

2015 HOUSE APPROPRIATIONS


HB 1024

2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

HB1024
1/16/2015
Job 22064

- Subcommittee
 Conference Committee



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the comprehensive tobacco control advisory committee.

Minutes:

Attachments 1-2

Chairman Pollert called the committee to order.

Jeanne Prom, Executive Director of the ND Center for Tobacco Prevention and Control Policy: Read written testimony (attachment 1).

Rep. Nelson: The Health Department funds the Quit Line program. Would they see the reduction with this grant money? Or do those grants go to the local public health units?

Jeanne Prom: The quit line, ND Quits is operated and paid for by the ND Department of Health, primarily through the community health trust fund dollars. The CDC grant that they receive goes to all reservations for work on reservation lands. The CDC federal grant that the Health Department receives is how they fund their staff at the Department of Health.

Rep. Nelson: To meet CDC spending levels, which is still required by the constitutional measure, or the initiated measure, you would be one of the possibilities of making up that shortfall, correct?

Jeanne Prom: Yes.

Rep. Nelson: Would you just replace that federal grant with a grant to the ND Health Department or do you have another model you would like to look at?

Jeanne Prom: We meet with the health department monthly. Since they've learned of this, we've talked about how that could work. One of the options is that we could replace some of the money that they would have otherwise given out. We could take that over. Or pass the money through them. They would need the authority then as well. We're looking at focusing on promoting health systems changes to refer people to ND Quits from the

health care providers. That was in the ND Department of Health's optional budget package that wasn't funded. It was a tobacco prevention and cessation portion of the Million Hearts program. As we go forward, and know more information, we'll be talking to the Department of Health on how this could work as well.

Rep. Nelson: I think obviously there are some issues between the tribes and the state. Maybe this would provide some opportunities for better outcomes.

Chairman Pollert: Are they going to have a \$600,000 shortfall in federal funding, but it hasn't decided how that is going to come forward yet or a recommendation to us to look at?

Jeanne Prom: We know that in March, the Department of Health will be informed on what their grant is. They were told that instead of getting \$1.2 million a year, they can expect to get \$600,000-900,000 per year.

Chairman Pollert: What section of the Department of Health does the community health trust and the tobacco dollars come through?

Sheila Sandness, Senior Fiscal Analyst, Legislative Council: Community Health.

Jeanne Prom continued to read written testimony (0:16:21).

Chairman Pollert: Are there any other states that have agencies similar to yours? If there are, is there any idea how much the administrative costs are as compared to the total agency budget?

Jeanne Prom: Yes, there are other states that have agencies like ours. The most similar is Oklahoma. They put all of their tobacco settlement money in a trust fund and use it for primarily tobacco prevention and control, but also health. Minnesota also has an agency similar to ours, in that it was funded by their own single state settlement with the tobacco industry. That is something that is administered through their court system. They are not a state agency. I don't know the administrative costs. Our salaries and benefits portion of our total budget is 12%. There are other states that have agencies similar to ours including Hawaii, Louisiana, Virginia, and Arkansas. There are seven states including ND that have similar situations.

Continued to read written testimony (0:20:11).

Rep. Silbernagel: Is the \$250,000 for signage decreasing significantly now?

Jeanne Prom: We still see a need for signage. There are places that still aren't signed and we still get orders every week for signs. Initially yes, right after the state law there was a real need. Our statutory authority came in about 8 months later and we got signs out. Some of the signs will need to be replaced.

Chairman Pollert: Could you give us a rundown of the savings account?

Jeanne Prom: This agency was created by an initiated measure that passed in 2008. It said that 9 of 10 deposits from the master settlement agreement that the state has with

major tobacco companies, 9 of 10 of those strategic contribution fund payments go into the tobacco prevention and control trust fund, which was created by that measure. The strategic contribution fund is a fund that was set aside in the master settlement agreement to reimburse states for the role they played in negotiating the original settlement. ND played a very major role in that negotiation, being the lead negotiator for states with small populations; therefore ND's share of that particular pot of money in the master settlement agreement is quite large. We get 1.7% of that. Whereas the other pot of money in the master settlement agreement is the annual payments that come to states. Those are divided here in ND; 45% to the Water Development Trust Fund, 45% to the Common Schools Trust Fund, and 10% to the Community Health Trust Fund, which is administered by the Department of Health. ND, for comparison, only gets one-third of 1% of the total annual payments. We get a lot more in the strategic contribution fund payments. Nine of 10 of those strategic contribution fund payments are being used for this tobacco prevention and control program funded at the CDC best practice level. The reason not all 10 payments are used is because the measure passed after the state received the first payment in 2008. The state will receive its last strategic contribution fund payment in 2017. All told, that will be a little more than \$100 million. Up until and through 2017, the balance of this trust fund will always go up because we're currently averaging a little more than \$11 million a year in those deposits and we're spending less than that through the appropriation. After 2017, it will be all deficit spending. We have estimated that will fund a program through 2023.

Chairman Pollert: Can you tell us how much money is in there?

Jeanne Prom: The estimated balance at the end of this biennium in that fund is \$46.8 million. The estimated balance at the end of the next biennium would be \$53.4 million. That will be the highest that balance gets. After that it will all be less than \$50 million, to the tune of about \$10 million less each year based on spending.

Chairman Pollert: What is the official title of that?

Jeanne Prom: Tobacco Prevention and Control Trust Fund
Continued to read written testimony (0:27:48).

Rep. Silbernagel: The 2023 end game is that a statute that requires the money be spent by then or could it be extended?

Jeanne Prom: It is not in statute that we sunset in 2023. It just says that we're funded by this funding source and this source will be gone by that time.

Chairman Pollert: There is a historic perspective here of what's been going on. It has been known by measures that after 7 years. The Legislature has had some fights over this. We didn't last session as far as there was one time to use the money to build a UND medical school and that failed. That would have basically eliminated the tobacco control group and those dollars. There have been other arguments on the floor. That would have taken a two-thirds vote. Now, by a simple majority, that measure could be overturned again. Does your money stop coming in in 2016 or 2017?

Jeanne Prom: 2017 is the last deposit.

Chairman Pollert: In our current spending pattern, their agency is funded until 2023.

Rep. Nelson: Are the federal grants that are part of the CDC recommendations going to be a dwindling funding source as well or is this a momentary hurdle they have to get over?

Chairman Pollert: We all know how many times it took to pass your budget on the House floor last session.

Jeanne Prom read written testimony (attachment 2) (0:35:15).

Rep. Kreidt: During the surveys, do you ask how many kids are smoking marijuana? Maybe they switched over from tobacco to marijuana and that's why the tobacco numbers are significantly different or going down.

Jeanne Prom: This is the Youth Risk Behavior Survey which is conducted every two years by the Department of Public Instruction. They do ask about marijuana use. You will find that where you have one risk behavior, you have many so it's probably not one bad thing or the other. It's probably both.

Rep. Kreidt: The word out there is that marijuana is becoming the product of choice now. Probably less kids are buying cigarettes and more are smoking marijuana because there are pushes across the United States to legalize marijuana. I've gotten numerous e-mails during the interim to bring a bill forward to legalize it here in ND. If you do survey that product, what are the numbers?

Jeanne Prom: I can get you the marijuana number. It is much lower than this number.

Chairman Pollert: Is there a similar tobacco group in Colorado and Washington that has passed something similar to this?

Rep. Nelson: When you look at the numbers of youth smoking declines that you're putting forward; 30% in middle school and 16% in high school. There are some states that can show decreases without spending at the CDC level, but have instituted an increase in tobacco tax. If you could share the data of those decreases, I think that would be important for this committee to know.

Jeanne Prom: I have data that would be estimated for ND if we would raise the tobacco tax and what impact that would have, compared to the impact we've already had in the last five years on youth tobacco use. If we've seen a 15% decline in high school tobacco use in the five years this comprehensive program has been around, if we raise the tobacco tax to \$2 per pack, immediately and shortly thereafter, we will see youth tobacco use decrease by about 25% just through that tobacco tax increase because youth are very price-sensitive.

Rep. Nelson: There is blue sky in those numbers. You can argue, at this snapshot in time, whether that will be realized or not. There is history. I think Florida would be a good state to look at for hard data as a state that has increased its tobacco tax.

Jeanne Prom: Continued to read written testimony (0:44:20).

Chairman Pollert: Is there a CDC best practice that says you need at least \$1.51 a pack before you see any changes? Or could I take these numbers and say a 55 cent increase is going to be an 8.2% decrease?

Jeanne Prom: We know that the tobacco industry spends over \$1 million an hour promoting their product. They spend 75-80% of that promotional money on price discounts and couponing. If the state raises the tobacco tax by 50 cents, that is easily offset by the tobacco industry's price discounting and couponing.

Continued to read written testimony (0:48:42).

Rep. Nelson: Where are the 35% of schools that aren't tobacco free?

Jeanne Prom: I will provide you a list.

Rep. Holman: Doesn't the state law take care of that anyway?

Jeanne Prom: The state law is a comprehensive smoke-free law. These actually go beyond the state law and cover all tobacco products including electronic cigarettes by all staff, visitors, and students at all times at all events, including outdoors.

Continued to read written testimony (attachment 2, page 4) (0:52:07).

Chairman Pollert: You said that the youth smoking numbers have gone down. Would that be reflective of the 6% on page 4? Would your numbers of the amount of youth using tobacco, if they drop say 30%, is that taking into account the 6% increase that are now using e-cigarettes?

Jeanne Prom: There would have to be more analysis done. However, nationally last year, there were more students who were trying electronic cigarettes than regular cigarettes. It's a very disturbing trend. Nicotine is the drug in all tobacco products. The most effective method of nicotine delivery is a cigarette. If you have anyone using an electronic cigarette, if they are hooked on nicotine the addiction causes them to try to find the most effective delivery and that will be the cigarette. Having people use electronic cigarettes will probably mean they're dual users and using other forms of tobacco.

Continued to read written testimony (attachment 2, page 5) (0:58:17).

Vice Chairman Bellew: On the reservations they don't pay tax. How are you going to prevent those youth from smoking?

Jeanne Prom: Since 1993, Standing Rock reservation has taxed tobacco at the same rate as the state. Earlier this year, Turtle Mountain Band of Chippewa enacted a 5 cent tax. The tribes are sovereign nations and it is up to them to tax their products. About half of the Native Americans in our state live off of the reservation.

Rep. Holman: Do you do any interactions with the tribal population? One of the reservations said they see the low tax as an economic development issue as opposed to a health issue. How do you interact with the unique tribes?

Jeanne Prom: This is a comprehensive program between our agency and the Department of Health. The Department of Health funds the tribes directly. However, we fund local public health directly. Local public health units, in areas where there is a reservation, have worked with the tribes on health matters. What we do is, on the invitation of the tribe, we work with them as they would like us to through the local public health units.

Rep. Nelson: That was one of the goals of the study in the health services interim committee. I was disappointed in the outcome of that study. There's challenges the Health Department and the Center have in dealing with tribal governments in all areas of sovereign issues. It's a tough demographic to reach. There are some challenges unmet.

Rep. Holman: Looking at your chart, is there any correlation between poverty and smoking?

Jeanne Prom: Yes, there is a correlation between your income and education level, and whether you use tobacco or not. That's the bad news. The good news is if we pass a tobacco tax, the most price-sensitive, besides youth, are those with the least amount of income. When you pass a significant amount of tax, some people quit, some do not. The ones who quit tend to be the ones who can't afford it anymore because they have a lower income. This is where a tobacco tax would really help.

Continued to read written testimony (1:14:07).

Chairman Pollert: Your continuing education program, which your rates show the amount of usage has dropped, would you see a faster drop by raising the cigarette tax than you would by the work you've done for the past 6 years?

Jeanne Prom: You need all different kinds of approaches. There's not one magic bullet. If you raise the tobacco tax to \$2, it's estimated to see a reduction of 23% in youth smoking almost immediately. Our policies have a little bit less of impact short-term, but they de-normalize smoking. They're permanent, sustainable, and durable.

Rep. Silbernagel: Do you do any tracking of industry and business as they are moving towards smoke-free because at the end of that day, those folks pay for a lot of the health care costs?

Jeanne Prom: Yes. Ninety-nine site-specific places have tobacco-free policies in the past biennium. How we track them is through the local public health units assessing the businesses in their communities and working with them to pass these policies.

Rep. Nelson: If there was a dedicated amount of new tobacco tax revenue that went into the community health trust fund, it would not be subject to the 80/20 rule that currently exists in the fund because it's not part of the tobacco settlement.

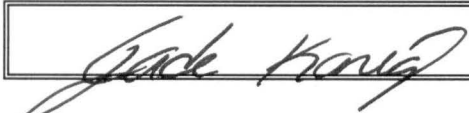
Chairman Pollert dismissed the committee.

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HB1024
2/2/2015
22949

- Subcommittee
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Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the comprehensive tobacco control advisory committee.

Minutes:

Attachment #1 #2 #3 #4 #5 #6 #7 #8 #9
#10 #11

Chairman Pollert called the committee to order. We will be working on HB 1024 the tobacco control advisory committee and what my plan is to go through the detail first and then we had asked for some information that Jeanne had brought and then we will go through public testimony.

Jeanne Prom, Executive Director, ND Center for Tobacco Prevention and Control Policy: (Attachment #1) Read written testimony.

Vice Chairman Bellev: Is the 69,000 dollars in salaries for the four and four?

Lori Laschkewitsch, OMB: Yes.

Chairman Pollert: Is the 7,815 dollars is the Hay Study or the market equity or whatever you want to call it?

Lori Laschkewitsch, OMB: The 7,815 is the market policy point which is bringing the people who are below the midpoint in the second quartile gives them a salary increase of 1 to 2 percent. And then the 52,924 dollars is the four and four.

Jeanne Prom: Continued to read written testimony.

Vice Chairman Bellev: Are you getting any more help or services from ITD or is just that much of an increase?

Jeanne Prom: The benefit of going with ITD is that they are a part of the state system and not an outside contractor and so we felt that was worth the cost. That also includes replacement cost for equipment too.

Vice Chairman Bellew: Will you be getting any more services for that extra cost?

Jeanne Prom: We will be getting more services.

Vice Chairman Bellew: Can you give us some detail of that?

Chairman Pollert: We are looking for what the 81,000 dollars is comprised from?

Jeanne Prom: I have a breakout for that and will get a copy for you. The net increase is the ITD quote was 1,820 dollars per month for desk top service and the ITD quote of onetime installation fee to be charged for replacement of computers every three years is 35,371 dollars.

Rep. Kreidt: Isn't ITD set up on a four-year rotation, not three?

Lori Laschkewitsch, OMB: Desktops are four-year replacement and laptops are three-year replacements.

Rep. Kreidt: On additional rent, is this additional space in the building that you are at or are you renting space somewhere else in Bismarck?

Jeanne Prom: It's in the building we're currently renting. The 1,800 dollars per month is based on eight FTEs so it works out to 43,680 dollars.

Rep. Nelson: They are located in the Ag Foundation building up by north Wal-Mart. Do you have a breakdown of what you are being charged per square foot?

Jeanne Prom: We don't have a differential rent amount. Total square feet we have right now is 3,895 and price per square foot 9.73 dollars and that is going to increase by three percent for fiscal year 2016 so its 10.02 dollar per square foot.

Rep. Silbernagel: On your ITD expenditures, historically what have you been spending and how does this new number compare?

Jeanne Prom: The ITD costs are more than what we have been spending. Looking at our budget to see what's been expended to date in ITD data processing and communications and we have 27,000 dollars so far this biennium. We had budgeted 43,000 dollars this biennium so we went into the biennium 2015-2017 budgeting 81,000 dollars.

Vice Chairman Bellew: Why do you need the additional rental space?

Jeanne Prom: We have no conference room that fits everyone so we would like to expand that room.

Chairman Pollert: If there is an increase in the budget, it's more due to the agencies asking for enhanced services. Would that be correct in your instance or is this just for normal replacement of computers?

Jeanne Prom: Yes, we would get enhanced services through ITD.

Chairman Pollert: Explain professional services for 19,000 dollars.

Jeanne Prom: We rely on legal services from the office of the Attorney General so we are charged per hour and we have expended 12,000 dollars thus far this biennium. Our budget was about that so we just increased the budget line for legal services from office of Attorney General to reflect that increase use. We have had increase use based on our policy work.

Rep. Kreidt: How many grants are you doing now?

Jeanne Prom: We have grants to each of the 28 local public health units. They each get a state aid grant and we have a report in the narrative that shows 23 local policy grants. Our other contracts and statewide initiative grants have 7-9.

Chairman Pollert: The 7-9 is for contracts for whom?

Jeanne Prom: We have grants and contracts to the tobacco free North Dakota, the American Lung Association in North Dakota, the American None Smokers' Rights Foundation. We have a contract with Public Health Law Center and we also have large grants to cover evaluation and health communications.

Rep. Silbernagel: How often does your board meet?

Jeanne Prom: The nine member advisory committee meets quarterly and they review the progress made towards meeting the goals and objectives of the state plan. Executive committee meets every other month. The executive committee is three members of the advisory committee. The executive committee also works with me on the budget and approves the expenditures.

Rep. Nelson: When the state Health Department met before us they said they are losing some federal grants because our state tobacco tax is too low. The question was if your agency will make that grant funding up to keep us at the top of the CDC comprehensive level. There was some question in this committee whether you would be willing to do that?

Jeanne Prom: Yes, our agency is willing to make that up.

Rep. Nelson: If that were the case and you had to include that 1.2 million dollars from a biennium stand point, how does that affect the funding that you're using to run your agency?

Jeanne Prom: The date at which we will be less than the CDC recommended amount per year to spend in our budget will be 2023. We'll have about 5 million dollars left in our trust fund. The trust fund is there to use on comprehensive tobacco prevention and control.

Chairman Pollert: Our section and others have had discussions when we tried to do some funding for heart disease and say that CDC practices and we never did see eye to eye but this is a horse of a different color. If it was tobacco related that you would work with that.

Jeanne Prom: We also have a charge to use the CDC best practice for dealing with tobacco control and that's where it needs to fit in order to be funded.

Chairman Pollert: I think that was for the QuitLine. When we asked the health department where the money would come from, I thought they said it would be from the QuitLine.

Jeanne Prom: I believe that it was in the promotion of the QuitLine.

Rep. Nelson: You're saying that your funding will run out in 2023 but is that without the consideration of the 1.2 million dollars each biennium. That may shorten that period, is that right?

Jeanne Prom: Yes. Any spending coming out of the trust fund over and above what we have then at the levels we have would shorten the lifetime of the trust fund.

Chairman Pollert: Seems to me that we should do something to make sure that doesn't happen.

Rep. Nelson: Do you really think that at a .44 cent tobacco tax that that's going to be a one biennium situation?

Chairman Pollert: No, but there are other outside sources and election cycles coming in that could change that.

Rep. Kreidt: Looking at your spend down and 712 grants, you're budgeting again for 10,398 dollars through January you spent 6,100 dollars. Do you have a lot of grants going out in the next five months or don't you spend the whole 10 million dollars?

Jeanne Prom: The grants we have in the field go through this biennium and then we will renew those. The unspent money that you are seeing will be spent by those grantees between now and June 30th.

Chairman Pollert: Let's move on to the other handout that we had requested some information on

Jeanne Prom: (Attachment 2) Reviewed written testimony.

Rep. Silbernagel: On the fees and services, there is 3.1 million dollars, did I understand correctly that most of that is legal?

Jeanne Prom: Fees and services include a couple of large contracts for evaluation and health communications. Of the 3.14 million dollars, legal is 30,000 dollars of that, audit is 10,000 dollars, health communications is 1.5 million, program evaluation is 1.2 million and our signs are 250,000 dollars and our contract with tobacco control legal consortium is 150,00 dollars.

Vice Chairman Bellew: You said 1.5 million dollars for program evaluation. Who gets that money?

Jeanne Prom: Through the state procurement process we issue a call for proposals and vendors respond to that competitive process and based on a review then we award a contract to whoever has the best contract within budget. Currently it's a company that responded to that call for proposals, their name is RTI International. They are based in North Carolina and they have done evolutions for other states like ours in tobacco control as well as for the CDC.

Vice Chairman Bellew: So they evaluate you and then report to either you or the CDC so that the CDC knows that we are doing best practices?

Jeanne Prom: Yes, we are required by law to have an independent evaluator and we need to report to the state health officer and the governor by September 1st of every odd numbered year.

Rep. Nelson: Looking at the Minnesota numbers for example and the drop in percentage in youth, how is that compiled?

Jeanne Prom: Yes. As you can see Minnesota as well as North Dakota and many other states at regular intervals conducts a survey of adults and youth. The Minnesota tobacco survey was conducted in 2010 with a 16.1 percent. They did the survey again in 2014 and 14.4% of adults answered that they were smokers.

Rep. Nelson: Are those the same questions that are asked across the country when smoking rates are compiled?

Jeanne Prom: Yes, if states are using the tobacco survey they are asking the same question.

Rep. Holman: What is the frequency of the survey? If we did fix something, when would we get results?

Jeanne Prom: There are two adult risk surveys. One is behavior risk factor surveillance survey which is done every year by the department of health. The Adult Tobacco Survey is done at different intervals in different states.

Chairman Pollert: Going back to the spend down report and looking at the grants line item, and I look at what's expended to date, that falls short of the 10 million dollars. Is there a reason for that?

Jeanne Prom: They spend 90-95% of what they were granted

Chairman Pollert: So are you saying you're going to have a couple million dollars of enhanced grants going out before the end of June?

Jeanne Prom: In June, we will spend over 1 million dollars in grants.

Chairman Pollert: And normally you spend on an average a month?

Jeanne Prom: In grants, probably half of that or a little less. In June we usually spend double what we spend in a typical month.

Chairman Pollert: It's February 2 and you already as of this morning had what was expended to January 30th. So if I take that number and divide by .7916 I come up with about 8 million dollars. There is a couple million dollars that seems that won't be granted out but you talked about for you're going to double up for one month. I was just curious is there going to be more than that going out. It just seems that you are falling short in that grant line items.

Jeanne Prom: We have until the end of March for local public health units to apply for more funding. We haven't encumbered all of that money so I anticipate that not all of that money will be spent in grants. We have not had the demand for special initiative grants that we anticipated. The local grants are spending and this budget reflects an increase in that line.

