoking ban. The heart attack rate decreased from 0.5% (83/16,702) prior to the ban compared with 0.3% (63/18,513) after the ban (*p* = .023, Table 1). Thus, the heart attack rate decreased 30.6% and the number of heart attack admissions decreased 24.1%, from 83 to 63, after implementation of a comprehensive smoke-free law. However, there was no association in the death rate and the comprehensive smoking ban, 21.7% (n = 18) prior versus 11.1 (n = 7) after (*p* = .093, Table 1). There was no association between gender or significant difference in age in heart attack patients prior or after the implementation of a comprehensive smoke-free law (Table 1).

During the study period, there were a total of 35,215 total admissions. The average age for patients admitted was 48.3 ± 19.6 years and 40.4% (n = 14,212) were men (Table 2).

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#2

Percent of FTE time of N.D. Center for Tobacco Prevention and Control Policy employees spent assisting local public health unit grantees on achieving shared State Plan goals and objectives

Community Programs Manager- 100%

- Grants administration for multiple grant programs: develops grant guidance, approves grant applications, tracks deliverables
- Manages the grant reporting system: handles all reimbursements, payments, and progress reporting
- Provides technical assistance to grantees

Field Coordinator- 100%

- Assists and verifies all policy work
- Reviews progress reports
- Provides technical assistance

Health Communications Coordinator- 80%

- Individualizes all marketing materials
- Creates all individualized signage
- Maintains agency website for tobacco education resources
- Assist with IT questions

Statewide Programs Manager- 40%

- Implementation and evaluation/reporting of Ask, Advise, Refer (AAR) in local public health units
- State Plan- assures State Plan goals and objectives are part of local grants, and that local grant report data is used to evaluate progress in accomplishing State Plan
- Assures statewide grantees (American Lung Association, Tobacco Free North Dakota, and other grants) work closely with local public health units

Business Manager- 25%

- Assists with grant reimbursements and payments
- Performs audits of grant reimbursements to verify expenses
- Provides technical assistance

Accountant- 20%

- Fiscal responsibilities for grant payments and tracking
- Audits of reimbursements

Health Communications Manager- 20%

- Assists in developing local communications plans
- Adjusts policies for local needs

- Develops and distributes all communications messaging

Executive Director- 10%

- Provides updates of national and statewide partners
- Provides updates of all regular and interim legislation
- Final approval for all payments and any contract changes
- Reports all local progress to Advisory and Executive Committees

Administrative Assistant- 5%

- Updating any lists and databases
- Tracking of grantee training attendance

Surveillance and Evaluation Manager- 3%

- Provides survey data
- State Plan- ongoing development and evaluation

Equivalent FTEs- 4.03

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3/13/17

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2024

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide an appropriation for defraying the expenses of the comprehensive tobacco control advisory committee; to amend and reenact subsection 1 of section 54-27-25 of the North Dakota Century Code, relating to the tobacco settlement trust fund; and to provide for an independent review and report to the legislative management.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the tobacco prevention and control trust fund, not otherwise appropriated, to the comprehensive tobacco control advisory committee for the purpose of defraying the expenses of the committee, for the biennium beginning July 1, 2017, and ending June 30, 2019.

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Comprehensive tobacco control	\$16,548,039	(\$1,654,804)	\$14,893,235
Total special funds	\$16,548,039	(\$1,654,804)	\$14,893,235
Full-time equivalent positions	8.00	0.00	8.00

SECTION 2. AMENDMENT. Subsection 1 of section 54-27-25 of the North Dakota Century Code is amended and reenacted as follows:

1. There is created in the state treasury a tobacco settlement trust fund. The fund consists of the tobacco settlement dollars obtained by the state under subsection IX(c)(1) of the master settlement agreement and consent agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Except as provided in subsection 2, moneys received by the state under subsection IX(c)(1) must be deposited in the fund. Interest earned on the fund must be credited to the fund and deposited in the fund. The principal and interest of the fund may be appropriated to the attorney general for the purpose of enforcing the master settlement agreement and any disputes with the agreement. All remaining principal and interest of the fund must be allocated as follows:
 - a. Transfers to a community health trust fund to be administered by the state department of health. The state department of health may use funds as appropriated for community-based public health programs and other public health programs, including programs with emphasis on preventing or reducing tobacco usage in this state. Transfers under this subsection must equal ten percent of total annual transfers from the tobacco settlement trust fund ~~of which a minimum of eighty percent must be used for tobacco prevention and control.~~
 - b. Transfers to the common schools trust fund to become a part of the principal of that fund. Transfers under this subsection must equal

forty-five percent of total annual transfers from the tobacco settlement trust fund.

- c. Transfers to the water development trust fund to be used to address the long-term water development and management needs of the state. Transfers under this subsection must equal forty-five percent of the total annual transfers from the tobacco settlement trust fund.

SECTION 3. TOBACCO PREVENTION AND CONTROL PLAN - INDEPENDENT REVIEW AND REPORT TO LEGISLATIVE MANAGEMENT. At least once during the 2017-19 biennium, the comprehensive tobacco control advisory committee shall provide for an independent review to evaluate the effectiveness of the statewide tobacco prevention and control plan and report the results of the review to the legislative management."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2024 - Tobacco Prevention & Control Exec Comm - House Action

	Base Budget	Senate Version	House Changes	House Version
Comprehensive tobacco control	\$16,548,039		\$14,893,235	\$14,893,235
Total all funds	\$16,548,039	\$0	\$14,893,235	\$14,893,235
Less estimated income	16,548,039	0	14,893,235	14,893,235
General fund	\$0	\$0	\$0	\$0
FTE	8.00	0.00	0.00	0.00

Department No. 305 - Tobacco Prevention & Control Exec Comm - Detail of House Changes

	Restores Funding to 90 Percent of Base Level ¹	Total House Changes
Comprehensive tobacco control	\$14,893,235	\$14,893,235
Total all funds	\$14,893,235	\$14,893,235
Less estimated income	14,893,235	14,893,235
General fund	\$0	\$0
FTE	0.00	0.00

¹ Funding is provided from the tobacco prevention and control trust fund to restore the funding for the Comprehensive Tobacco Control Advisory Committee to 90 percent of base level.

This amendment also adds sections to:

- Amend North Dakota Century Code Section 54-27-25(1) to remove the requirement that 80 percent of the transfers from the tobacco settlement trust fund to the community health trust fund be used for tobacco prevention and control.
- Provide, at least once during the biennium, the Comprehensive Tobacco Control Advisory Committee arrange for an independent review to evaluate the effectiveness of the statewide tobacco prevention and control plan and report the results of the review to the Legislative Management.