Rep. Kreidt: If you don't spend all of the grant money, you carry it forward to the next biennium. Do you then try to get more grants out or how do you expend those dollars?

Jeanne Prom: The money that isn't spent in the current appropriation will stay in our trust fund but it doesn't go forward into the next biennium. Anything unspent in this biennium will remain unspent.

Rep. Silbernagel: In your handout where you talk about the funding for local public health units, it looks like there is 4 million dollars that will go to those groups. That would leave 2 million dollars for other grants. How are those distributed?

Jeanne Prom: Those go out in our statewide initiative grants. Other money is available to local public health units if they need it. We always do set aside a reserve for local public health units to use if they need it.

Rep. Nelson: Why is that higher than it is across the state?

Jeanne Prom: At the retail level, the retailer can charge what they want for a pack of cigarettes. We had asked the department of health to call their tribal tobacco coordinators and have them report what a pack of Marlboros cost on the reservation that was earlier this fall. There is some flexibility on a retail level as to what they charge for a pack of cigarettes.

Rep. Nelson: The anecdotal information that we received is that if we increased the tobacco tax statewide that there may not be any increased reservation visits the retailers are basically pocketing that money. Is that what you are finding out?

Jeanne Prom: I have heard that same scenario, that anecdotal evidence for years it appears that way.

Rep. Nelson: You do use a name brand product here. I don't go to reservations but I do know a number of my constituents do and it seems like they often times come back with cigarette brands that I have never heard of. Is that where the disparity and is there brands that you are hearing that they purchase because they are generic they must be cheaper.

Jeanne Prom: The generics are cheaper. I will say though by far the most popular brand of cigarettes being sold around the world is Marlboro.

Marcus Austin: (Attachment 2) Read written testimony in support of the bill.

Chairman Pollert: Do you have meetings and how often do you meet?

Marcus Austin: Yes and it's bi-weekly.

Chairman Pollert: Do you know of any other work going on at other tribal colleges?

Marcus Austin: Yes, there is other work being done and there are other policies in play. Especially since tobacco use is such a strong part of native culture it help us get through some of those nuances by looking at the other work that they are doing.

Rep. Nelson: What is your position at United Tribes, are you a faculty member?

Marcus Austin: Yes I am the director of a program called strengthening lifestyles. It's a student life program. We work in conjunction with the other programs in the wellness department with services like student health, chemical health and disabilities.

Hannah Rexine: (Attachment 4) Read written testimony in support of the bill.

Rep. Nelson: In regards to e-cigarettes, we hear stories about the utilization of products in the vaping community that some utilize nicotine in their product and some don't, do they look at what they are putting into that vaping device? What's the process as a potential user, what do they look at and how do they chose what to put in the liquid in those devices?

Hannah Rexine: I think there is a lot of misconception on what is in them. Most of the students think it is water vapor, it's safer and healthier when its not.

Rep. Silbernagel: We have received free vaping samples coming in the mail. Are high school kids receiving free samples through the mail?

Hannah Rexine: I'm not sure of that. But I have seen a large number of kids using them in their cars. I have seen them in school bathrooms they are all over the place. I had a kid in one of my classes and take one out and start vaping during class.

Hannah Rexine: (Attachment 5) Read written testimony from Dr. Eric Johnson in support of the bill.

Theresa Will: (Attachment 6) read written testimony from Javayne Oyloe in support of the bill.

Theresa Will: (Attachment 7) read written testimony from Barbara Frydenlund in support of the bill

Rep. Nelson: We're mandated to fund the comprehensive program for this biennium. But after 2015-2017 biennium, I guess I have to ask you how much do you trust us to continue to fund the comprehensive program as it has been in the past? If you don't trust us what are you going to do?

Theresa: I do trust that the Legislature has their heart in the right place, but they probably don't have all the correct information. That is what our job is, to continue to give you the right information so you can make the right decisions.

Chairman Pollert: Has the federal funds for Barnes County been reduced for tobacco? Do the federal grants go directly to the local public health units?

Theresa: It goes through the Department of Health to the local public health units.

Chairman Pollert: Can you answer my question regarding Dr. Johnson's statement "we know that the tobacco industry has calibrated the nicotine and other ingredients to be more addictive."

Theresa: I do know that there has been a lot of research that has been done and that there is a lot of science behind that statement. What's in tobacco now in a cigarette is much more addictive than what it was 20 years ago. I do know that is a true statement.

Elizabeth Bonney: (Attachment 8) Read written testimony in support of the bill

Chairman Pollert: Are you from Pearce County?

Elizabeth Bonney: I'm from Ramsey County.

Rep. Nelson: How do we find out what is in e-cigarettes? Aren't most of them manufactured outside of the country?

Elizabeth Bonney: Yes, that has been the main stay of where e-cigarettes have been produced and where the paraphernalia came. I saw a new commercial for Vuse e-cigarettes. One was that they are now called digital. Indicating that we have now reached a new era, the second one has a disclaimer that the nicotine is derived from the tobacco

plant and the third is that it is designed by tobacco specialists. They are admitting themselves what they are presenting in their product.

Rep. Nelson: You said that the American Lung Association has presented an A grade to ND. Do we get an A grade in everything?

Rep. Silbernagel: Are you finding in high schools that kids are getting free samples in the mail?

Elizabeth Bonney: I haven't had any kids in the schools tell me that they have received them themselves. I can tell you that there is not age regulation in North Dakota on e-cigarettes. So legally they could send these to the kids.

Elizabeth Bonney: (Attachment 9) Read written testimony from Mary Hillerud in support of the bill.

Rep. Nelson: Walk me through the process of how you are able to institute your campaign for e-cigarettes with center funding. How has that been able to work?

Elizabeth Bonney: The first thing I made immediately available through calling my superiors at the center or just going online, getting the facts and the figures that I need to present in a clear and concise manor when I'm trying to affect change. The correct information has to be out there. That is submitted to me, I have there support in that, they are open to come and speak at any sessions that I have, and they gave me a wonderful model policy to prevent the school systems.

Rep. Nelson: Is that part of the CDC best practices?

Elizabeth Bonney: Yes.

Rep. Nelson: When were e-cigarettes added the CDC best practices?

Jeanne Prom: The CDC best practices were updated in January 2014 and include all tobacco products.

Rep. Nelson: So that was the inclusion of e-cigarettes in 2014?

Jeanne Prom: Yes, but the previous versions of the CDC best practices when we talked tobacco products we always talked e-cigarettes as well.

Rep. Nelson: That would be included in the grading process they do with states that would be included now in that grading formula is that correct?

Jeanne Prom: The CDC does not grade us but the American Lung Association grades us.

Rep. Nelson: So the American Lung Association grades but CDC gives us the test.

Jeanne Prom: Correct.

Jennifer Mauch: (Attachment 10) Read testimony in support of the bill

Rep. Nelson: The Job Corps population, I'm guessing the tobacco use is a little higher there. Do you know what that is?

Jennifer: I did not work with Job Corps directly. I don't have exact figures on that for you.

Rep. Nelson: I'm interested in that, because we did get some numbers from the health department to as far as income level and the incidents of smoking who actually pays for the effects of that.

Jennifer: We can certainly get that information to you.

Jennifer: (Attachment 11) read testimony from Stacy Langen in support of the bill.

Rep. Kreidt: There is a bill in regards to medical marijuana. If medical marijuana is passed, the next step is recreational use. Have you taken a position on this bill?

Jeanne Prom: We have not taken a position on it. I wasn't aware of that bill. I can assure that our state wide smoke free law we want to keep that strong and if there would ever be any public use of any other substance for smoking we would want to include that in the state wide smoke free law.

Chairman Pollert: Recessed the committee.

2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division Sakakawea Room, State Capitol

HB1024
2/12/2015
23753

- Subcommittee
 Conference Committee

Donna Wetham

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the comprehensive tobacco control advisory committee.

Minutes:

Attachment #1-2.

Chairman Pollert called the committee to order on HB 1024. I would ask for an amendment for the base payroll changes, the amendment versus the three and a three, and then also the health insurance increase as well. (See Attachment # 1& 2).

Sheila Peterson: OMB, The performance three and three is \$61,871 dollars.

Rep. Silbernagel: I would move that we do \$14,000 for desktop support.

Chairman Pollert: There is nothing for desktop support. Do you want to add

Sheila: It all on one line.

Rep. Silbernagel: I would recommend an amendment of \$14,000.

Vice Chairman Bellew: I move the negative \$6,500 to move over too.

Rep. Holman: I'll move the \$8,514 retirement contribution to move over.

Vice Chairman Bellew: On the cost to continue operating expenses I believe that is way high so I would like to move over \$35,000 instead of the \$52,000.

Chairman Pollert: Representative Bellews motion is to reduce that cost from \$52,715 to \$35,000. Is that correct?

Representative Bellew: That is correct.

Rep. Holman: I'll do the desktop support at \$20,000.

Chairman Pollert: I had Rep. Silbernagel's motion at \$14,000 and Rep. Holman's motion at \$20,000.

Rep. Nelson: I'm confused because Rep. Silbernagel's motion of the desktop support is changing the executive budget the \$21,460 to \$14,000 but in Lori Laschkewitsch's worksheet with the true cost of desktop support there is other pieces of this.

Chairman Pollert: There's another little deal in desktop funding in a one-time funding. We will have Lori explain this.

Lori Laschkewitsch, OMB: The \$21,460 is the amount for on-going desktop services. This agency is one that does contract for outside services. They had some money in their budget otherwise it would have been \$43,680 dollars for the ongoing.

Chairman Pollert: Is that through ITD?

Lori Laschkewitsch, OMB: Correct. In the one-time funding you will see \$35,371 and that is one-time funding to purchase laptops and desktops.

Vice Chairman Bellew: Are they \$5,000 a piece?

Lori Laschkewitsch, OMB: I could get the calculations for you because it also includes the monitors and software.

Rep. Nelson: Would it be appropriate to ask Jeanne to come and explain that one time funding item.

Chairman Pollert: When was the tobacco group formed when was the office formed?

Jeanne Prom: Executive Director for the Center for Tobacco Prevention: Fiscal year 2010. (See Attachment #1)

Rep. Nelson: What's included in the \$35,371?

Jeanne Prom: The \$35,371 bought 11 computers that includes software and installation. There are 2 docking stations and some other equipment that costs \$1,798 so you have computers at \$2,725 times 10 and you have docking stations \$1798 times 3 and that totals \$35,378.

Chairman Pollert: Are those replacements of anything you have now?

Jeanne Prom: Yes.

Chairman Pollert: All of them?

Jeanne Prom: Yes.

Chairman Pollert: Representative Nelson are you asking to move the \$35,371 over?

Rep. Nelson: Sure. I was trying to understand, I was under the impression that these agencies were asking for additional services and adding that to the budget line. Lori has demonstrated that there is no additional IT services being delivered here. This is for the existing service and the remaining amount is to replace their computers. They are replacing all of them. I would like to see that done on a rotating basis.

Lori Laschkewitsch, OMB: Legislative Council replaces all the legislative computers at one time because it would be a nightmare to have you on different models and versions. They do it every four years. The smaller agencies are able to do this because there is only a few computers. The larger agencies only do 50% every two years. With the new desktop services those would be on the normal schedule, after this one-time up-front fee this biennium. In the future you will only see the monthly fee. You shouldn't see this up and down each biennium to whether they are purchasing or not.

Chairman Pollert: How much is the monthly fee under the desktop services?

Lori Laschkewitsch, OMB: Are you looking for the total?

Chairman Pollert: No I want the total.

Lori Laschkewitsch, OMB: I have a sheet that I will print out that breaks out the costs if you have a different computers.

Chairman Pollert: So we are just trying to do everything all at one shot with this agency.

Lori Laschkewitsch, OMB: Correct. If it's desktop, it's going to be for everybody. The agencies have to pay the initial purchase and after that the monthly fee will take care of it.

Chairman Pollert: That is where the desktop monthly fee shows up at right?

Lori Laschkewitsch, OMB: That's correct.

Rep. Nelson: I will add the amendment for the \$35,371 with the reminder that this is all special funds.

Rep. Holman: Is this the first replacement since 2009?

Lori Laschkewitsch, OMB: No they would have purchased some of their computers. The monthly fee is between \$100-130 per person depending on if they have a laptop or PC and that will show on that breakdown.

Chairman Pollert: The first roll call vote we will have is on the base payroll changes, the three and the three and the health insurance increase. Any discussion? Seeing none the clerk will call the roll.

A Roll Call Vote was taken. Yes: 6 No: 0 Absent: 0 . Motion Carried.

Chairman Pollert: The second motion is Representative Holman's to bring forward the retirement contribution increase of the \$8,514. Any discussion? Seeing none the clerk will call the roll.

A Roll Call Vote was taken. Yes: 1 No: 5 Absent: 0. Motion failed.

Chairman Pollert: Representative Bellew's motion to reduce operating expenses from \$52,000 to \$35,000. Any discussion? Seeing none the clerk will call the roll.

A Roll Call Vote was taken. Yes: 6 No: 0 Absent: 0. Motion carried.

Chairman Pollert: Representative Bellew's motion to remove equipment over \$5000 it is a reduction of \$6500 dollars. Any discussion, seeing none the clerk will call the roll.

A Roll Call Vote was taken. Yes: 6 No: 0 Absent: 0. Motion carried.

Chairman Pollert: The next motion by Representative Holman adds funding for desktop support for \$21460. Any discussion?

Rep. Nelson: This is the exact cost of desktop services. This is not the entire cost they are rolling some into this, correct?

Chairman Pollert: It would have been \$46,680. They had some money left from before.

Rep. Nelson: If we don't fund this at \$21,460, they will have less desktop support than they currently have?

Lori Laschkewitsch, OMB: They are not purchasing these services from ITD today. This is what these services would cost in this budget you are doing. However, because they are already paying for some services from the current budget they only needed to add the \$21,460 so they had enough to pay ITD for the next biennium.

Rep. Silbernagel: We have 8 FTEs, 10 computers and this is the on-going maintenance and services. \$21,460 seems like a big number to me.

Chairman Pollert: I think we all feel the frustration of the costs of \$130 a month per line.

Rep. Nelson: We brought IT down to better understand this but I am not sure we have fully understood this. It is a large number per biennium.

A Roll Call Vote was taken. Yes: 3 No: 3 Absent: 0. Motion failed.

Chairman Pollert: Representative Silbernagel's motion for \$14,000 for desktop support.

A Roll Call Vote was taken. Yes: 6 No: 0 Absent: 0. Motion passes.

Chairman Pollert: Representative Nelson adds desktop support for \$35,371 for ten computers and 3 docking stations.

A Roll Call Vote was taken. Yes: 5 No: 1 Absent: 0. Motion carried.

Rep. Holman: We're seeing huge increases in IT but it seems to be cutting across all divisions and I have a problem with picking out one small area and on out three votes today we are not being consistent. I think we better discuss this.

Chairman Pollert: That's why I'm not doing any more bills today because I need to find this out. I will be talking to our leadership. I don't think there are any other amendments to this. Closed the hearing on HB 1024.

2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

HB1024
2/16/2015
23878

- Subcommittee
 Conference Committee

Donna Whotham

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the comprehensive tobacco control advisory committee.

Minutes:

Attachment 1-2.

Chairman Pollert called the committee to order on HB 1024 the tobacco control advisory committee. We have the proposed amendments before us and the numbers look good. Any further amendments or discussion. (See Attachments # 1& 2). It constitutes a 1.5% increase well within some peoples parameters.

Rep. Silbernagel: Moved Do Pass as amended on HB 1024.

Representative Nelson: seconded.

Chairman Pollert: Any discussion, seeing none the clerk will call the roll.

A Roll Call Vote was taken. Yes: 5 No: 1 Absent: 0. Motion carried.

Representative Pollert: will carry the bill.

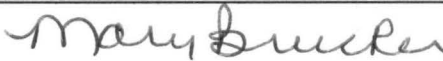
2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

HB 1024
2/18/2015
24080

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the comprehensive tobacco control advisory committee.

Minutes:

Attachment #1-proposed amendments

Chairman Jeff Delzer: We are all aware of what the pay package is; we've dealt with that on all of them. In the second half we will have to talk to the senate and see if they have any desire to revisit the accrued leave line. The issue with the accrued leave line is we were trying to get at the roll up dollars that are available to the agencies. Human Services has three or four percent that they take just on general and out of that last time we didn't do an accrued leave line on Department of Human Services because of that. We basically have that same issue with other agencies and I believe we did that based on the size of the agencies through the different percentages we had. The governor vetoed part of the language where we said that could be used for pay. The attorney general said they could use that for pay but I think we will have to have discussion that said if we leave the accrued leave line in without any language it would be subject to happen before the emergency commission to transfer anything above \$50,000.

Representative Pollert: Distributed proposed amendments 15.8132.01001. See attachment #1. The writing on the notation doesn't mean you voted yes; it means that I voted yes. The base budget was a \$15,815,828 and with the house changes that puts the ending at \$16,047,355 which equates to a 1.5% increase from the baseline budget. Every section has something like this as well. The first part of the form shows the base payroll changes and those are a cost to continue.

Chairman Jeff Delzer: You're saying that the details the house changes are the costs to continue in making up the first year from the second year?

Representative Pollert: That is correct. Then it adds funding for salary and benefit increases is the three and the three. The health benefits were around \$170 a month increase.

Chairman Jeff Delzer: I had council do some research and for the average state employee, which is somewhere around \$50,000, this increase amounts to 2.15% per year for the health insurance.

Representative Pollert continued explanation on the changes. We found in our section the executive budget had a recommendation of \$52,715 and the house version is \$35,000. Of that \$17,715 in the human resource section the tobacco group was looking for boardroom space and we deducted that from it and that's part of the deduction from the \$17,715. We also took a few dollars away for travel expense or operating expense so the funding costs to continue was reduced to \$35,000. Removes funding from equipment was from the previous biennium so \$6,500 needed to roll forward. It adds funding for the Information Technology desktop and that might be one of those that we did it at the .65 instead of house bill 1053 which should have been \$21,460. I don't know if you want to have that corrected so it mirrors what is in house bill 1053 or if you want that correction and just do it over on the senate side.

Chairman Jeff Delzer: I would think we could do that on the senate side.

Representative Pollert: You'll see there are three budgets for that; Indian Affairs, the tobacco group, and the Council of the Arts. The one time funding is added for computer installation fees for Information Technology Department desktop support and all those numbers add up to the \$35,371. Those are the changes to the budget. It is a 1.5% increase to the baseline which is \$62,401 less than the executive budget.

Chairman Delzer: This changes the baseline all the way across and it shows removal of all that equipment from the baseline and the full time employee from last year.

Representative Pollert: Motioned to move the amendment 01001.

Representative Nelson: Seconded.

Vice Chairman Keith Kempenich: The smaller budgets aren't a big deal but the cost to continue problem is decreasing the base payroll and these bigger budgets with vacancies are going to roll the money and leaving a lot of dollars sitting there.

Chairman Jeff Delzer: That's an accrued leave line discussion that we'll have to have the second half.

Representative Pollert: You won't see it as much in this budget but when our section got into the health department budget a lot of the items we found on the green sheets were lumped into the cost to continue programs or into the bonds or extraordinary repairs. We found out from Legislative Council that you have to get the questions of what part of the green sheets and what numbers add up to all those costs to continue or extraordinary repairs took a little time but we worked through it.

Chairman Jeff Delzer: That is one thing, you can't go strictly off the green sheets but the green sheets are still going to be a point of discussion when we get to full committee when we get to the bigger bills.

Representative Pollert: It's all an important part of the picture. The green sheets but these other sheets were invaluable.

Voice vote to move the amendment: Motion carries.

Representative Pollert: Made a motion for DO pass as amended

Representative Nelson: Seconded.

**Roll call vote: 20 Yes 3 No 0 Absent
Motion carries**

Representative Pollert is the carrier

2/18/15
1/2

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1024

Page 1, replace lines 11 through 14 with:

"Comprehensive tobacco control	\$15,807,437	\$239,918	\$16,047,355
Accrued leave	<u>8,391</u>	<u>(8,391)</u>	<u>0</u>
Total special funds	\$15,815,828	\$231,527	\$16,047,355
Full-time equivalent positions	8.00	0.00	8.00"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1024 - Tobacco Prevention & Control Exec Comm - House Action

	Base Budget	House Changes	House Version
Comprehensive tobacco control	\$15,807,437	\$239,918	\$16,047,355
Accrued leave payments	<u>8,391</u>	<u>(8,391)</u>	
Total all funds	\$15,815,828	\$231,527	\$16,047,355
Less estimated income	<u>15,815,828</u>	<u>231,527</u>	<u>16,047,355</u>
General fund	\$0	\$0	\$0
FTE	8.00	0.00	8.00

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

	Adds Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Adjusts Funding for Cost to Continue ³	Removes Funding for Equipment ⁴	Adds Funding for IT Desktop Support ⁵	Adds One-Time Funding for Desktop Support Installation ⁶
Comprehensive tobacco control	\$61,315	\$100,732	\$35,000	(\$6,500)	\$14,000	\$35,371
Accrued leave payments	<u>(8,391)</u>					
Total all funds	\$52,924	\$100,732	\$35,000	(\$6,500)	\$14,000	\$35,371
Less estimated income	<u>52,924</u>	<u>100,732</u>	<u>35,000</u>	<u>(6,500)</u>	<u>14,000</u>	<u>35,371</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Total House Changes
Comprehensive tobacco control	\$239,918
Accrued leave payments	<u>(8,391)</u>
Total all funds	\$231,527
Less estimated income	<u>231,527</u>
General fund	\$0
FTE	0.00

¹ Funding is added for cost-to-continue 2013-15 biennium salaries and benefit increases and for other base payroll changes.

2/2

² Funding is added for 2015-17 biennium performance salary adjustments of 2 to 4 percent per year (\$61,871) and increases in monthly health insurance premiums (\$38,861).

³ Funding is adjusted for cost to continue current program operating expenses primarily relating to anticipated increases in professional fees and rent.

⁴ Funding for equipment over \$5,000 is removed.

⁵ Funding is added for Information Technology Department desktop support services.

⁶ One-time funding is added for computer installation fees related to Information Technology Department desktop support.

base pay
3+3
health ins.

Date: 2/12/15
Click here to enter a date.
Roll Call Vote #: "Enter Vote #"

**2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. "Enter Bill/Resolution No." HB 1024**

House Appropriations - Human Resources Division Committee

Subcommittee

Amendment LC# or Description: base pay 3+3, health insurance

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. Pollert Seconded By _____

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	X		Rep. Holman	X	
Vice Chairman Bellew	X				
Rep. Kreidt	X				
Rep. Nelson	X				
Rep. Silbernagel	X				

Total Yes 6 No 0

Absent 0

Floor Assignment _____

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

amendment passes

retirement

Date: 2/12/15
Roll Call Vote #: "Enter Vote #" 2

2

**2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. "Enter Bill/Resolution No." HB1024**

House Appropriations - Human Resources Division Committee

Subcommittee

Amendment LC# or Description: bring forward retirement of \$8514.

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 Holman Seconded By _____

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert		X	Rep. Holman	X	
Vice Chairman Bellew		X			
Rep. Kreidt		X			
Rep. Nelson		X			
Rep. Silbernagel		X			

Total Yes 1 No 5

Absent 0

Floor Assignment _____

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

Motion fails

removes equip

- 6500

Date: 2/12/15 Click here to enter a date.

Roll Call Vote #: "Enter Vote #" 4

4

**2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. "Enter Bill/Resolution No."**

HB 1024

House Appropriations - Human Resources Division Committee

Subcommittee

Amendment LC# or Description: removes equip over \$5000 a reduction of \$6500

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 Bellew Seconded By _____

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	X		Rep. Holman	X	
Vice Chairman Bellew	X				
Rep. Kreidt	X				
Rep. Nelson	X				
Rep. Silbernagel	X				

Total Yes 6 No 0

Absent 0

Floor Assignment _____

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

Motion carried

desktop support

Date: Click here to enter a date.
Roll Call Vote #: "Enter Vote #"

21,460

**2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. "Enter Bill/Resolution No." HB 1024**

House Appropriations - Human Resources Division Committee

Subcommittee

Amendment LC# or Description: adds desktop support #21460.

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 Holman Seconded By _____

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	X		Rep. Holman	X	
Vice Chairman Bellew		X			
Rep. Kreidt		X			
Rep. Nelson	X				
Rep. Silbernagel		X			

Total Yes 3 No 3

Absent 0

Floor Assignment _____

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

motion failed

14,000

Date: 2/12/15
Roll Call Vote #: "Enter Vote #"6

**2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. "Enter Bill/Resolution No." HB1024**

House Appropriations - Human Resources Division Committee

Subcommittee

Amendment LC# or Description: for \$14,000 desktop support

- 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 Silbernagel Seconded By _____

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	X		Rep. Holman	X	
Vice Chairman Bellew	X				
Rep. Kreidt	X				
Rep. Nelson	X				
Rep. Silbernagel	X				

Total Yes 6 No 0

Absent 0

Floor Assignment _____

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

Motion carried

35,371

Date: Click here to enter a date.
Roll Call Vote #: "Enter Vote #"

**2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. "Enter Bill/Resolution No." HB 1024**

House Appropriations - Human Resources Division Committee

Subcommittee

Amendment LC# or Description: \$ 35,371 for desktop support

- 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 _____

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	X		Rep. Holman	X	
Vice Chairman Bellew		X			
Rep. Kreidt	X				
Rep. Nelson	X				
Rep. Silbernagel	X				

Total Yes 5 No 1

Absent 0

Floor Assignment _____

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

Motion carried

REPORT OF STANDING COMMITTEE

HB 1024: Appropriations Committee (Rep. Delzer, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (20 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). HB 1024 was placed on the Sixth order on the calendar.

Page 1, replace lines 11 through 14 with:

"Comprehensive tobacco control	\$15,807,437	\$239,918	\$16,047,355
Accrued leave	<u>8,391</u>	<u>(8,391)</u>	<u>0</u>
Total special funds	\$15,815,828	\$231,527	\$16,047,355
Full-time equivalent positions	8.00	0.00	8.00"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1024 - Tobacco Prevention & Control Exec Comm - House Action

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General fund	\$0	\$0	\$0
FTE	8.00	0.00	8.00

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

	Adds Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Adjusts Funding for Cost to Continue ³	Removes Funding for Equipment ⁴	Adds Funding for IT Desktop Support ⁵	Adds One-Time Funding for Desktop Support Installation ⁶
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General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Total House Changes
Comprehensive tobacco control	\$239,918
Accrued leave payments	<u>(8,391)</u>
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Less estimated income	<u>231,527</u>
General fund	\$0
FTE	0.00

¹ Funding is added for cost-to-continue 2013-15 biennium salaries and benefit increases and for other base payroll changes.

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³ Funding is adjusted for cost to continue current program operating expenses primarily

relating to anticipated increases in professional fees and rent.

⁴ Funding for equipment over \$5,000 is removed.

⁵ Funding is added for Information Technology Department desktop support services.

⁶ One-time funding is added for computer installation fees related to Information Technology Department desktop support.

2015 SENATE APPROPRIATIONS

HB 1024

2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

HB 1024
3/6/2015
Job # 24415 (33:43)

- Subcommittee
 Conference Committee

Committee Clerk Signature

Megan Pegel for Alice Deber

Explanation or reason for introduction of bill/resolution:

(INITIAL HEARING)

A BILL for an Act to provide an appropriation for defraying the expenses of the comprehensive tobacco control advisory committee

Minutes:

2 Attachments

Chairman Holmberg called the committee to order on Friday, March 6, 2015 at 8:30 am in regards to HB 1024. All committee members were present. Chris Kadrmas, Legislative Council and Tammy Dolan, OMB, were also present.

Jeanne Prom, Executive director of the ND Center for Tobacco Prevention and Control Policy (See attachment # 1 & 2) Attachment # 1 gives an overview of her Agency, 2015-17 Executive and House Comparison and also attached are several letters of support (A - L). # 2 - Saving Lives-Saving Money: ND's Comprehensive State Plan to Prevent and Reduce Tobacco Use.

Chairman Holmberg: As the committee goes forward on your budget, I intend to put the same 3 people on the subcommittee for this bill that is on the Health Department. There will be collaboration regarding how they will proceed.

Chairman Holmberg: Did they use some kind of a formula such as taking \$1,171 out of operating fees and services. Was that done based upon data? (Referring to the table on page 3 of attachment #1)

Ms. Prom: That was an area where we had asked for an additional \$5,500, and they simply cut a little bit.

Senator Gary Lee: Looking at the current budget compared to the expenditures to date, about 80% of the biennium is gone. Your performance expenditures are show that you should have spent in the \$12M range as opposed to the \$9M. What will you do with that additional funding going forward?

MS. Prom: Yes, we are expecting that we will have significant additional expenses coming in. We are about a quarter behind until the end of the fiscal year on grants and contracts payments, yet we are behind in paying them. They come in as reimbursements, so those

are lagged from real time as far as payments. If you look at our grants' line, we made sure to encumber all of that.

Senator Gary Lee: Where you do expect to be at the end of the fiscal year?

MS. Prom: At the end of the fiscal year, I expect to have the majority of the budget expended.

(11:45) **Senator Kilzer:** How much is in the trust account now?

MS. Prom: In what the Legislative Council provided for you in February, it shows that at the end of the current biennium, there will be \$47M in the balance, and at the end of the 15-17 biennium there will be almost \$54M. The end of the coming biennium will be the last year that there is any deposit in that trust fund. We only have 9 deposits over 9 years going into that trust fund, and those deposits end in the 2017 calendar year.

Senator Kilzer: It's anticipated that by the end of the next biennium there will be more than \$50M there?

Ms. Prom: Correct. However after that point, it will be 5 years after 2017 and that fund will be spent down to a few million.

Senator Kilzer: You will still be receiving some income from the other master settlement agreement, but not from the one that ran 10 years, correct?

Ms. Prom: We only get the nine payments, no other funding.

Senator Kilzer: Do you have the CDC recommendations for the amount of money that should be spent each year in the coming 2-3 years? How far out in the future do the ones that came out in 2014 go?

Ms. Prom: In the materials I have for you, the next page of my testimony is the CDC best practices based on 2014. On the bottom of page 2 in testimony, it shows that adjusted for inflation and population for fiscal year 2016 and 2017, so we have figured that out for this coming biennium.

Senator Kilzer: That is what is in your budget? He was told that is correct.

(21:40) **Chairman Holmberg:** If we were making a movie, and there was background organ music, the organ would have swelled every time you said "we are going to pursue that". You talked about tobacco tax, so what do you mean by "pursue that"?

Prom: We will continue to educate the public about the health benefits of raising the price of tobacco through a tax. We will also continue our conversations with the legislature about the increase of tax on all tobacco products including electronic cigarettes.

Senator Gary Lee: You quote the high school smoke rate at 19%. How did you get that information?

Ms. Prom: That comes from the Department of Public Instruction's Youth Risk Behavior survey data and also the ND Department of Health conducts the Youth Tobacco Survey. Those are CDC surveys conducted by the DPI and the DOH.

Senator Gary Lee: Do you have that information for across the state? I would assume there are pockets of high school users that are higher than others. Do you have that distribution?

Ms. Prom: I believe that survey has geographical breakdowns, and I can get that for you from the Department of Public Instruction.

Senator Carlisle: Are you supporting both of the e-cigarette bills?

Ms. Prom: We support regulating e-cigarettes. I believe there will be at least one bill that passes and we support the stronger of the two, which has the most provisions in it. We also support the provisions that are in the other bill as well. They overlap, but there is one that has more provisions, and of course we support more regulation than just limiting the sale to those under age 18.

Senator Carlisle: There's probably support to pass one of those two bills. Are you going to initiated measure next, or what happens?

Ms. Prom: I would hope that there might be something organic coming from the legislators that they would want to attach something to definitely tax electronic cigarettes as the tobacco products that they are because right now, they're not taxed at the same rate as other forms of tobacco are. As far as raising the tobacco tax, we don't have any amendments prepared for any bills that are out there now, but we would like to continue the conversation as long as we're still in session.

Senator Carlisle: What is the difference between the two bills?

Ms. Prom: One bill is simply saying that the sale is prohibited to those under age 18. The other goes into some more detail and does offer a definition.

Chairman Holmberg: There will be a subcommittee consisting of Senator Kilzer, Senator Gary Lee and Senator Mathern.

(27) Jan Keller, Wellness Circle of United Tribes Technical College (see attachment 1 - #B) testified in support of HB 1024.

(30:10) Hannah Rexine, Century High School junior and serves as a board member for the Century SADD group (Students Against Destructive Decisions) and a board member of the ND Tobacco Prevention and Control Advisory Committee (see attachment # 1- #C) testified in support of HB 1024.

Senator Wanzek: How do your friends get access for these products? It is illegal for them to purchase this.

Ms. Rexine: I am not sure. There are stores that will sell to minors still even though it is against the law. There are older kids who buy them for the younger kids as well.

Senator Wanzek: so the process is illegal, but they are getting them.

Ms. Rexine: Correct. They're even used in the halls of my school which is alarming since we are all breathing that air.

Chairman Holmberg closed the hearing on HB 1024.

2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

HB 1024
3/26/2015
Job # 25486

- Subcommittee
 Conference Committee

Committee Clerk Signature

Eva Libelt for Rose Spring

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the comprehensive tobacco control advisory committee.

Minutes:

Attachment 1

Legislative Council - Sheila Sandness
OMB - Nick Creamer

Senator Kilzer: Called the sub-committee to order on HB 1024. Senator G. Lee and Senator Mathern were also present.

Jeanne Prom, Executive Director of the Comprehensive Tobacco Control Advisory Committee: The House reduced budget by \$62,401 and of that \$37,226 came from the Governor's compensation package increase. There were \$25,000 reduced in operating expenses and there were no reductions in grants. It was a one percent change to the total budget. The Governor's compensation package reductions were related to performance increases and market equity was removed as well as retirement increases. In the operations \$17,750 were reduced for costs to continue operating expenses. That mostly came from our rent. We had asked for additional funds for more space and we had asked for some funds to do some specialty print advertising and they reduced that by \$1,100 from \$5,500. They also reduced the IT Data Processing by \$7,460. When I presented to you on March 6th to the full Appropriations committee I had requested \$250,000 a year more for this biennium to make up for the reduction that the department of health is experiencing with their CDC tobacco prevention grant. (:56-2:39)

Senator Kilzer: Asked if they are able to live on less rent.

Jeanne Prom: Yes we would be able to make up that amount elsewhere however I do want to point out we did ask for that because we needed it.

Senator Mathern: Why would you recommend that we take this money from your income sources and transfer to DOH?

Jeanne Prom: In conversations with Department of Health (DOH), it was discussed that we would grant them a grant for that amount. So the actually funding and authority for spending that would be with our agency but they would become another grantee of ours like the local public health units are. We would have the administration of the funds and we would have the authority to spend the funds as they would as well. It wouldn't actually be us funding the department of health with our trust fund it would be us giving a grant to DOH.

Senator Mathern: Would this keep us within the general framework of meeting the criteria that we often go by in terms of the CDC Best Practices?

Jeanne Prom: It would be within the CDC Best Practices framework because our funding is required to be used for CDC Best Practices.

Senator Kilzer: Would this be a new first that you are giving money to DOH?

Jeanne Prom: We have not granted them money in the past they have had their own source of funding and because they are getting a reduction in their CDC grant there is a need.

Senator Kilzer: When you showed me you were meeting the CDC guidelines and you listed how much your committee had spent on tobacco sensation and prevention, you also listed how much funds the DOH had used. How would you credit this \$250,000?

Jeanne Prom: We definitely wouldn't count it twice. I think we would probably count it because it's from our appropriation.

Senator G. Lee: Where does the \$250,000 show up on green sheet?

Sheila Sandness: That is not included in the budget as it came over from the House.

Senator G. Lee: So that would show up on here as a \$250,000 reduction if they are allowed to have it?

Sheila Sandness: We'd increase the expenditure, the appropriation on the tobacco prevention control committee's appropriation. We would increase their grants and we would also on the health department side increase their funding as well so they could spend the grant and it will be special funds to them.

Senator G. Lee: It would be a reduction on the tobacco side.

Sheila Sandness: It would be an increase in their appropriation. It would reduce the fund they are spending out of, the trust fund.

Jeanne Prom: All of our funding comes from the tobacco prevention and control trust fund. It would be one of our expenditures.

Senator G. Lee: In terms of expenditures, you spent 58% of your funds, have you added additional expenses to this line or why aren't you closer to your budget indicated you would be? Where are you saving?

Jeanne Prom: We have encumbered all of our funds in the grants line, so it is a matter of those expenses coming in and we are nearing the end of the quarter where we get a lot of those expenses to pay out. They would actually show up as April expenses. We have had additional expenses because some of our grantees submit their expenses monthly but it is really at the end of the quarter that we get significant expenses that we pay out.

Senator Mathern: These operating expenses, outside of rent that the House cut, are they dings on your ability to prove that you are meeting CDC requirements?

Jeanne Prom: If we wouldn't be funded at the amount we started at in the House. We can still meet the Center for Disease Control (CDC) Best Practices amounts, if you don't adjust for population and inflation and it's not going to come down to \$25,000 one way or another to make us successful.

Senator Kilzer: With the increasing population are you getting an increase in revenue?

Jeanne Prom: It's based on the sales of tobacco in the nation. We got more this last year from the Master Settlement Agreement payment than the three years before.

Senator Kilzer: You actually get two checks a year?

Jeanne Prom: All of the payments that come in come shortly after April 15th of each year. The only way there is more than one payment is if there is a late payment.

Senator Mathern: We should confirm with the DOH on how they might use that money and if they want it and maybe we should entertain an amendment for this bill.

Senator Kilzer: Have you worked it out with the department of health?

Jeanne Prom: We have discussed it and we don't have a grant ready to go but what we have discussed with the DOH is that it will support their cessation efforts.

Senator Kilzer: So one or two years from now it will be the same thing?

Jeanne Prom: It would definitely be within the CDC best practice spending amounts and the health department would have spent that on cessation.

Senator Kilzer: This is a specific the grant that the department of health thought they were going to get from the feds and they didn't get it.

Jeanne Prom: They are getting the CDC grant that they have always gotten. It is just a reduced amount. They just got the letter that said they will get same amount for the next 5 years.

Senator Kilzer: It is \$250,000 for one year, not for five?

Jeanne Prom: It is \$250,000 less per year for five years.

Senator Mathern: It is less per year for five years aren't you suggesting \$250,000 for the biennium or was it \$500,000?

Jeanne Prom: It is \$500,000.

Senator Mathern: Your request to this committee is to amend this bill for giving you an additional \$500,000 authority to spend from the trust fund dollars in your grants line item which would potentially go to the DOH?

Jeanne Prom: That is correct.

Senator Kilzer: Usually on these deals there is a give and take but what is the take?

Jeanne Prom: We agreed upon what the grant would be used for and it would be a wonderful opportunity to have a joint project.

Senator G. Lee: It doesn't go against master settlement agreement and in terms of that passing in the Senate do we need a 2/3 vote to make that happen?

Senator Mathern: I would say that is why it's in grants line, so it wouldn't have a 2/3 requirement.

Jeanne Prom: That would be my understanding too. It would be the trust fund used for CDC best practices and administered by the agency to do that, which is our agency. I don't see that being a changing of the law in any way.

Senator G. Lee: So you wouldn't be just giving it to them there are strings that you'd want attached to that in terms of some control on how the money was spent and that would satisfy the constitutional measure that was past?

Jeanne Prom: Yes, it would be like a grant that we do right now. This would be another grantee. Instead of a local agency it would be with another state agency.

Senator Kilzer: How much is the health departments full grant before they had the \$250,000 taken off of it?

Jeanne Prom: It was about \$1.2M and now it is about \$914,000 per year.

Senator Mathern: The DOH, like other entities that the committee contracts with or gives grants to, they'd fill out a grant application and it would state what the money would be used for. If DOH wanted to use it for the morgue, but this committee would deny the application, so I would see that as a requirement for meeting some grant application process that you'd have to approve.

Jeanne Prom: Yes, just like other grants there is a scope of service on all of our grants and contracts that outlines what is expected and approved for the grant. (19:37-20:19)

Senator Kilzer: Is everything going well there, do you have local public health units that miss use their grants or don't use them?

Jeanne Prom: We use annual reports. They have to give detailed expenses. Sometimes we disallow certain expense or certain amounts at that point as well. This is a process we have worked closely with our auditor on to make sure we meet the audit requirements. (20:37-21:11)

Senator Kilzer: Does the CDC check on you?

Jeanne Prom: We are not funded by the CDC but we do report to different national organizations on what we spend in different CDC categories.

Senator Kilzer: The state auditor audited you about a year ago. That is probably the primary agency that you have to answer to.

Jeanne Prom: Yes, and we answer to legislature too.

Senator Mathern: I would be happy to work with the committee and DOH and legislative council to get an amendment with \$500,000.

Senator Kilzer: Anything else but that one amendment that Senator Mathern has graciously offered to carry?

Jeanne Prom: You asked about spending at CDC Best Practice level and when we don't adjust for population and inflation or when we do, either way we are spending at the CDC best practice level based on what is in our budget and what is in the health department budget. I will say that the health department has some sources the CDC grant being one that is a little variable so sometimes that effects what we actually get to spend. (23:06-24:41)

Senator Kilzer: We'll be talking with them again and the same with you.

Jeanne Prom: Senator Lee has asked about the Youth Risk Behavior Survey data, so I have copies for everyone. The North Dakota 2013 High School YRBS Results, Attachment (1). She addressed the handout. (26:00-26:44)

Senator G. Lee: I was wondering about the distribution of that 19% that was indicated in your testimony across the State for High School.

Jeanne Prom: If you go to the very last page there is a North Dakota map. Those are education associations that are banded together in regions and so that is how the data is reported by those different regions. She discussed part of the handout. (27:10-29:30)

Senator Kilzer: Closed the hearing on HB 1024.

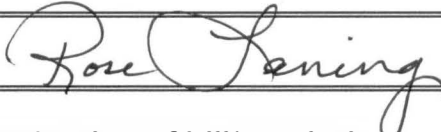
2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

HB 1024
3/30/2015
Job # 25573

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

This is a vote on the budget of the comprehensive tobacco control advisory committee.

Minutes:

Legislative Council - Adam Mathiak
OMB - Becky Keller

Senator Mathern handed out amendment 15.8132.02001 and said this was to provide a grant to the Department of Health. The DOH had a reduction from the federal government of \$500,000 and it was considered appropriate that those kinds of activities continue in the dept. of Health because they spend that money with local public units. This amendment takes \$500,000 and makes it available for a grant. The other two amendments: one adjusts the employee health insurance premium to reflect the new contract that has been issued by ND PERS. That premium is lower so we have a savings in this budget of \$6,776.

The other amendment is to adjust the information technology part. The House took a piece out but didn't adequately fund the requirement that all of these agencies use information technology instead of a new agency or another private contractor to provide computer services. That amendment fully funds that policy to have ITD do their work which adds \$7,460. There was also a discussion in the sub-committee about targeted equity changes in terms of salary and market changes. Basically, the subcommittee decided not to pursue those issues.

Senator Mathern moved the amendment 15.8132.02001.
Senator Kilzer seconded.
Voice vote carried.

Senator Mathern moved do pass as amended on HB 1024.
Senator Kilzer seconded.

A Roll Call vote was taken. Yea: 13 Nay: 0 Absent: 0

Senator Mathern will carry the bill on the floor.

3/30/15
 JMG

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1024

Page 1, replace lines 11 through 14 with:

"Comprehensive tobacco control	\$15,807,437	\$740,602	\$16,548,039
Accrued leave	<u>8,391</u>	<u>(8,391)</u>	<u>0</u>
Total special funds	\$15,815,828	\$732,211	\$16,548,039
Full-time equivalent positions	8.00	0.00	8.00"

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1024 - Tobacco Prevention & Control Exec Comm - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Comprehensive tobacco control	\$15,807,437	\$16,047,355	\$500,684	\$16,548,039
Accrued leave payments	<u>8,391</u>			
Total all funds	\$15,815,828	\$16,047,355	\$500,684	\$16,548,039
Less estimated income	<u>15,815,828</u>	<u>16,047,355</u>	<u>500,684</u>	<u>16,548,039</u>
General fund	\$0	\$0	\$0	\$0
FTE	8.00	8.00	0.00	8.00

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

	Adjusts Funding for Health Insurance Premium Increases ¹	Increases Funding for Information Technology ²	Adds Funding for State Department of Health Grant ³	Total Senate Changes
Comprehensive tobacco control	(\$6,776)	\$7,460	\$500,000	\$500,684
Accrued leave payments				
Total all funds	(\$6,776)	\$7,460	\$500,000	\$500,684
Less estimated income	<u>(6,776)</u>	<u>7,460</u>	<u>500,000</u>	<u>500,684</u>
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

² Funding for information technology is increased to provide a total of \$21,460 for ongoing information technology costs related to House Bill No. 1053, the same as the executive recommendation.

³ Funding is added to provide a grant to the State Department of Health to be used for the Centers for Disease Control *Best Practices for Comprehensive Tobacco Prevention and Control Programs*.

Date: 3-30-15
Roll Call Vote #: 1

2015 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1024

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: 15.8132.02001

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 Kilzer

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg			Senator Heckaman		
Senator Bowman			Senator Mathern		
Senator Krebsbach			Senator O'Connell		
Senator Carlisle			Senator Robinson		
Senator Sorvaag					
Senator G. Lee					
Senator Kilzer					
Senator Erbele					
Senator Wanzek					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

*voice vote
Carried*

Date: 3-30-15
Roll Call Vote #: 2

2015 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1024

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 Mathern Seconded By Kilzer

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Heckaman	✓	
Senator Bowman	✓		Senator Mathern	✓	
Senator Krebsbach	✓		Senator O'Connell	✓	
Senator Carlisle	✓		Senator Robinson	✓	
Senator Sorvaag	✓				
Senator G. Lee	✓				
Senator Kilzer	✓				
Senator Erbele	✓				
Senator Wanzek	✓				

Total (Yes) 13 No 0

Absent 0

Floor Assignment Mathern

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

REPORT OF STANDING COMMITTEE

HB 1024, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1024 was placed on the Sixth order on the calendar.

Page 1, replace lines 11 through 14 with:

"Comprehensive tobacco control	\$15,807,437	\$740,602	\$16,548,039
Accrued leave	<u>8,391</u>	<u>(8,391)</u>	<u>0</u>
Total special funds	\$15,815,828	\$732,211	\$16,548,039
Full-time equivalent positions	8.00	0.00	8.00"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1024 - Tobacco Prevention & Control Exec Comm - Senate Action

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Comprehensive tobacco control	\$15,807,437	\$16,047,355	\$500,684	\$16,548,039
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General fund	\$0	\$0	\$0	\$0
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General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

² Funding for information technology is increased to provide a total of \$21,460 for ongoing information technology costs related to House Bill No. 1053, the same as the executive recommendation.

³ Funding is added to provide a grant to the State Department of Health to be used for the Centers for Disease Control *Best Practices for Comprehensive Tobacco Prevention and Control Programs*.

2015 CONFERENCE COMMITTEE

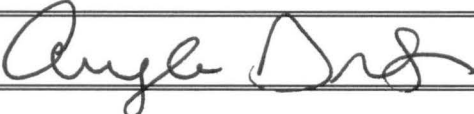
HB 1024

2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

HB 1024
4/15/2015
Job 26139

Subcommittee
 Conference Committee



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the comprehensive tobacco control advisory committee.

Minutes:



Chairman Nelson called the committee to order.

Sen. Kilzer reviewed the Senate amendments.

Sen. Mathern: We also made the salary change like the other agencies.

Chairman Nelson: The \$7,460 is the desktop support. I don't think that's an issue with the House side. The \$500,000 for the grant funding is something we looked at too. Our understanding is that the Health Department did receive that federal grant but may not be in total.

Rep. Pollert: I know they were down to \$900,000. We didn't talk about it much because they had a meeting in Washington and they said they did get some funds but that they were short. On the \$500,000 is there a memorandum of understanding from the tobacco group to the Department of Health what both agencies are going to be doing? The reason I'm asking is because sometimes there seems to be a little discourse on the two agencies talking. Has that been arranged?

Sen. Mathern: The HB 1004 amendments were clearly stated in terms of how the money was to be used. It was to be used in tobacco cessation according to the CDC guidelines. There was concern also in the Senate that it wouldn't be just \$500,000 that could be used for anything. That amendment does clarify that. It was our understanding that it was both acceptable to the committee and the department.

Sen. Kilzer: In addition, the \$500,000 that the Tobacco Prevention and Control Committee is spending to make up for these lost federal funds by the Health Department does count

toward their quota to meet the requirement that they are supposed to spend at a certain level according to the provisions of measure 3.

Chairman Nelson: So this does meet the requirement of best practices that the CDC requires?

Sen. Kilzer: Yes and it is part of their amount of money they're supposed to spend.

Chairman Nelson: But there's not an MOU between the two departments but there is an agreement in principle that that money is to be used for best practices? Was the language that you referred to in HB 1004 added in the Senate?

Sen. Mathern: You are correct. That was added to 1004 in the Senate.

Rep. Pollert: If I could see that language that would be helpful. Regarding the \$7,460, did you put that difference between what the House had put into the bill? Does this \$7,460 put that at 100%? Did you ask the tobacco group as far as how many computers that entailed there are eight employees and they were asking for ten computers.

Sen. Lee: It did have to do with the number of computers so that's the number that met that criteria. HB 1053 was killed but they still have to get the support services from somewhere and so that amount is still in there based on those criteria that were originally part of 1053.

Rep. Pollert: The amount of laptops or replacements, besides the regular desktop support, that correlated out for this agency?

Chairman Nelson: What we found out this morning was that there were two parts to the IT piece in the budget. One was a one-time funding which I believe would be the computers. The other piece is the on-going part and there is an increase in the cost that ITD charges for the services that they provide. I don't know if that was totally accounted for in the action that we had. Maybe it was in the Executive Budget.

Sheila Peterson, OMB: Yes, that is the total that is needed for this agency to move to ITD support services. This restores it to the amount that was in the Executive Budget.

Sen. Mathern: We made no market or target salary adjustments to this agency.

Rep. Pollert: If we could get that information that's in the Health Department.

Sheila Sandness, Senior Fiscal Analyst, Legislative Council: I have the language. It was not included as a section of the bill. It was provided in the statement of purpose. The footnote for that change where we increased the tobacco line for the Health Department, we said funding for tobacco prevention is increased to provide for a grant from the Tobacco Prevention and Control Executive Committee to be used for the CDC best practices for comprehensive tobacco prevention and control programs.

Chairman Nelson: Does that meet your approval Rep. Pollert?

Rep. Pollert: That's fine. I didn't know if there was something else. That's what I was curious about.

Sheila Sandness: There was no other language included other than the statement of purpose.

Rep. Pollert: When would the transfer happen; right away on July 1 or incrementally? Is there a method to how the distribution or disbursement goes?

Sen. Mathern: This was discussed in that the committee has a process in place wherein agencies apply for grants and then the granting would have to meet the statement of purpose. It would be available the first day; however the Department of Health would have to have their grant application done the first day.

Chairman Nelson: What does the Department of Health use these grants for? Is this a pass-through to local public health units? Was there any discussion as to what the purpose of these grants are or who is the recipient of the grants?

Sen. Mathern: Essentially the CDC practices has a number of things that they do. Most likely this money would go to tobacco cessation activities where they felt there was a need and often that is the public health units. It doesn't have to be there. It could be other things that the department was doing directly.

Chairman Nelson: Last interim we had a study to look at what agency does what in this process. Both agencies provide grants to local public health units and then they have restrictions or criteria of what they utilize the funding for. I know this was replacement for federal money that they were in danger of losing.

Sen. Kilzer: You're right. There are more than just local public health units that apply for these grants. For example, the QuitLine is still run by the Department of Health and they give out grants for that. Other agencies can ask for a smoking cessation grant, for example a school system or political subdivision. That's what the eight FTEs in this budget mostly do; screen applications and to follow up to make sure the money was properly used. There does seem to be overlap between the Health Department and the Tobacco Prevention and Control Committee.

Rep. Holman: I'm looking at the 1004 budget and it says funding for tobacco prevention is increased to provide a grant from the Tobacco Prevention and Control Executive Committee to be used for CDC best practices for comprehensive tobacco prevention and control programs.

Chairman Nelson: I think Rep. Pollert is more comfortable now than he was.

Sen. Mathern: In light of the question that came up about the communication and working together, I think this \$500,000 is a vehicle to assure that that continues to develop in a positive way. I think it meets another purpose and that is these two agencies have a pool of money wherein they both have to agree to spend it in a proper way.

Rep. Pollert: This \$500,000 will go to the Health Department. So might it go to local public health units or wherever the department wants it to go for their cessation programs? If it goes to local public health units, the rules and regulations Department of Health deals with if different than how the tobacco group handles it. We heard that there is a lot of paperwork from the tobacco advisory group as compared to the Health Department. There is a little consternation about that. That's why I was wondering.

Sen. Mathern: I think that's an excellent reason for this to be in the granting program because then the committee has to work out, before making a grant, if it fits CDC and the Department of Health would have to submit the grant in a format wherein it also meets their requirements. They might just spend it themselves directly. I think through the granting process both parties have to come to an agreement that it meets both parties' obligations.

Chairman Nelson: So the expectation is that the center wouldn't just grant \$500,000 to the Department of Health. They would first have to be assured that it meets the best practices that they drive their policy on is that every expenditure that they utilize is based on CDC best practice and that would be vetted through that and then that particular portion of the grant would be turned over or granted to the Department of Health for that program, but not a blanket \$500,000?

Sen. Mathern: That's correct.


Chairman Nelson dismissed the committee.

2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

HB 1024
4/16/2015
Job 26191

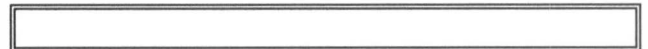
- Subcommittee
 Conference Committee



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the comprehensive tobacco control advisory committee.

Minutes:



Chairman Nelson called the committee to order.

Sen. Lee: I was talking to Jeanne about the ITD desktop support for \$14,000 and the new computers for \$35,000. That bill that required them to get support from ITD failed. Do they still need these dollars in here?

Lori Laschkewitsch, OMB: Yes. The ten agencies that were included in the Executive recommendation still have all of the funding in their budgets and ITD does have the FTE to do the services for those agencies in their budget so that piece of it did not change.

Sen. Lee: So we don't need to change those numbers in terms of their IT technology?

Lori Laschkewitsch, OMB: This is one of the two agencies who did have their numbers reduced so they will need the amount of money restored that the House reduced their budget.

Sen. Lee: They have a \$14,000 ITD desktop support and a \$35,371 for installation.

Lori Laschkewitsch, OMB: I need a moment to find what amount was reduced by the House.

Chairman Nelson: I believe that's in amendment 01001.

Sheila Sandness, Senior Fiscal Analyst, Legislative Council: The fiscal note included \$21,460 for 1053 for this agency and the House put in \$14,000 and the Senate added the \$7,460 for a total of \$21,460 so the House did not include the entire \$21,000.

Rep. Nelson: With the addition of the \$7,460 that the Senate added, it does meet their Executive budget.

Sheila Sandness: That's correct.

Lori Laschkewitsch, OMB: I agree with that number.

Rep. Pollert: They're going to get all new computers, but they haven't replaced computers that are only a year old, have they?

Lori Laschkewitsch, OMB: They will still be on the four year replacement schedule. They will still have to have that upfront fee paid to ITD so when it comes time to replace those computers, ITD will have the money to do that. That's the initial fee for the first time. After that the monthly fee is what is going to go into the cost to replace that in the future. ITD won't be replacing one or two year old computers. They will implement that on that staggered so that they get it at the four years.

Rep. Pollert: I would like to talk about the \$500,000. In our last conference committee meeting we had talked about whether this was in a memorandum of understanding or this was a contract. I understand that this is going to be a contract. Is that correct?

Chairman Nelson: That's the way I understood this.

Sen. Mathern: Yes. They would apply for grants, the grant would be provided, and then there would be a contract.

Rep. Pollert: I don't have a problem with that. There was a discussion about making a direct appropriation. What I like about the contract is now the tobacco group is going to have a contract with the Department of Health which is going to be very similar to the contracts they have with the local public health units. Whenever they go with a local group, there's a lot of burdensome paperwork, maybe more than normal. What this is probably going to do is the tobacco group is going to ask for the same information and the same paperwork from the Department of Health. It's probably going to be two years from now that will give us a gauge of whether the Department of Health really likes the paperwork that the tobacco group is doing. In a way this is going to be a study. I know when the local public health units have to have contracts filled from the tobacco group, it seems a little burdensome. I'm hoping that two years from now maybe we're going to be able to find out if there's a way that this financial paperwork and contracting can be changed. I don't know if it's a matter of discussion. But everything has a purpose and it seems like the contracts are a little tough.

Chairman Nelson: I'm wondering if we could add some Legislative intent that the center reviews the grant process to do it in the least restrictive environment as far as for the grantees so they're not burdened with paperwork and the programmatic work that they do they would have more time to concentrate on that. Would that be a possibility?

Sen. Mathern: I think the reporting requirements that seem burdensome probably are also related to our demands that we have proof that they're actually delivering a product that

relates to reduced tobacco use. I kind of like Rep. Pollert's thought that essentially having this contract smokes that all out before the next Legislative session. I'm not so sure we need additional language but I wouldn't be opposed to it.

Rep. Pollert: By us talking about this, could we ask for a report to see if there's something we can do to streamline the process?

Sheila Sandness: Do you mean put a section into the bill requesting that they report to you on the grant and how it went at the next session or an interim committee? If it was the agreement of both sides, you could certainly add that section.

Rep. Pollert: I'm not asking that. I'm asking that since we've had the discussion here would that be telling them that when they come in for the next session, because the tobacco group will be on the Senate side, so they would be ready to hear a report. Or do we have to have that in writing?

Sheila Sandness: It would be part of the record of the conference committee that that's what you're looking for. It wouldn't be as much of a requirement as if it was in the bill. It would be up to you. It might be best to put it in the bill.

Chairman Nelson: I think if we do this, we should include all the grantees. I think it's good to review the process so there is some ownership to what's working and not working. If we're doing something that isn't producing a result that's beneficial, maybe both sides should look at changing that and making it as streamlined as we possibly can.

Rep. Pollert: I would want the Senate to feel comfortable because we moved away from the conference committee a little bit or maybe not because it's still related because the \$500,000 was a change from the House side. I would like to get the Senators ideas if they think we should do that or else we'll have a bill made up because we'll be talking to the Department of Health and the tobacco advisory group in the interim.

Sen. Kilzer: I have no objection to having a one-time report on the \$500,000 in a year or so to make sure it goes as intended. I don't think we should broaden it though because this agency is subject to auditing and it has had required quarterly reports to the budget section in the past so I don't want to add additional reports. But if there's a one-time report on this particular \$500,000 grant, ok.

Sen. Lee: So that would be just an intent that we would receive a report to the appropriate committee. Is that what you're asking Rep. Pollert?

Rep. Pollert: I think it's a good idea for us to have a report on the \$500,000 and how it's being sent. What I'm hearing from the Senate is that next session it will be up to us to try to remember to see if this process can be streamlined. I just think the Health Department's going to get a feeling of what it's like when they ask for any outside parties when they grant out money for reports. They're going to find out what that's like as well from the tobacco advisory group. I'm just trying to find out if there is a way to streamline that process. I agree with having a report on the \$500,000 because that is in the scope of the conference committee.

Chairman Nelson: As I read the Senate amendments, that is in the form of the grants so that language would just be in additional to what the Senate did in their amendment?

Rep. Pollert: I would be fine with that, however you want that language. Can we do that without having to meet again?

Chairman Nelson: The language that is suggested, I would feel comfortable with the understanding that would be added and signed off when the report is finished.

Sheila Sandness: Yes. I believe that we could draft the intent. Would you want them to report to a Legislative Management committee or to the next Legislative assembly? You could do it either way. I could draft the language to say that it is your intent that they report to either Legislative Management or the Legislative assembly regarding the grant and the grant expenditures.

Rep. Pollert: I'm fine if it goes to Legislative Management.

Chairman Nelson: Does that meet the Senate's approval?

Sen. Mathern: That would be fine with me. Is that part of a motion to adopt the amendments of the Senate and add the intent language?

Rep. Pollert: If we're ready to do that, I would have to make a motion that the House would accede to the Senate amendments but we would further amend, right?

Sheila Sandness: You could say that the Senate recede and further amend and then you could incorporate their amendments and add this intent section.

Sen. Mathern: I would move that the Senate recede from its amendments and further amend to adopt the Senate amendments with the inclusion that intent language be added that a report of this grant process be made to Legislative Management.

Rep. Pollert: Second.

Sen. Kilzer: There should be a date in there of when they have to report.

Chairman Nelson: Before the next Legislative session?

Sheila Sandness: We could put September 1, 2016. You would have it at a meeting prior to when the final reports would be due.

Rep. Nelson: Would that meet your approval?

Sen. Mathern: That would be fine.

A Roll Call Vote was taken. Yes: 6, No: 0, Absent: 0. Motion carried.

Rep. Nelson adjourned the committee.

JLB
4-17-15
1082

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1024

That the Senate recede from its amendments as printed on page 1301 of the House Journal and pages 1037-1038 of the Senate Journal and that Engrossed House Bill No. 1024 be amended as follows:

Page 1, line 2, after "committee" insert "; and to provide for a legislative management report"

Page 1, replace lines 11 through 14 with:

"Comprehensive tobacco control	\$15,807,437	\$740,602	\$16,548,039
Accrued leave	<u>8,391</u>	<u>(8,391)</u>	<u>0</u>
Total special funds	\$15,815,828	\$732,211	\$16,548,039
Full-time equivalent positions	8.00	0.00	8.00

SECTION 2. REPORT TO THE LEGISLATIVE MANAGEMENT - TOBACCO PREVENTION AND CONTROL GRANT TO THE STATE DEPARTMENT OF HEALTH.

The comprehensive tobacco control advisory committee and the state department of health shall report to the legislative management by September 1, 2016, regarding grant expenditures, the granting process, and reporting requirements of the \$500,000 grant, included in the funding appropriated in section 1 of this Act, to be provided to the state department of health during the biennium beginning July 1, 2015, and ending June 30, 2017."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1024 - Tobacco Prevention & Control Exec Comm - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Comprehensive tobacco control	\$15,807,437	\$16,047,355	\$500,684	\$16,548,039	\$16,548,039	
Accrued leave payments	<u>8,391</u>					
Total all funds	\$15,815,828	\$16,047,355	\$500,684	\$16,548,039	\$16,548,039	\$0
Less estimated income	<u>15,815,828</u>	<u>16,047,355</u>	<u>500,684</u>	<u>16,548,039</u>	<u>16,548,039</u>	<u>0</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	8.00	8.00	0.00	8.00	8.00	0.00

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

	Adjusts Funding for Health Insurance Premium Increases ¹	Increases Funding for Information Technology ²	Adds Funding for State Department of Health Grant ³	Total Conference Committee Changes
Comprehensive tobacco control	(\$6,776)	\$7,460	\$500,000	\$500,684
Accrued leave payments				
Total all funds	(\$6,776)	\$7,460	\$500,000	\$500,684
Less estimated income	<u>(\$6,776)</u>	<u>7,460</u>	<u>500,000</u>	<u>500,684</u>
	\$0	\$0	\$0	\$0

2012

General fund				
FTE	0.00	0.00	0.00	0.00

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

² Funding for information technology is increased by \$21,460 for ongoing information technology costs related to securing desktop support services from the Information Technology Department, the same as the Senate version.

³ Funding is added to provide a grant to the State Department of Health to be used for the Centers for Disease Control and Prevention *Best Practices for Comprehensive Tobacco Prevention and Control Programs*, the same as the Senate version.

This amendment also adds a section to require the Tobacco Prevention and Control Executive Committee and the State Department of Health to report to the Legislative Management by September 1, 2016, regarding grant expenditures, the granting process, and reporting requirements of the grant provided to the State Department of Health during the 2015-17 biennium.

REPORT OF CONFERENCE COMMITTEE

HB 1024, as engrossed: Your conference committee (Sens. Kilzer, G. Lee, Mathern and Reps. J. Nelson, Pollert, Holman) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ page 1301, adopt amendments as follows, and place HB 1024 on the Seventh order:

That the Senate recede from its amendments as printed on page 1301 of the House Journal and pages 1037-1038 of the Senate Journal and that Engrossed House Bill No. 1024 be amended as follows:

Page 1, line 2, after "committee" insert "; and to provide for a legislative management report"

Page 1, replace lines 11 through 14 with:

"Comprehensive tobacco control	\$15,807,437	\$740,602	\$16,548,039
Accrued leave	<u>8,391</u>	<u>(8,391)</u>	<u>0</u>
Total special funds	\$15,815,828	\$732,211	\$16,548,039
Full-time equivalent positions	8.00	0.00	8.00

SECTION 2. REPORT TO THE LEGISLATIVE MANAGEMENT - TOBACCO PREVENTION AND CONTROL GRANT TO THE STATE DEPARTMENT OF HEALTH. The comprehensive tobacco control advisory committee and the state department of health shall report to the legislative management by September 1, 2016, regarding grant expenditures, the granting process, and reporting requirements of the \$500,000 grant, included in the funding appropriated in section 1 of this Act, to be provided to the state department of health during the biennium beginning July 1, 2015, and ending June 30, 2017."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1024 - Tobacco Prevention & Control Exec Comm - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Comprehensive tobacco control	\$15,807,437	\$16,047,355	\$500,684	\$16,548,039	\$16,548,039	
Accrued leave payments	<u>8,391</u>					
Total all funds	\$15,815,828	\$16,047,355	\$500,684	\$16,548,039	\$16,548,039	\$0
Less estimated income	<u>15,815,828</u>	<u>16,047,355</u>	<u>500,684</u>	<u>16,548,039</u>	<u>16,548,039</u>	<u>0</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	8.00	8.00	0.00	8.00	8.00	0.00

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

	Adjusts Funding for Health Insurance Premium Increases ¹	Increases Funding for Information Technology ²	Adds Funding for State Department of Health Grant ³	Total Conference Committee Changes
Comprehensive tobacco control	(\$6,776)	\$7,460	\$500,000	\$500,684
Accrued leave payments				
Total all funds	(\$6,776)	\$7,460	\$500,000	\$500,684
Less estimated income	<u>(6,776)</u>	<u>7,460</u>	<u>500,000</u>	<u>500,684</u>
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

² Funding for information technology is increased by \$21,460 for ongoing information technology costs related to securing desktop support services from the Information Technology Department, the same as the Senate version.

³ Funding is added to provide a grant to the State Department of Health to be used for the Centers for Disease Control and Prevention *Best Practices for Comprehensive Tobacco Prevention and Control Programs*, the same as the Senate version.

This amendment also adds a section to require the Tobacco Prevention and Control Executive Committee and the State Department of Health to report to the Legislative Management by September 1, 2016, regarding grant expenditures, the granting process, and reporting requirements of the grant provided to the State Department of Health during the 2015-17 biennium.

Engrossed HB 1024 was placed on the Seventh order of business on the calendar.

2015 TESTIMONY

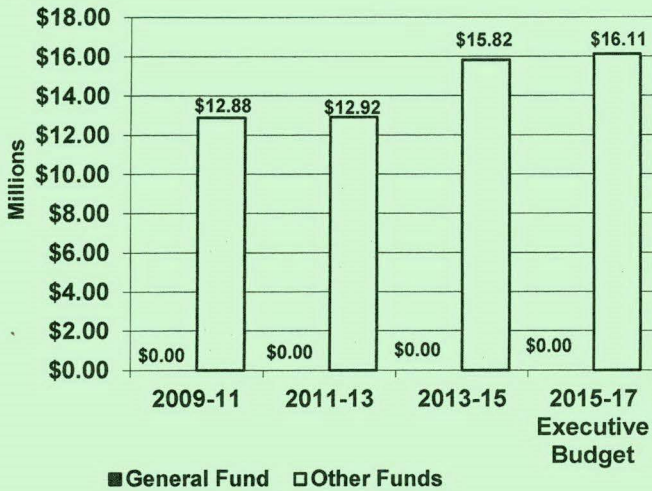
HB 1024

Department 305 - Tobacco Prevention and Control Executive Committee
 House Bill No. 1024

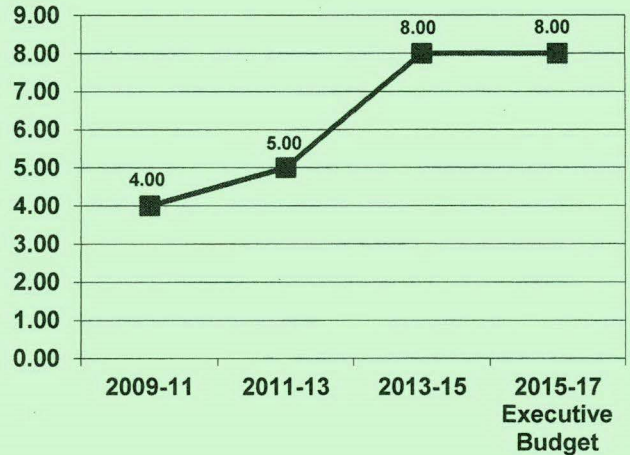
Executive Budget Comparison to Prior Biennium Appropriations

	FTE Positions	General Fund	Other Funds	Total
2015-17 Executive Budget	8.00	\$0	\$16,109,756	\$16,109,756
2013-15 Legislative Appropriations	8.00	0	15,815,828	15,815,828
Increase (Decrease)	0.00	\$0	\$293,928	\$293,928

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2015-17 Executive Budget	\$0	\$16,109,756	\$16,109,756
2015-17 Base Level	0	15,815,828	15,815,828
Increase (Decrease)	\$0	\$293,928	\$293,928

Attached as an appendix is a detailed comparison of the executive budget to the agency's base level appropriations.

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides funding for state employee salary and benefit increases, of which \$82,768 relates to performance increases, \$7,815 is for market equity adjustments, \$38,861 is for health insurance increases, and \$8,514 is for retirement contribution increases	\$0	\$137,958	\$137,958
2. Cost to continue operating expenses	\$0	\$52,715	\$52,715
3. Removes equipment over \$5,000	\$0	(\$6,500)	(\$6,500)
4. Adds funding for Information Technology Department desktop support	\$0	\$21,460	\$21,460
5. Adds one-time funding for Information Technology Department desktop support fee	\$0	\$35,371	\$35,371

Continuing Appropriations

There are no continuing appropriations for this agency.

Significant Audit Findings

The operational audit of the Tobacco Prevention and Control Executive Committee conducted by the State Auditor's office for the biennium ended June 30, 2013, identified the following area of internal control risk:

- The Tobacco Prevention and Control Executive Committee approved budgets that allowed grant recipients to use an audit approved formula or actual expenditures for various types of expenditures. There was no requirement that the audit approved formula must be properly supported in order to determine its accuracy. Also, grant recipients were

allowed to use an audit approved formula when actual expenditures should have been used due to the nature of the expenditures. The Tobacco Prevention and Control Executive Committee is unable to determine if the amounts being reimbursed to grant recipients are proper and not excessive and may be reimbursing grant recipients for more than their proportionate share of expenditures.

Major Related Legislation

House Bill No. 1053 - Centralized Desktop Support Services - Requires all state agencies to obtain centralized desktop support services from the Information Technology Department, except the legislative and judicial branches and other large state agencies, based on the results of a hardware relocation and consolidation study.

Tobacco Prevention and Control Executive Committee - Budget No. 305
House Bill No. 1024
Base Level Funding Changes

	Executive Budget Recommendation			
	FTE Positions	General Fund	Other Funds	Total
2015-17 Biennium Base Level	8.00	\$0	\$15,815,828	\$15,815,828
2015-17 Ongoing Funding Changes				
Base payroll changes			\$52,924	\$52,924
Salary increase - Performance			82,768	82,768
Salary increase - Market equity			7,815	7,815
Retirement contribution increase			8,514	8,514
Health insurance increase			38,861	38,861
Cost to continue operating expenses			52,715	52,715
Removes equipment over \$5,000			(6,500)	(6,500)
Adds funding for Information Technology Department desktop support			21,460	21,460
Total ongoing funding changes	0.00	\$0	\$258,557	\$258,557
One-time funding items				
Adds desktop support fee			\$35,371	\$35,371
Total one-time funding changes	0.00	\$0	\$35,371	\$35,371
Total Changes to Base Level Funding	0.00	\$0	\$293,928	\$293,928
2015-17 Total Funding	8.00	\$0	\$16,109,756	\$16,109,756

Tobacco Prevention and Control Executive Committee - Budget No. 305

House Bill No. 1024

Base Level Funding Changes

	House Version				Senate Version				Senate Changes to House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2015-17 Biennium Base Level	8.00	\$0	\$15,815,828	\$15,815,828	8.00	\$0	\$15,815,828	\$15,815,828	0.00	\$0	\$0	\$0
2015-17 Ongoing Funding Changes												
Base payroll changes			\$52,924	\$52,924			\$52,924	\$52,924				\$0
Salary increase - Performance			61,871	61,871			61,871	61,871				0
Salary increase - Market equity				0				0				0
Retirement contribution increase				0				0				0
Health insurance increase			38,861	38,861			32,085	32,085			(6,776)	(6,776)
Cost-to-continue operating expenses			35,000	35,000			35,000	35,000				0
Remove equipment over \$5,000			(6,500)	(6,500)			(6,500)	(6,500)				0
Add funding for Information Technology			14,000	14,000			21,460	21,460			7,460	7,460
Department desktop support												
Add funding for a grant to the State Department of Health				0			500,000	500,000			500,000	500,000
Total ongoing funding changes	0.00	\$0	\$196,156	\$196,156	0.00	\$0	\$696,840	\$696,840	0.00	\$0	\$500,684	\$500,684
One-time funding items												
Desktop support fee			\$35,371	\$35,371			\$35,371	\$35,371				\$0
Total one-time funding changes	0.00	\$0	\$35,371	\$35,371	0.00	\$0	\$35,371	\$35,371	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	0.00	\$0	\$231,527	\$231,527	0.00	\$0	\$732,211	\$732,211	0.00	\$0	\$500,684	\$500,684
2015-17 Total Funding	8.00	\$0	\$16,047,355	\$16,047,355	8.00	\$0	\$16,548,039	\$16,548,039	0.00	\$0	\$500,684	\$500,684

Other Sections in House Bill No. 1024

	House Version	Senate Version
None		



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

HB 1024
01.16.15

#1

Testimony House Bill 1024

8:30 a.m., January 16, 2015

House Appropriations Committee Human Resources Division
Representative Chet Pollert, Chair

Good morning, Chairman Pollert and members of the House Appropriations Committee Human Resources Division. I am Jeanne Prom, executive director of the North Dakota Center for Tobacco Prevention and Control Policy. The Center is the state agency office operated by the N.D. Tobacco Prevention and Control Executive Committee. I am testifying in support of House Bill 1024, which provides the appropriation for the N.D. Tobacco Prevention and Control Executive Committee.

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 portion of the money North Dakota receives from the Master Settlement Agreement with tobacco companies 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*, and
- is described in a State Plan developed by the Advisory Committee to significantly reduce tobacco use.

CDC updated its Best Practices recommendations in 2014, incorporating the latest science and using 2013 dollars and 2012 population rates. These amounts should be updated annually according to the U.S. Department of Labor Consumer Price Index and U.S. Census Bureau, to account for inflation and population increases.

NDCC §23.42.01 through §23.42.08, and §54.27.25 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 a comprehensive statewide plan to prevent and reduce tobacco use. The Executive Committee is charged with implementing and administering 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 as the agency.

The agency is funded entirely by a legislative appropriation from special funds in the Tobacco Prevention and Control Trust Fund. The agency receives no state general funds or federal funds.

Requested information

As requested, my comments will focus on an overview of the:

- major components of the “base level” budget and increases requested,
- major ongoing funding increases approved from the 2011 or 2013 Legislative Assemblies, and
- most recent financial audit findings.

The agency will present estimated 2013-15 biennium spending compared to 2013-14 appropriations by line item during the detailed budget hearing.

Major components of base level funding and increases requested

ND Center for Tobacco Prevention and Control Policy

Budget	1	2	3	4	5
	13-15 Legislative Appropriation	15-17 Agency Adjustment	15-17 Base Budget Request	15-17 Gov. Exec. Comp Pckg	15-17 Executive Recommended
Salaries & Benefits	1,795,734	52,924	1,848,658	137,958	1,986,616
Operating Expenses-other	286,958	86,081	373,039		373,039
IT Contractual Services -Nexus	200,000	12,000	212,000		212,000
IT Equipment & Software	6,500	-6,500			
Fees Professional Services:					
Legal	18,535	11,465	30,000		30,000
Audit	10,000		10,000		10,000
Health Communications	1,500,000		1,500,000		1,500,000
Program Evaluation	1,200,000		1,200,000		1,200,000
Public Health Law Center	150,000		150,000		150,000
Signs/Supporting state law	250,000		250,000		250,000
Grants Benefits & Claims:					
State Aid- Local Public Health	1,071,600	631,582	1,703,182		1,703,182
Local Public Health	7,526,501	-631,582	6,894,919		6,894,919
Special Initiative Grants	1,800,000		1,800,000		1,800,000
Total	15,815,828	155,970	15,971,798	137,958	16,109,756
FTEs	8		8		8

NOTE:

The 15-17 Executive Recommended budget is 1.82% higher than the 13-15 Appropriation.

The 2015-17 Executive Budget provides an additional \$293,298 in special fund authority of the current biennial budget: \$137,958 for the executive compensation package adjustment and \$155,970 in categories shown above. The Executive Committee also requests special funds spending authority of an additional amount to meet the CDC Best Practices level of investment, due to federal cuts anticipated by the Department of Health. After budget submission, the Department of Health learned that federal funding for that agency’s tobacco prevention program would be reduced by as much as \$600,000 year for the next several years. This leaves the total statewide funding at less than the required Best Practices amount.

The agency is small in FTE size, with 83.5 percent of funding issued in grants and contracts (64.5 percent in grants and 19 percent in contracts).

Major ongoing funding increases approved in 2011 and 2013

year	amount	purpose
2011	No major funding increases approved.	
2013	\$250,000	to comply with 2013 Legislative Assembly changes to NDCC 23-42-04.2 requiring Executive Committee to provide signs to meet state smoke-free law signage requirements (NDCC 23-12-09 through 23-12-11)
	\$2,249,832	to meet the CDC Best Practice level of funding in the State and Community Interventions component, when adjusted annually for changes in population and inflation

Audit formal recommendations for biennium ended June 30, 2013

The State Auditor, in its most recent financial audit report for the biennium ended June 30, 2013, included the following formal recommendations:

Audit report for the biennium ended June 30, 2013
1. Internal Control
Effect or potential effect: The Tobacco Prevention and Control Executive Committee may be reimbursing grant recipients for more than their proportionate share of expenditures.
Recommendation: <i>We recommend the Tobacco Prevention and Control Executive Committee thoroughly review various types of expenditures being reimbursed and determine whether an audit approved formula or actual expenditure method is appropriate for different grant recipients. In addition, all methods used and expenditures being reimbursed should be properly supported.</i>
Status: The Executive Committee strengthened internal controls on grants by working with the one affected grantee to provide adequate support of its audit-approved formula and strengthened the grant guidance requirements.
2. Operations
Effect or potential effect: The State of North Dakota is not maximizing efforts in reducing the number of smokers and decreasing health care costs to the state.
Recommendation: <i>We recommended the Tobacco Prevention and Control Executive Committee request the Legislature to increase the cigarette tax to be in line with the national average.</i>
Status: The Executive Committee will be asking the 2015 Legislative Assembly to raise the tobacco tax to \$2/pack. The national average is \$1.54/pack. The average tobacco tax of bordering states is \$2.02/pack. The average of all non-tobacco growing states is \$1.68/pack.

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	\$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.



Saving Lives – Saving Money: North Dakota’s Comprehensive State Plan to Prevent and Reduce Tobacco Use, 2014-2016
State Plan Highlights – 2013-15

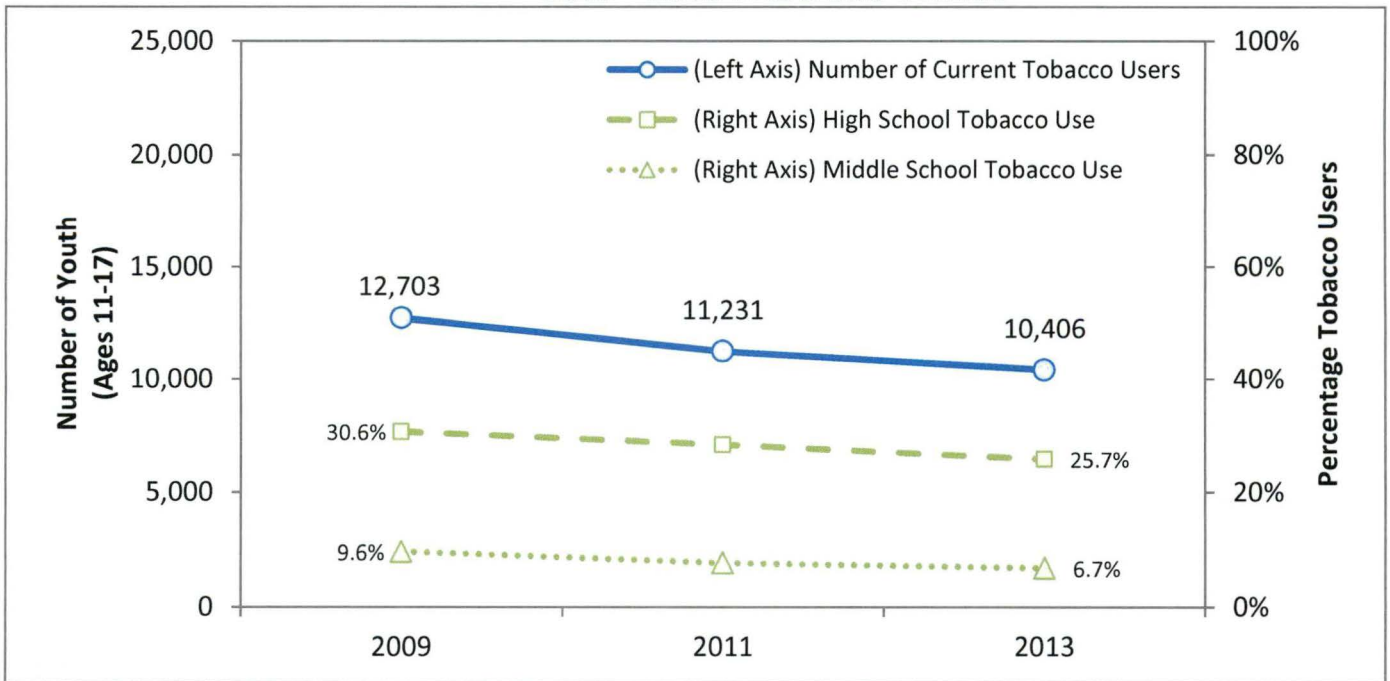
Goal: Preventing initiation of tobacco use by youth and young adults

North Dakota youth tobacco use rates have continued to decline:

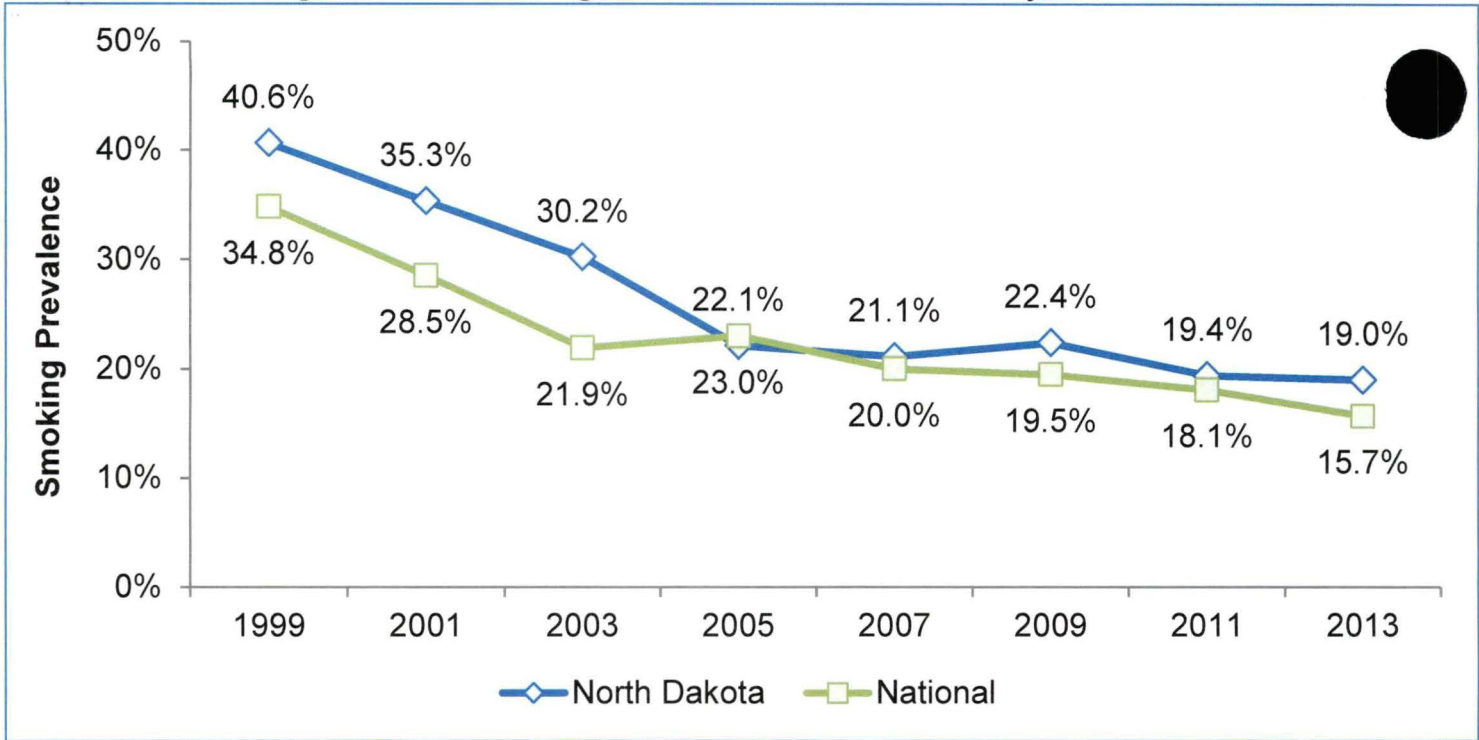
North Dakota’s Estimated Number of Youth Tobacco Users and Tobacco Use Prevalence 2009 – 2013 YRBS and Census

Year	MS + HS (ages 11 to 17)	Middle School (ages 11 to 13)		High School (ages 14 to 17)	
	Number of Youth	Prevalence	Number of Youth	Prevalence	Number of Youth
2009	12,703	9.6%	2,320	30.6%	10,383
2011	11,231	7.6%	1,818	28.3%	9,413
2013	10,406	6.7%	1,665	25.7%	8,741
2009 vs 2013	2,297 fewer	30% decline	654	16% decline	1,643 fewer

North Dakota’s Estimated Number of Youth Tobacco Users and Youth Tobacco Use Prevalence, 2009 – 2013 YRBS and Census



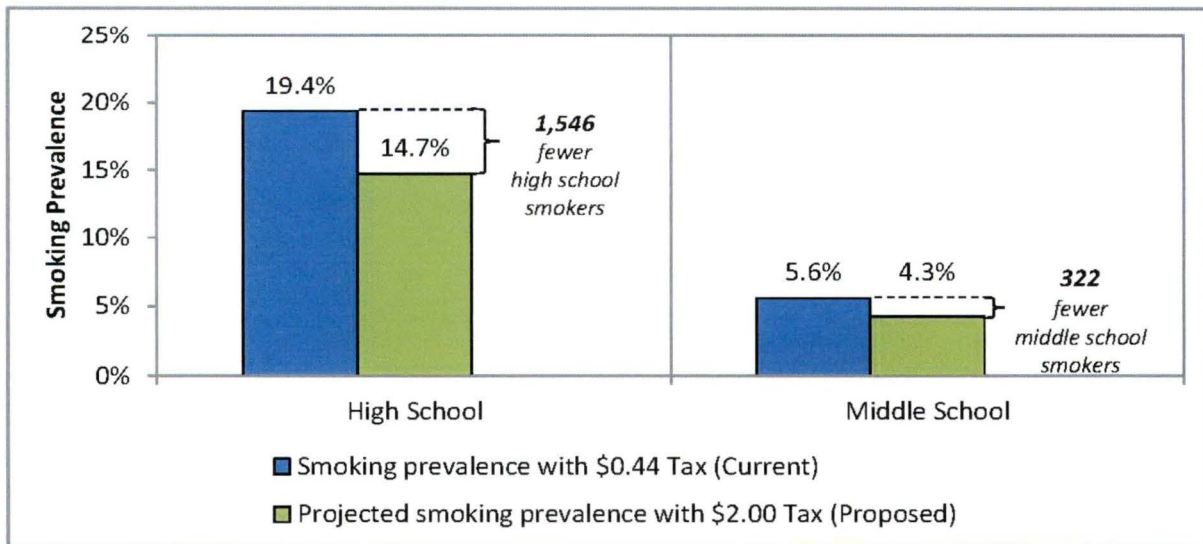
High School Smoking, North Dakota and Nationally, 1999-2013



Objective – tobacco tax

- North Dakota's tax on tobacco remains at 44 cents/pack of cigarettes, 60 cents/ounce for snuff, 16 cents/ounce for chewing tobacco, and 28% of wholesale price for cigars and pipe tobacco products. These are some of the lowest tobacco tax rates in the nation. Raising the price of tobacco is one of the most effective ways to prevent youth from starting to smoke, as youth are very price sensitive. (2014 Surgeon General's Report)

Projected decrease in North Dakota youth smoking prevalence resulting from a \$1.56 increase in the cigarette tax rate (from \$0.44 to \$2.00 per pack), by school level



Adapted from Campaign for Tobacco Free Kids (CTFK); 2011 Youth Risk Tobacco Survey (YRBS); Current smoking prevalence, 19.4% of high school students and 5.6% of middle school students, represents an estimated 4,895 high school smokers and 1,019 middle school smokers in North Dakota (2012 Census).

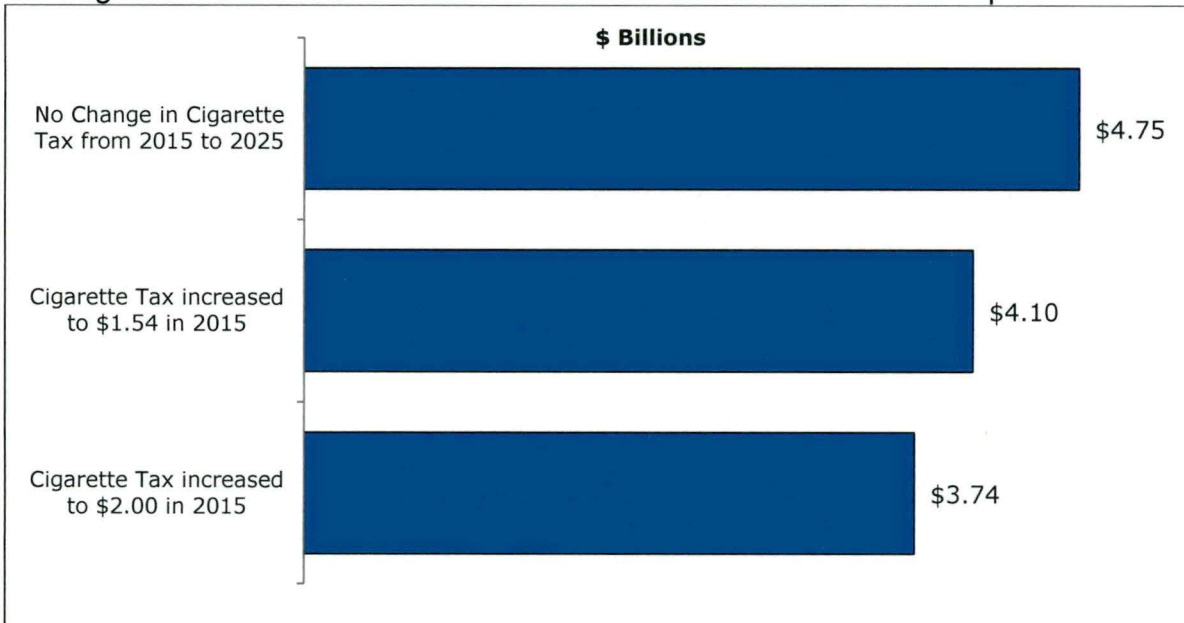
- Raising the tobacco tax by \$1.56/pack to a total \$2/pack, which is near the border-states' average, or raising the tax by \$1.10/pack to the national average of \$1.54/pack, has a significantly different impact on youth and adult smoking.

TAX INCREASE COMPARISONS

Increase added to 44 cents/pack	\$1.10	\$1.56	Diff
Projected public health benefits			
Percent decrease in youth smoking	16.4%	23.3%	6.9%
Youth under age 18 kept from becoming adults smokers	5,300	7,500	2,200
Current adults smokers who would quit	5,600	8,000	2,400
Premature smoking-caused deaths prevented	3,100	4,400	1,300

Source: American Cancer Society Cancer Action Network and Campaign for Tobacco-Free Kids

- Raising the tobacco tax at these different rates also has a different impact on healthcare costs.



Source: RTI International

Objective -- K-12 comprehensive tobacco-free school district policies

- 65% of K-12 students attend school with a comprehensive tobacco-free campus policy.
- Of the 144 school districts/private schools have adopted a comprehensive tobacco-free school policy, 17 were passed this biennium, and 84 total since Center funding began.

Objective -- Higher education tobacco-free policies

- Williston State College and United Tribes Technical College passed comprehensive tobacco-free campus policies.
- United Tribes Technical College became the first tribal college in North Dakota and the third tribal college in the United States to become tobacco-free, except for sanctioned sacred use of tobacco.
- Of 21 institutions (11 – NDUS, 5 – private, 5 – tribal), 14 are tobacco-free, serving 71% of students. Seven of the colleges became tobacco free since Center funding began.

Objective – youth access to tobacco – including electronic cigarettes

- Since January 1, 2014, 17 cities have passed ordinances to restrict youth access to electronic cigarettes and other tobacco products.

City Ordinances Prohibiting E-cigarette Sales to Minors, Restricting E-cigarette Self-Service, and Requiring a License for Sale of E-cigarettes, 2014

City	Prohibits Sales to Minors	Restricts Self-Service	Requires License
Bismarck	●	●	
Cando	●	●	
Crosby	●		
Fargo	●		
Forman	●	●	
Grand Forks	●		●
Hankinson	●	●	
Harwood	●	●	●
Hazen	●	●	
Kindred	●	●	●
Langdon	●	●	
Mandan	●	●	
Minot	●	●	
Mohall	●	●	
Wahpeton	●	●	●
West Fargo	●	●	●
Williston	●		

- Youth electronic cigarette use in North Dakota has increased significantly over two years. The following table presents the calculated number of current youth electronic-cigarette users from the North Dakota Youth Tobacco Survey in 2011 and 2013.

North Dakota’s Estimated Number of Youth Electronic Cigarette User and Use Prevalence, 2011 – 2013 YTS and Census

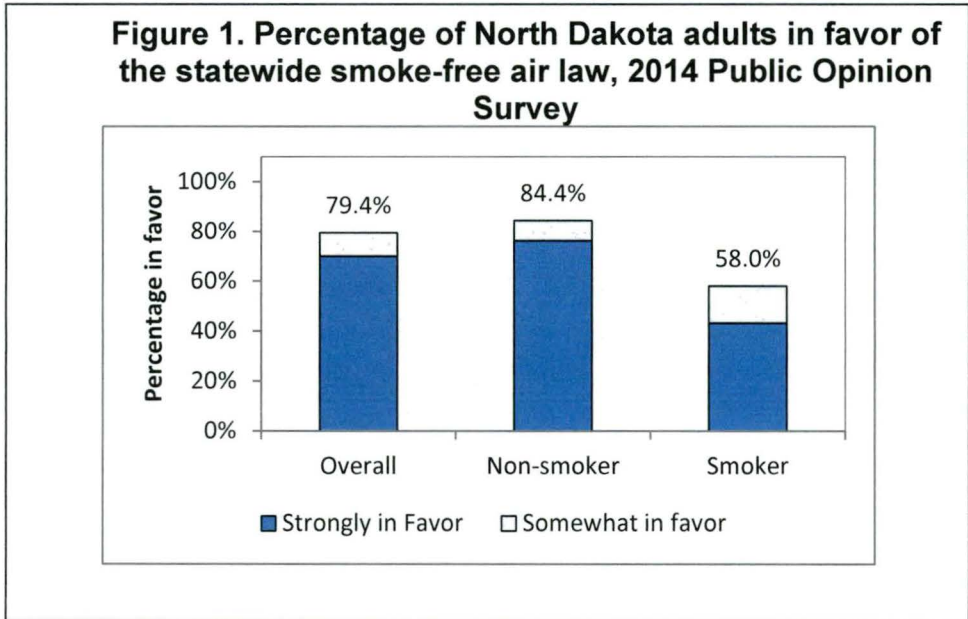
Year	MS + HS (ages 11 to 17)	Middle School (ages 11 to 13)		High School (ages 14 to 17)	
	Number of Youth	Prevalence	Number of Youth	Prevalence	Number of Youth
2011	NA	NA	NA	1.6%	532
2013	2,364	1.3%	323	6.0%	2,041

NA = Not available.

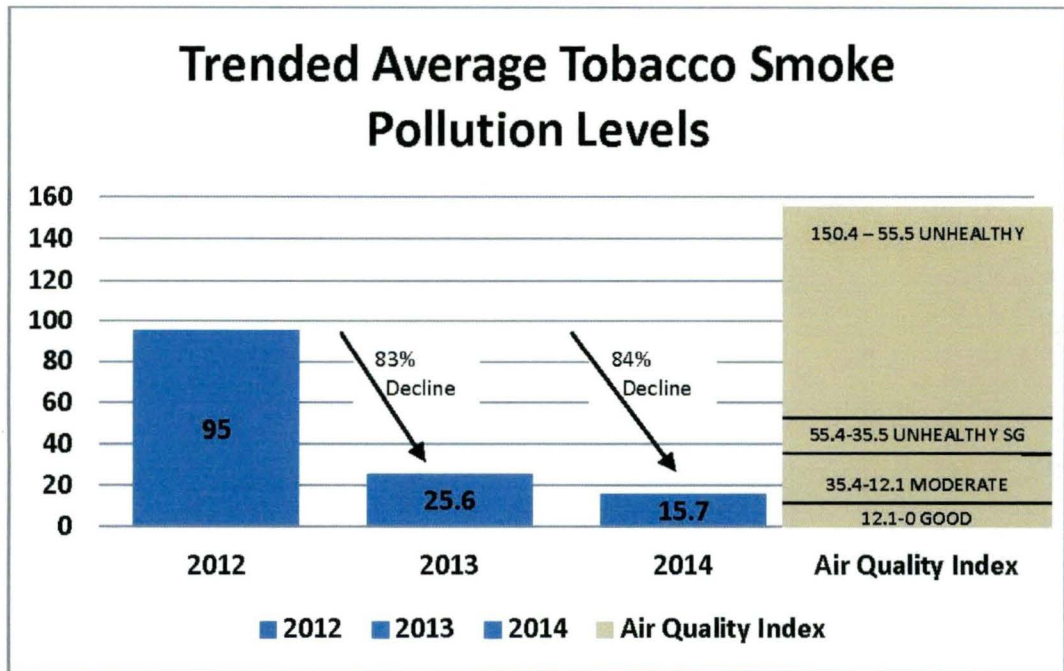
Goal: Eliminating exposure to secondhand smoke

Objective – state smoke-free law

- Seven cities passed ordinances the same or stronger than the state smoke-free law, to enhance local enforcement.
- Compliance is high. Enforcement agencies reported only one prosecuted case of violation of the smoke-free law. (2015 phone survey, RTI International)
- Public support is high, even among smokers. (RTI International)



Indoor air quality continues to improve.



Source: ND Tobacco Smoke Pollution and Compliance (TSPAC) Study: A Preliminary Report (1-05-15)
 Authors: Kelly Buettner-Schmidt, PhD, RN, North Dakota State University; Blake Boursaw, MS, BSM, University of New Mexico; Marie L. Lobo, PhD, RN, University of New Mexico.

Objective – smoke-free multi-unit housing

- Two public housing authorities have smoke-free policies that cover 71 buildings and 452 units.
- 34 private housing organizations report smoke-free policies that cover 185 buildings and 662 units.

Objective – tobacco-free and smoke-free policies in outdoor areas

Local public health units report:

- 99 site-specific tobacco-free grounds policies, not including parks, including 7 new policies in the past two quarters.
- 22 site-specific smoke-free grounds policies, not including parks.
- 9 tobacco-free parks policies.
- 4 smoke-free parks policies.

Goal: Promote quitting tobacco use

Objective – use of NDQuits (operated by Department of Health)

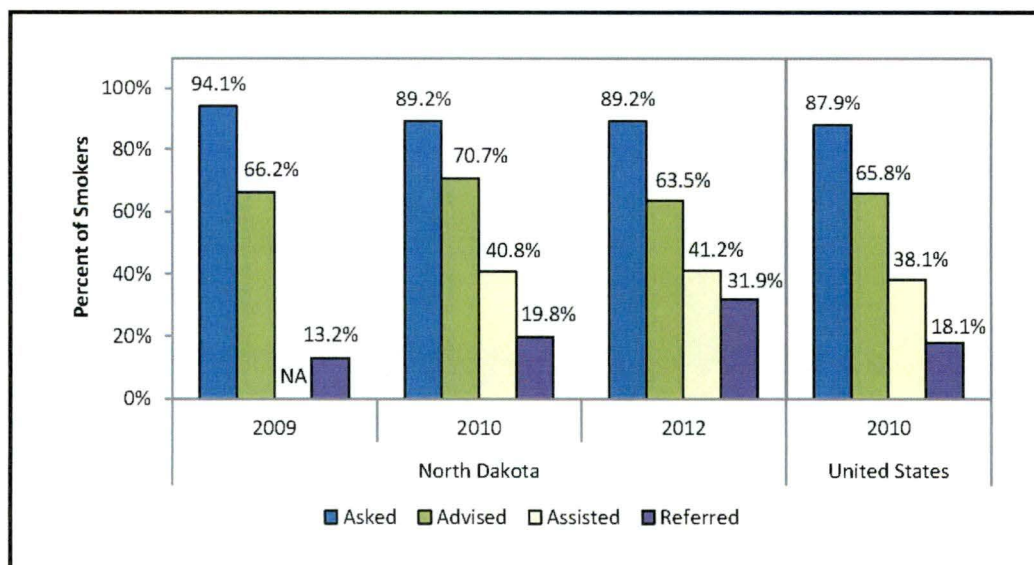
- In FY2014, the Executive Committee began promoting NDQuits with three health communications campaigns featuring 1-800-QUITNOW: July 14 – August 10 -- Artery (stroke/heart attack); September 29 – October 26 -- Artery (stroke/heart attack); and November 10 – December 7 -- CDC's Tips from Former Smokers featuring Shawn (throat), Brandon (Buergers/vascular), and Bill (diabetes).

Objective -- policies to Ask, Advise and Refer (AAR) to NDQuits (operated by Department of Health)

Local public health units reported:

- training 323 health care providers and 453 local public health unit staff.
- 5 health care providers implemented policies to ask, advise and refer to NDQuits.
- passing 2 tobacco-free health unit grounds policies.
- North Dakota's rate of referring tobacco users to services is increasing.

North Dakota Reports of Health Care Providers Asking Them about Tobacco Use, Advising Them to Quit, Assisting with Quit Efforts, and Referring Them to a Smoking Cessation Class, Program, Quitline, or Counseling, among Smokers Who Visited a Health Care Provider in the Past 12 Months, North Dakota ATS 2009–2012 and National ATS 2010



Legend: NA = Not applicable.

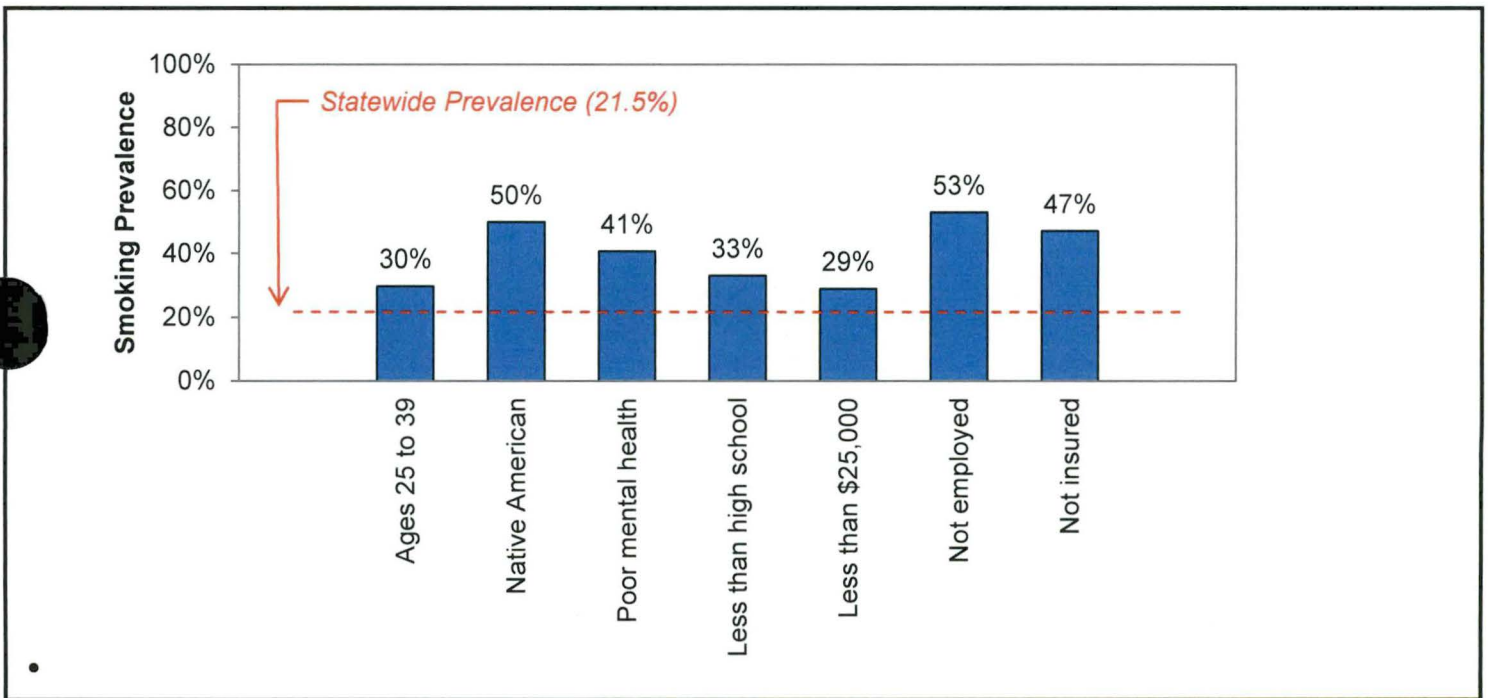
Objective – evidence-based nicotine dependence interventions with private addiction and mental health treatment program providers

- The Executive Committee sponsored presentations at two ND DHS statewide behavioral health conferences. Presentations featured a national expert on mental health and tobacco cessation.
- The Executive Committee conducted a statewide survey of public and private behavioral health providers. This survey served as a baseline assessment of behavioral health clinical tobacco prevention policies and procedures for staff and clients.

Emerging and ongoing challenges

- North Dakota adult smoking rate has remained unchanged: 21.9% in 2011 and 21.2% in 2012. (ND Department of Health, ND Behavioral Risk Factor Surveillance System)
- Smoking rates by occupation and industry show the highest rates among construction and extraction jobs (30%), and mining and food services industries (31.4%). (CDC, 2011)
- Smoking rates among selected groups are high.

Adult Smoking Prevalence among Selected Groups with Prevalence Higher than the State Average in North Dakota, BRFSS 2011 and 2012



Note: Estimates represent pooled BRFSS data for 2011 and 2012, to ensure sufficient sample sizes.

- New and emerging tobacco and nicotine products are heavily advertised, unregulated, are being aggressively marketed to youth and young adults, are being packaged and marketed for “stealth use” to circumvent smoke-free laws, are being promoted as unproven cessation methods, can be adapted for other substance use, are being priced comparably to cigarettes in some iterations, but are not taxed like other tobacco products. In summary, these unregulated products are renormalizing smoking by causing new and continuing nicotine addiction, and use of multiple nicotine products.

Electronic cigarette “vapors” contain known toxins and are not safe.

The following substances are in electronic cigarette aerosol are harmful to human health: nicotine, propylene glycol, glycerin, tin particles, aluminum, iron, nickel, arsenic, copper, lead, carcinogenic compounds, and volatile organic compounds. This is not just water vapor.

THE TOLL OF TOBACCO IN NORTH DAKOTA

Tobacco Use in North Dakota

- High school students who smoke: 19.0% [Girls: 19.5% Boys: 18.4%]
- High school males who use smokeless tobacco: 22.0%
- Kids (under 18) who try cigarettes for the first time each year: 2,600
- Additional Kids (under 18) who become new regular, daily smokers each year: 600
- Packs of cigarettes bought or smoked by kids in North Dakota each year: 1.5 million
- Adults in North Dakota who smoke: 21.2% [Men: 22.9% Women: 19.5% Pregnant Females: 17.4%]
- Adults in North Dakota who use smokeless tobacco: 7.6% [Men: 13.9% Women: NA]

Nationwide, youth smoking has declined significantly since the mid-1990s. The 2013 Youth Risk Behavior Survey found that the percentage of high school students reporting that they have smoked cigarettes in the past month decreased to 15.7 percent in 2013, the lowest level since this survey began in 1991. The high school smoking rate fell from 18.1 percent in 2011 and has declined by a remarkable 57 percent since peaking at 36.4 percent in 1997. 17.8 percent of U.S. adults currently smoke, less than the 18.1 percent in 2012 and significantly less than the 20.9 percent in 2005.

Deaths in North Dakota From Smoking

- Adults who die each year in North Dakota from their own smoking: 1,000
- North Dakota kids who have lost at least one parent to a smoking-caused death: 500
- Kids alive in state today who will ultimately die from smoking: 14,000 (given current smoking levels)

Smoking, alone, kills more people each year than alcohol, AIDS, car crashes, illegal drugs, murders, and suicides combined. For every person in North Dakota who dies from smoking approximately 20 more state residents are suffering from serious smoking-caused disease and disability, or other tobacco-caused health problems.

Tobacco-Related Monetary Costs in North Dakota

- Annual health care expenditures in the State directly caused by tobacco use: \$326 million
 - State Medicaid program's total health expenditures caused by tobacco use: \$56.9 million
- Estimated annual health care expenditures in North Dakota from secondhand smoke exposure: \$17.0 million
- Citizens' state/federal taxes to cover smoking-caused gov't costs: \$244.1 million (\$819/household)
- Smoking-caused productivity losses in North Dakota: \$232.6 million

The above productivity loss is from smoking-death-shortened work lives, alone. Even larger productivity losses come from smoking-caused work absences, on-the-job performance declines, and disability-shortened productive work lives. Other non-health costs caused by tobacco use include direct residential and commercial property losses from smoking-caused fires and smoking-caused cleaning and maintenance costs.

Tobacco Industry Advertising and Other Product Promotion

- Estimated portion spent in North Dakota each year: \$27.9 million

Research has found that kids are three times more sensitive to tobacco advertising than adults and are more likely to be influenced to smoke by cigarette marketing than by peer pressure, with one-third of underage smoking experimentation attributable to tobacco company marketing.

North Dakota Government Policies Affecting The Toll of Tobacco in North Dakota

- Annual State tobacco prevention spending from tobacco settlement and tax revenues: \$9.5 million
[National rank: 1 (with 1 the best), based on percent of CDC recommendation. CDC recommendation: \$9.8 million. Percent of CDC recommendation: 97.1%]
- State cigarette tax per pack: \$0.44 [National rank: 46th (average state tax is \$1.54 per pack)]

Campaign for Tobacco-Free Kids / December 30, 2014

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

The Center, along with the North Dakota Department of Health, local public health units, and other partners, is charged with implementing North Dakota's comprehensive state tobacco prevention plan: *Saving Lives – Saving Money*. The plan's goals are to significantly reduce tobacco use and its health and economic consequences by using policies and programs proven to keep kids from starting to use tobacco, help tobacco users quit, and protect everyone from secondhand smoke.

Budget detail

HB1024
2-2-15
#1

The 2015-17 Executive Budget provides an additional \$293,928 in special fund authority of the current biennial budget:

Salaries and wages -- \$190,882

- \$137,958 for the executive compensation package adjustments: \$38,861 – health insurance; \$8,514 retirement; \$69,025 – salaries; \$13,743 -- benefits; \$7,815 – Hay Study salary budget adjustment
- \$52,924 – base budget salary adjustment using current classifications: 3 new positions classified at higher classification than currently budgeted

Operating expenses -- \$103,046

- Increases in postage of \$2,880 and \$6,481 in printing to more accurately reflect current spending
- \$5,582 in operating fees and services for print ads on statewide smoke-free law in specialized publications
- \$16,544 in rent for additional space.
- \$19,228 for fees -- professional services to reflect current needs for legal services
- \$81,051 for increased costs in using ITD for desktop support
- Decreases in certain lines to reflect current spending needs at lower levels

**ND Center for Tobacco Prevention and Control Committee
2015-2017 Executive Budget**

	[1]	[2]	[3]	[4]	[5]	[6]
	2013-2015	Expended	2015-2017	Executive	Percent%	Percent of
	Current	to Date	Executive	+ (-)	Increase +	Total
	Budget	Jan. 30 2015	Budget	Difference	Decrease -	Budget
SALARIES AND WAGES						
FTE EMPLOYEES (Number)	8		8			
(511) Salaries Permanent	1,070,894	537,289	1,259,236	188,342	18%	7.8%
(513) Salaries Temporary	200,000	162,049	199,971	-29	0%	1.2%
(516) Benefits	524,840	222,063	527,409	2,569	0%	3.3%
TOTAL	1,795,734	921,401	1,986,616	190,882	11%	12.3%
OPERATING EXPENSES						
(521) Travel	53,000	34,212	53,000	0		0.3%
(531) IT Software /Supp.	4,500	3,252	4,500	0		0.0%
(532) Professional Supplies & Materials	5,354	2,085	5,354	0		0.0%
(534) Bldg./Vehicle Maint. Supplies	200	80	200	0		0.0%
(535) Miscellaneous Supplies	0	145	0	0		0.0%
(536) Office Supplies	19,000	10,233	19,000	0		0.1%
(541) Postage	4,320	4,447	7,200	2,880	67%	0.0%
(542) Printing	13,519	16,794	20,000	6,481	48%	0.1%
(551) IT Equip. Under \$5,000	10,220	417	0	-10,220	-100%	0.0%
(553) Office Equip Under \$5,000	5,000	3,765	5,000	0		0.0%
(571) Insurance	1,500	1,340	1,500	0		0.0%
(581) Rentals /Leases-Equip. & Other	1,000		1,000	0		0.0%
(582) Rentals/Leases - Bldg./Land	80,000	62,124	96,544	16,544	21%	0.6%
(591) Repairs	5,000	242	5,000	0		0.0%
(601) IT - Data Processing	18,000	12,355	99,051	81,051	450%	0.6%
(602) IT - Communications	25,000	15,022	25,000	0		0.2%
(603) IT Contractual Services/Repairs	212,000	97,768	200,000	-12,000	-6%	1.2%
(611) Professional Development	12,000	6,180	12,000	0		0.1%
(621) Operating Fees and Services	25,108	29,103	30,690	5,582	22%	0.2%
(623) Fees- Professional Services	3,120,772	1,896,599	3,140,000	19,228	1%	19.5%
(693) IT Equip/Software over \$5,000	6,500		0	-6,500	-100%	
(712) Grants, Benefits & Claims	10,398,101	6,155,631	10,398,101	0		64.5%
TOTAL OPERATING	14,020,094	8,351,794	14,123,140	103,046	1%	87.7%
TOTAL EXPENDITURES	15,815,828	9,273,195	16,109,756	293,928	2%	100.0%
MEANS OF FUNDING						
Tobacco Prevention and Control Fund 369	15,815,828		16,109,756	293,928		

(1)



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

HB1024
2-2-15
#2

Information from Jeanne Prom, Executive Director
House Bill 1024 detailed budget
8:30 a.m., February 2, 2015
House Appropriations Committee Human Resources Division
Representative Chet Pollert, Chair

Requested information

- Additional information requested at the first budget hearing January 16, 2015
- Estimated 2013-15 biennium spending compared to 2013-15 appropriations by line item

Additional information requested – including attachments

FY2015 grants to all local public health units (attached)

- FY2015 -- \$4,065,064

Current list of K-12 comprehensive tobacco-free district policies (attached)

- 144 school districts, 65% of students

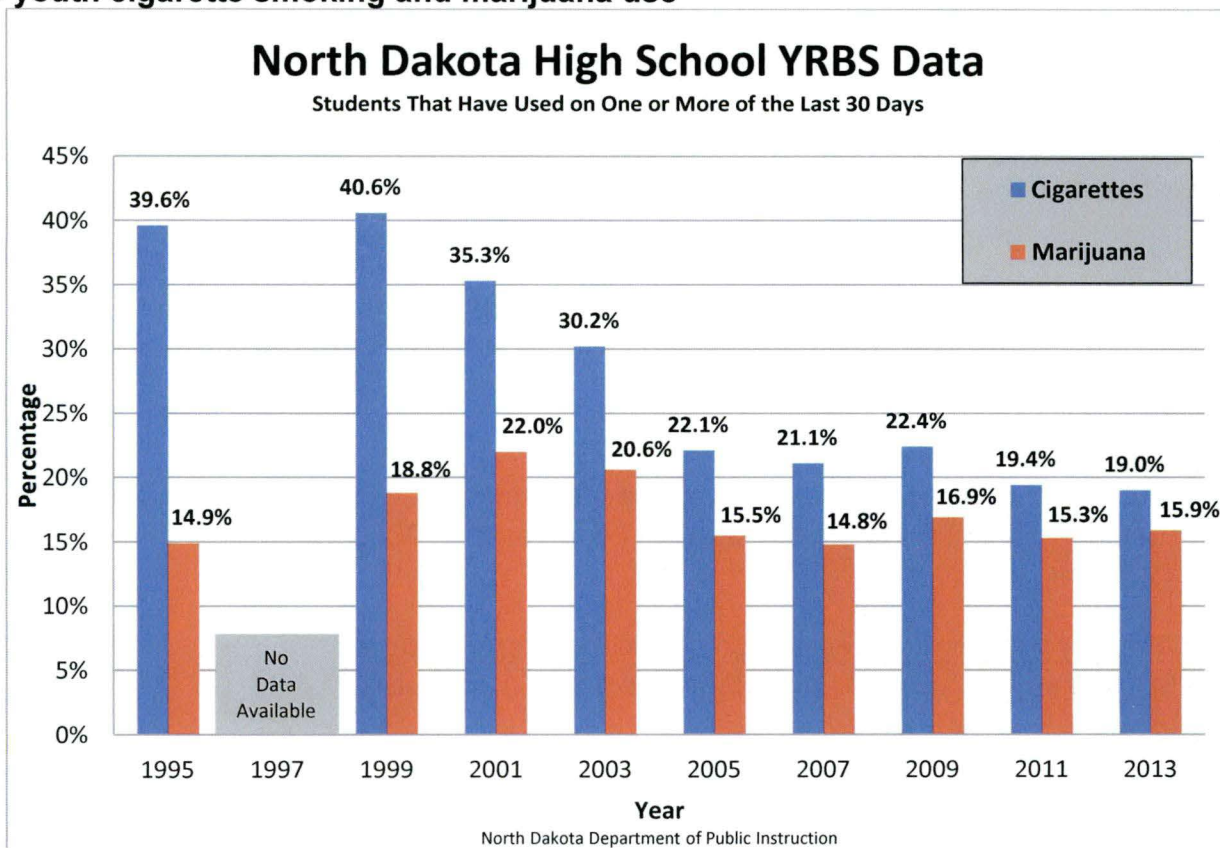
How raising cigarette taxes decreases youth tobacco use (attached)

- Minnesota: July 2013, raised \$1.60/pack to \$2.83/pack
 - High school smoking, past 30 days – 10.6% in 2014, from 18.1% in 2011
- Florida: 2009 -- cigarette tax increased from \$1.00 to \$1.33/pack; since 2000 – public education media campaigns to denormalize smoking; since 2006 – constitutional amendment requires 15% of funds from Master Settlement Agreement (MSA) with major tobacco companies to be spent on tobacco prevention
 - Florida's youth smoking rate is now 7.5%, down from 15.7% in 2005.

Oklahoma (attached)

- Constitutional measure passed by voters in 2000
- Oklahoma Tobacco Settlement Endowment Trust (TSET) is an endowment trust receiving 75% of the payments the state receives from the MSA.
- TSET endowment funds are invested and only the earnings are spent.
- Majority of Oklahoma's MSA payments are invested in the TSET endowment to ensure a growing source of funding for grants and programs that improve health of all Oklahoma residents.
- TSET current year budget: \$39 million, of which 5.8% is administration
- TSET invested in tobacco prevention (62%), research (16.9%), physical activity and nutrition (10.2%), other (4.46%) and administration (6.6%) from FY2002 to FY2015.
- Legislature receives the other 18.75% in their Tobacco Settlement Fund and uses it to leverage Medicaid dollars.
- Office of the Attorney General receives other 6.25% for Evidence Fund.
- Nearly all of the MSA is invested in health in Oklahoma.

ND youth cigarette smoking and marijuana use



Prices on and off reservations and in other states

Location	Tax per pack	Pack of Marlboros
North Dakota	44 cents	\$4.56
Standing Rock	44 cents	\$4.50
Turtle Mountain	5 cents	\$4.55
Three Affiliated Tribes	--	\$5.35 to \$6.00
Spirit Lake	--	\$5.35 to \$6.00
Border states		Average retail price/pack
Montana	\$1.70	\$5.87
South Dakota	\$1.53	\$5.60
Minnesota	\$2.90	\$8.11
Average of border states	\$2.04	\$6.53
Average of 50 states & DC	\$1.54	\$6.18
Average of major tobacco states	48.5 cents	NA
Average of other states	\$1.68	NA

based on research of staff from Executive Committee and ND Department of Health, fall 2014 and January 2015, and Campaign for Tobacco Free Kids, December 22, 2014

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Local Public Health Unit Funding

FY2015 (July 1, 2014 - June 30, 2015)

HEALTH UNIT	Total Tobacco State Aid for FY2015	Total Local Tobacco Control Policy for FY2015	Total
Bismarck Burleigh Public Health	\$ 83,016	\$ 305,692	\$ 388,708
Cavalier County Health District	\$ 9,312	\$ 47,473	\$ 56,785
Central Valley Health District	\$ 33,916	\$ 208,773	\$ 242,689
City County Health Department	\$ 16,178	\$ 112,494	\$ 128,672
Custer District Health Unit	\$ 64,206	\$ 185,338	\$ 249,544
Dickey County District Health Unit	\$ 9,839	\$ 51,729	\$ 61,568
Emmons County Public Health	\$ 7,800	in collaborative with Kidder County	\$ 7,800
Fargo Cass Public Health	\$ 169,409	\$ 339,213	\$ 508,622
First District Health Unit	\$ 118,405	\$ 319,969	\$ 438,374
Foster County Health Department	\$ 8,178	\$ 45,979	\$ 54,157
Grand Forks Public Health Department	\$ 62,962	\$ 304,384	\$ 367,346
Kidder County District Health Unit	\$ 8,385	\$ 82,422	\$ 90,807
Lake Region District Health Unit	\$ 41,362	\$ 128,669	\$ 170,031
LaMoure County Public Health Unit	\$ 8,471	in collaborative with Central Valley	\$ 8,471
McIntosh District Health Unit	\$ 8,934	in collaborative with Central Valley	\$ 8,934
Nelson Griggs District Health	\$ 17,193	\$ 57,038	\$ 74,231
Pembina County Health Department	\$ 10,781	\$ 57,357	\$ 68,138
Ransom County Public Health Department	\$ 13,702	\$ 84,425	\$ 98,127
Richland County Health Department	\$ 19,119	\$ 90,355	\$ 109,474
Rolette County Public Health District	\$ 20,840	\$ 82,081	\$ 102,921
Sargent County District Health Unit	\$ 10,753	in collaborative with Ransom County	\$ 10,753
Southwestern District Health Unit	\$ 78,975	\$ 180,397	\$ 259,372
Steele County Public Health Department	\$ 6,413	in collaborative with Traill County	\$ 6,413
Towner County Public Health District	\$ 7,386	\$ 40,506	\$ 47,892
Traill District Health Unit	\$ 11,261	\$ 80,099	\$ 91,360
Upper Missouri District Health Unit	\$ 70,270	\$ 197,662	\$ 267,932
Walsh County Health Department	\$ 14,279	\$ 70,081	\$ 84,360
Wells County District Health Unit	\$ 9,740	\$ 51,843	\$ 61,583
	\$ 941,085	\$ 3,123,979	\$ 4,065,064

North Dakota Comprehensive Tobacco-free School Districts

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

Since North Dakota's comprehensive program was put into place the number of North Dakota school districts adopting comprehensive tobacco-free policies has increased from 60 to 144. This impacts 65% of North Dakota students. Tobacco-free school policies prevent all types of tobacco use within schools, on school grounds and at school events, which protects students, faculty, staff and visitors from exposure to all tobacco use.

Research shows the ND Center for Tobacco Prevention and Control Policy's partnered efforts are working. According to the Youth Risk Behavior Survey, high school smoking rates have dropped from 22.4 percent in 2009 to 19 percent in 2013.

Alexander Public Schools	Hebron Public School District 13	North Star Public School (Cando)
Anamoose Public Schools	Hillsboro Public Schools	Northern Cass 97 School District
Apple Creek School (Bismarck)	Hope Christian Academy (Dickinson)	Northwood Public School District
Bakker 10 School District (Hague)	Hope Public School	Oak Grove Lutheran Schools (Fargo)
Barnes County North Public School District	Horse Creek School District 32 (Cartwright)	Oakes Public Schools
Beach Public Schools	Jamestown Public Schools	Oberon 16 School District
Beulah Public Schools	Kenmare Public Schools	Ojibwa Indian School (Belcourt)
Bismarck Public Schools	Kidder County/Steele-Tappen Public Schools	Page Elementary School
Bottineau Public Schools	Killdeer Public School	Park River Public School
Bowbells Public School	Kindred 2 School District	Pingree-Buchanan 10 School District
Brentwood Adventist Christian School (Bismarck)	Lakota Public Schools	Pleasant Valley Elementary School (Hurdsville)
Carrington Public Schools	LaMoure Public Schools	Richardson-Taylor Public Schools
Cavalier Public School	Langdon Area Public Schools	Richland 44 Public Schools (Abercrombie/Colfax)
Center-Stanton Public School	Lidgerwood 28 School District	Robinson Elementary School
Central Elementary School (Amidon)	Linton Public School	Rolette Public School
Central Valley Public School (Buxton)	Lisbon Public Schools	Rugby 5 School District
Dakota Adventist Academy (Bismarck)	Litchville-Marion Public Schools	Saint Joseph's Elementary School (Williston)
Dakota Prairie Public Schools (McVilley/Petersburg)	Little Flower Elementary School (Rugby)	Sargent Central Public School (Forman)
Devils Lake 1 School District	Little Heart (St. Anthony)	Shiloh Christian School (Bismarck)
Dickinson 1 School District	Lone Tree 6/Golva Elementary School (Golva)	South Heart Public School
Divide County Public Schools (Crosby)	Mandan Public Schools	St. Alphonsus Elementary School (Langdon)
Drake Public School	Mandaree Public School	St. Catherine Elementary School (Valley City)
Drayton Public School	Manning Public School (Bismarck)	St. Thomas Public School
Dunseith Day Elementary School	Manvel 125 School District	Sterling Elementary School
Dunseith Public Schools	Maple Valley Public Schools (Tower City)	Strasburg Public Schools
East Fairview Elementary (McKenzie County)	Marmarth Elementary School	Surrey Public School
Edgeley 3 School District	Martin Luther Elementary School (Bismarck)	Sweet Briar School (Mandan)
Edmore Public School	May-Port CG Public Schools	Theodore Jamerson Elementary School (Bismarck)
Eight Mile Public School (Trenton)	McClusky Public Schools	Towner-Granville-Upham Public Schools
Elgin New Leipzig 49 School District	McKenzie County Public Schools (Watford City)	Trinity Christian School (Williston)
Ellendale Public Schools	Menoken Elementary School	Turtle Lake-Mercer
Emerado 127 School District	Midkota Public Schools (Bismarck, Glenfield)	Twin Buttes Elementary School (Halliday)
Enderlin Area Public School	Milnor Public Schools	Underwood 8 School District
Fairmount 18 School District	Minot Public Schools	United Public Schools (Burlington/Des Lacs)
Fessenden-Bowdon Public School	Minto Public School	Valley City Public Schools
Flasher Public School	Mohall-Lansford-Sherwood Public Schools	Valley-Edinburg Public Schools
Fordville-Lankin Public School	Mott-Regent Public School	Velva Public School
Fort Ransom Elementary School (Lisbon)	Mt. Pleasant Public School (Rolla)	Wahpeton Public Schools
Gackle-Streeter 56 School District	Napoleon Public School	Warwick Public School
Glenburn 26 School District	Naughton Public School (Bismarck)	Washburn Public School
Grace Lutheran (Fargo)	Nedrose Public School (Minot)	Westhope Public School
Grafton Public Schools	New England Public School	Williston Public Schools
Grand Forks Public Schools	New Salem- Almont 49 School District	Wilton 1 School District
Grenora Public School District	New School District #8 (Williston)	Wyndmere 42 School District
Griggs County Central (Cooperstown)	New Town Public Schools	Wing Public School
Hankinson Public School	Newburg-United Public School	Wishek Public School
Harvey Public Schools	North Border 100 School District	Zeeland Public School
Hatton Public School	North Sargent Public School (Gwinner)	
Hazen Public Schools		

School listing updated January 2015, as reported to the ND Center for Tobacco Prevention and Control Policy from local public health partners.

North Dakota Center for Tobacco Prevention and Control Policy

701.328.5130 • 4023 State Street, Suite 65 • Bismarck, ND 58503-0638 • BreatheND.com • *Posted January 2015*

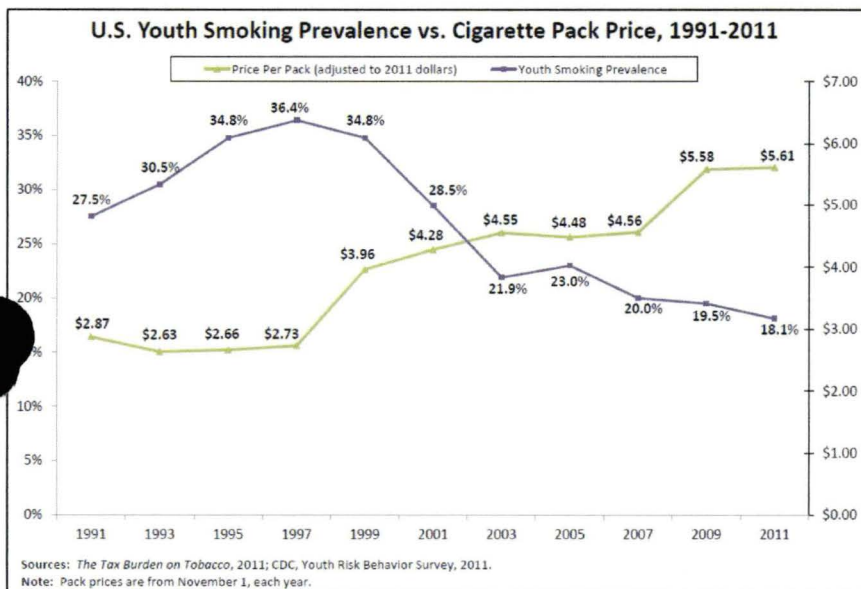


RAISING CIGARETTE TAXES REDUCES SMOKING, ESPECIALLY AMONG KIDS

Youth are two to three times more responsive to price increases and are more likely to quit or cut back on smoking in order to avoid paying more for cigarettes.

(U.S. Department of Health and Human Services. Reducing Tobacco Use: A Report of the Surgeon General. Atlanta, Georgia 2000)

The chart shows how closely youth smoking prevalence is to cigarette pack prices. As prices climbed in the late 1990s and early 2000s, youth smoking rates declined, but as the price decreased between 2003 and 2005 (along with funding for tobacco prevention programs in many states), youth rates increased. Even the slight increase in price between 2005 and 2007 corresponds with a decline in youth smoking rates.



Researchers found that the 61.66-cent federal cigarette tax rate increase on April 1, 2009 had a substantial and immediate impact on youth smoking. The percentage of students who reported smoking in the past 30 days dropped between 9.7 percent and 13.3 percent immediately following the tax increase, resulting in an estimated 220,000 and 287,000 fewer current smokers among middle and high school students in May 2009.

Minnesota Tax Increase:

- In July 2013, Minnesota's landmark tobacco excise tax increased the price of cigarettes by \$1.60 per pack, bringing the total tax per pack to \$2.83. (current rate adjusted for inflation to \$2.90).

Adult Tobacco Use:

- According to the 2014 Minnesota Adult Tobacco Survey (MATS), the number of Minnesotans who smoke has hit a new low at 14.4 percent, **down from 16.1 percent in 2010**.
- MATS 2014 clearly illustrates that **policy changes have helped smokers quit; most notably, the \$1.60 per-pack increase on cigarettes in 2013**. According to MATS, this tax increase influenced smoking behavior, with many smokers making quit attempts, successfully quitting and cutting down on smoking. What's more, among smokers who successfully quit in the past year, majorities said that the price increase helped them to make quit attempts and to stay smoke-free.

Youth Tobacco Use:

- According to the Minnesota Youth Tobacco Survey (MYTS), cigarette smoking among Minnesota high school students has decreased sharply. Since 2011, cigarette smoking in the past 30 days among high school students **dropped from 18.1% to 10.6%**, the steepest decline ever recorded by the Minnesota Youth Tobacco Survey.

Other comprehensive factors also contribute to reduce youth smoking rates:

- Minnesota has a comprehensive clean indoor air law that doesn't allow smoking in indoor public places like restaurants and workplaces.
- Minnesota has a strong network of communities and partners across the state who are actively working to raise awareness and further protect youth from the harms of cigarette use.

SOURCE: The Minnesota Adult Tobacco Survey (MATS) is a collaborative effort between ClearWay MinnesotaSM and the Minnesota Department of Health. MATS is the most thorough source of information about tobacco behaviors, attitudes and beliefs in Minnesota and helps measure the progress of Minnesota's comprehensive tobacco control program. Data for this MATS were collected in 2014. Previous MATS reports were conducted in 1999, 2004, 2007 and 2010. The complete report, *Tobacco Use in Minnesota: 2014 Update*, is available at www.mnadulttobaccosurvey.org.

Florida's Legacy Campaign and Reductions in Youth Smoking Rates:

- Florida's high school smoking rate is 7.5 percent, the second lowest youth smoking rate in the nation. (Utah leads the nation at 4.4%)

Contributing factors:

- In 2009, Florida's cigarette tax rate was increased from \$1.00 to \$1.33 per pack of cigarettes,
- Since 2000, Florida has been diligent with implementing media campaigns to de-normalize tobacco use.

"What Florida has done, with media campaigns, the social media outreach, community partnerships, has really changed things there for the better," said John Schachter, a spokesperson for Tobacco Free Kids. "We're aspiring to have the first tobacco-free generation, and Florida's showing how it can be done."

"Smoking cessation programs aren't the whole picture," Schachter said. "You also need sufficient tax in the state to drive kids to not smoke, as well as some no-smoking policies that states need to be successful."

He credited Florida with having solid and consistent tobacco prevention funding since 2006. That's when a constitutional amendment required the state to spend 15 percent of a national tobacco lawsuit settlement on smoking cessation programs.

- The youth tobacco rate has essentially been cut in half since then – the rate in 2005 was 15.7 percent

SOURCE: Campaign for Tobacco Free Kids: Florida Cigarette Tax Increase Delivers Victory for Kids and Taxpayers: Statement of Matthew L. Myers, President, Campaign for Tobacco-Free Kids, *May 8, 2009*; Sun Sentinel, Florida Kids Less likely to Smoke, Study Says, Dec. 12, 2014.

OKLAHOMA'S HEALTH ENVIRONMENT

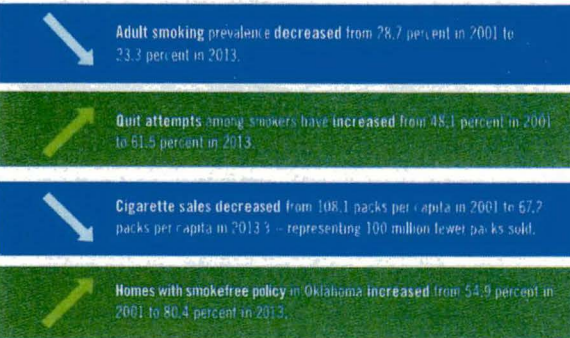
According to the 2014 State of the State's Health Report, Oklahoma ranks 44th in overall health status, which is an improvement from 46th in 2012. Oklahoma is also ranked 39th in adult smoking, 6th-highest in obesity and 3rd-highest in cardiovascular deaths.

2014 HEALTH INDICATORS



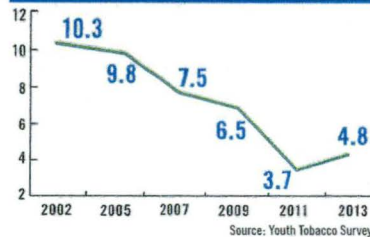
MEASURES OF PROGRESS

Over the past decade, TSET's efforts to prevent tobacco use and help people quit smoking have helped to create a healthier, more prosperous state.

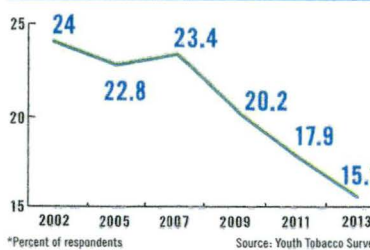


Source: BRFSS 2013

Middle School, Current Cigarette Smokers in Oklahoma



High School, Current Cigarette Smokers in Oklahoma



For more information, contact Julie Bisbee, Public Information and Outreach Officer, Oklahoma Tobacco Settlement Endowment Trust at (405) 521-3888, toll-free (866) 530-TSET, www.tset.ok.gov.

Rev. 1/2015



3800 N. Classen Blvd., Suite 200
Oklahoma City, OK 73118
405.521.3888 www.tset.ok.gov
Executive Director Tracey Strader, MSW
Board of Directors Chair Jim Gebhart, FACHE

OKLAHOMA TOBACCO SETTLEMENT ENDOWMENT TRUST (TSET)

Created by voters in 2000, TSET is an endowment trust established with payments from the 1998 Master Settlement Agreement (MSA) between 46 states and the tobacco industry. Funds are invested by a Board of Investors and **only the earnings** from those investments are used by a Board of Directors to support efforts to improve the health of Oklahomans.

TSET has focused funding on reducing Oklahoma's leading causes of preventable death – tobacco use and obesity – in order to reduce cancer and cardiovascular disease. As a grant-making state agency, TSET funds prevention, research and emerging opportunities to improve the health of every Oklahoman.

TSET is governed by Article 10, Section 40 and by 62 O.S. § 2301-2310.

HOW TSET IS FUNDED

Oklahoma was the first state to constitutionally protect funds received as part of the MSA. The majority of Oklahoma's payments are invested in the endowment to ensure a growing sourcing of funding for grants and programs that improve the health of all Oklahomans.

Annual FY2014
Tobacco Industry Payments
to the State Of Oklahoma
\$77.2 MILLION

Office of the Attorney General (6.25%):
\$4.8 Million
Allocated to the Evidence Fund.

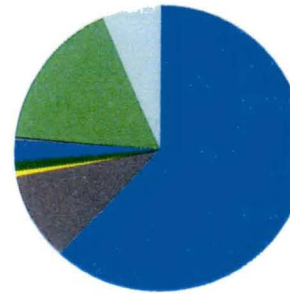
State Legislature's
Tobacco Settlement Fund (18.75%):
\$14.5 Million

Tobacco Settlement
Endowment Trust (75%):
\$57.9 Million
Added to Endowment for Investment.

Endowment Corpus Balance as of
August 31, 2014:
\$975 Million

FY2014 Certified Earnings
for TSET's Use:
\$53.4 Million

PROGRAM FUNDING DISTRIBUTION



PROGRAM FUNDING DISTRIBUTION, FISCAL YEAR 2002 – FISCAL YEAR 2015

- Tobacco Prevention - 62%
- Wellness - 2.6%
- Physical Activity and Nutrition - 10.2%
- Conference Sponsorships - 0.15%
- Incentive Grants - 7.4%
- Research - 16.9%
- Unsolicited - 0.97%
- Administration - 6.6%

SMOKING
\$1.62 BILLION
IN DIRECT HEALTH CARE COSTS

- 6,500 ADULT DEATHS EACH YEAR
- 4,400 KIDS BECOME DAILY SMOKERS EACH YEAR
- \$160.3 MILLION IS SPENT BY TOBACCO INDUSTRY ANNUALLY TO MARKET TOBACCO IN OKLAHOMA

OBESITY
\$854 MILLION
IN MEDICAL EXPENDITURES

- 12% OF OKLAHOMA YOUTH ARE OBESE
- 15% OF OKLAHOMA YOUTH ARE OVERWEIGHT
- 1 IN 2 ADULTS ARE OBESE

BUILDING A HEALTHIER TOMORROW, TODAY: TSET GRANTS



The Oklahoma Tobacco Helpline provides free telephone and web-based cessation coaching and free nicotine patches, gum and lozenges to Oklahomans.

OKLAHOMA TOBACCO HELPLINE (1-800-QUIT NOW)

Since 2003, the Helpline has served more than 275,000 Oklahomans, saving an estimated \$18 million each year in direct medical costs from tobacco users who have quit with the Oklahoma Tobacco Helpline.

COMMUNITIES OF EXCELLENCE

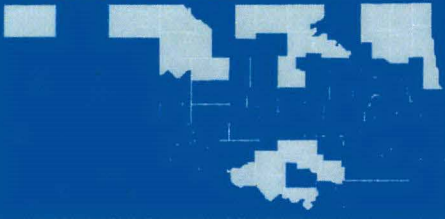
Community grantees work with schools, businesses, health care providers, community leaders, and other partners to promote effective policies and programs to reduce tobacco use and improve physical activity and nutrition at the local level.

TOBACCO PREVENTION

33 grantees - 50 counties
1 tribal nation

85%
of state's population

COMMUNITIES OF EXCELLENCE (CX)
TOBACCO PREVENTION GRANTEES



PHYSICAL ACTIVITY AND NUTRITION

15 grantees - 21 counties

55%
of state's population

COMMUNITIES OF EXCELLENCE (CX)
PHYSICAL ACTIVITY AND NUTRITION GRANTEES

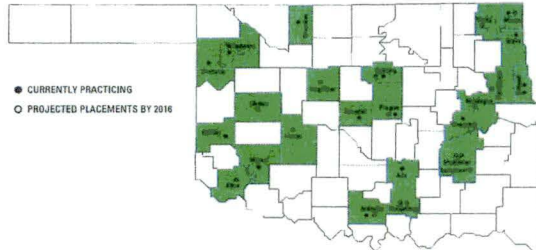


UNSOLICITED PROPOSALS

To identify and respond to emerging opportunities to transform the health of Oklahomans, TSET also accepts unsolicited proposals year round for projects that relate to TSET's mission as specified in the Oklahoma Constitution and TSET's Strategic Plan.

- Physician Manpower Training Commission (PMTC) for rural physician recruitment
- Oklahoma State Department of Health to administer FitnessGram assessments in Oklahoma public schools
- Oklahoma City Boathouse Foundation to increase access and utilization of physical activity facilities for youth and families
- Rescue Social Change Group to promote smokefree environments for young adults

OKLAHOMA MEDICAL LOAN REPAYMENT PROGRAM



The Oklahoma Medical Loan Repayment Program is a partnership between TSET and the Physician Manpower Training Commission to recruit primary care physicians to medically underserved areas. Practicing physicians receive assistance repaying their medical school loans, if they practice medicine in these underserved areas. Physicians must agree to serve a minimum of two years and can receive up to \$160,000 if they complete four years of service in the program.



INCENTIVE GRANTS

Incentive grants are available to schools and communities that have been recognized by the Certified Healthy Oklahoma program and meet the TSET incentive grant criteria. The funds are used for projects that promote health in communities and schools.

- Healthy Communities Incentive Grants
- Healthy School District Incentive Grants

HEALTH SYSTEMS GRANTS

Health Systems Grants integrate tobacco and obesity prevention measures and treatment in hospitals and health systems, including mental health and substance abuse treatment providers.

- Oklahoma Hospital Association
- Oklahoma Health Care Authority
- Oklahoma Department of Mental Health and Substance Abuse Services

RESEARCH

The TSET Phase I Clinical Trials program at the Stephenson Cancer Center offers cutting-edge cancer treatment to Oklahomans across the state. Currently 635 Oklahomans and 17 out-of-state patients are enrolled.

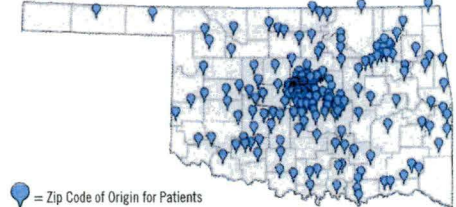
TSET'S RESEARCH CENTERS

Stephenson Cancer Center, TSET Cancer Research Center.
\$30.2 million
over 5 years.

Oklahoma Tobacco Research Center.
\$5 million
over 6 years.

Oklahoma Center for Adult Stem Cell Research.
\$9.5 million
over 5.5 years.

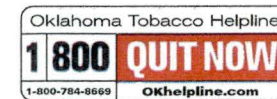
OKLAHOMA TSET PHASE I CLINICAL TRIALS PROGRAM AT THE STEPHENSON CANCER CENTER



HEALTH COMMUNICATION

When combined with other programs, mass media campaigns are proven to be one of the most effective strategies to reduce tobacco use and promote healthy behaviors. Through rigorous evaluation, TSET campaigns are proven to be effective in changing knowledge, attitudes and behaviors to support healthy lifestyle choices by Oklahomans.

TOBACCO STOPS WITH ME.



HB1024
2-2-15
#3

TESTIMONY SUPPORT OF HB 1024

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

Chairman Pollert, and members of the House Appropriation, Human Resource Division Committee. My name is Marcus Austin, I am speaking on the behalf of the Wellness Circle from United Tribes Technical College. I am here to provide testimony and support for HB 1024.

Wellness Circle is a group comprised of representatives of 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 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 50% smoking rate for American Indians in North Dakota. The tobacco industry is counting on this disparity and the college age group becoming addicted 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 our visitors.

Bismarck Burleigh Public Health (BBPH) Tobacco Prevention Program provided technical support through education, resources and information about the importance of strengthening their smoke-free policy to 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. The policy removes the immediate threat of exposure to secondhand smoke. The use of tobacco and the number of people who start smoking in college decreases. Furthermore, a smoke free policy 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 the 3rd in the United States. They joined 811 other colleges in doing so. They recognized that a tobacco-free policy will benefit students in the present and the future by providing a healthy and safe environment to learn. United Tribes Technical College now protects approximately 1,160 students, faculty, staff and families from exposure to tobacco.

Please support HB 1024 as the bill provides a comprehensive tobacco prevention and control program. We would not have been able to accomplish the work we have done at United Tribes Technical College without the past support.

HB1024
2-2-15
#4

Testimony in support of HB 1024
House Appropriations Committee Human Resources Division
Representative Chet Pollert, Chair
February 2, 2015

Chairman Pollert and members of the House Appropriations Committee: I am Hannah Rexine, a junior at Century High School, a board member for the Century SADD group (Students Against Destructive Decisions) and a board member of the North Dakota Tobacco Prevention and Control Advisory Committee, appointed by Governor Dalrymple.

I come before you today in support of HB1024. If we are to continue making progress towards reducing youth tobacco use rates, the comprehensive tobacco prevention program must remain fully funded so that we can continue to defeat the work of tobacco companies that continue to target youth.

Tobacco companies actively market to youth and it has never been more obvious now with the marketing of e-cigarettes. E-cigarettes are highly addictive tobacco products that are designed to hook us – North Dakota's youth – to a lifetime addiction of a destructive habit – NICOTINE.

E-cigarettes have truly caused an epidemic. I have seen many of my peers who don't use traditional cigarettes use e-cigarettes. I have seen them use the stealth vaping devices which don't even look like a traditional cigarette. The 2014 edition of the national study called Monitoring the Future, shows that 8th and 10th graders are using e-cigarettes at twice the rate of regular cigarettes. That is an alarming statistic.

- 8.7 percent of 8th graders reported using an e-cigarette in the past 30 days, compared to 4 percent reporting use of a traditional cigarette.
- 16.2 percent of 10th graders reported using an e-cigarette, compared to 7.2 percent reporting use of a traditional cigarette.
- 17.1 percent of 12th graders reported e-cigarette use, compared to 13.6 percent reporting use of a traditional cigarette.

The leading authority on health, the Surgeon General, says tobacco companies recruit youth as replacement smokers to keep their companies profitable. I see this every day. As long as tobacco companies continue to market and develop new products, we will need to fight the battle against nicotine addiction and hooking new users – my generation and those younger than me -- to a lifetime of addiction. The tobacco strategy is obvious – target youth -- as nearly 90 percent of tobacco users begin by age 18 and hardly any one begins smoking after age 26. Thank you for your support of HB 1024.

Hannah Rexine
4660 Kost Drive
Bismarck, ND 58503

HB 1024
2-2-15
#5

**Testimony in support of HB 1024
from Dr. Eric Johnson
North Dakota Tobacco Prevention and Control Advisory and Executive Committees
To House Appropriations Human Resources Division
Representative Chet Pollert, Chair
February 2, 2015**

Good morning, Chairman Pollert and members of the House Appropriations Human Resources Division.

My name is Dr. Eric Johnson and I am a Governor-appointed member of the ND Center for Tobacco Prevention and Control Policy Advisory Committee and Executive Committee. I serve in medicine and education leadership roles at the UND School of Medicine and Health Sciences in Grand Forks. I am dedicated to preventive health, which is why I am so involved in preventing tobacco use, the leading cause of preventable disease and death in our state and nation.

I am here to support continued full funding of the statewide comprehensive tobacco prevention and control program through this appropriation for the Executive Committee. In my profession, I have witnessed firsthand the harms tobacco has caused to both our youth and adults in North Dakota. As part of my work with cessation, I know how tobacco use can addict users to nicotine for a lifetime and cause needless pain, suffering and costs to both the nicotine-addicted user and their families.

Fifty-one years after the first Surgeon General's report on smoking and health, we still battle tobacco's harms, even though we've made great progress in identifying these harms and how to prevent them. Today, we know that tobacco causes even more diseases than previously thought and we know the tobacco industry has calibrated the nicotine and other ingredients in tobacco to be even more addictive and harmful than before. We also know what works to stop this deadly epidemic, both in my field of medicine and in our role as citizens in public policy.

The Surgeon General reports that fully funding comprehensive statewide tobacco control programs at Centers for Disease Control recommended levels is paramount to control present and future harms and unnecessary costs of tobacco. This is just one of the legs on the three-legged stool metaphor used by CDC to describe what is needed before we see significantly reduced tobacco use. The other two legs are: a strong statewide smoke-free law, which we have; and a high tobacco tax. North Dakota has one of the lowest tobacco taxes in the nation, lower even than the average tax in tobacco-growing states. We are supporting two bills in the 2015 Legislative session that increase the tax significantly.

Tobacco companies spend an estimated \$27 million/year in North Dakota to promote their products, primarily through price discounts that keep prices low and sales high, according to their latest marketing reports submitted to the Federal Trade Commission: "The amount spent on cigarette advertising and promotion by the largest cigarette companies in the United States rose from \$8.05 billion in 2010 to \$8.37 billion in 2011, due mainly to an increase in spending on price discounts, or discounts paid to cigarette retailers or wholesalers in order to reduce the price of cigarettes to consumers. Spending on price discounts increased from \$6.49 billion in 2010 to \$7.00 billion in in 2011. The price discounts category was the largest one in 2011, as it has been each year since 2002." (FTC, 2015)

The tobacco industry also increases sales and profits by expanding existing market share and promoting new products, such as e-cigarettes and flavored cigars. The tobacco industry's goal is to sell more tobacco to current users and to replace those who quit with the next generation of users – our kids. As long as tobacco is promoted, we must fully fund comprehensive tobacco use prevention efforts in North Dakota to keep kids from starting and help users – who were the previous generations of kids who started -- quit for good.

Dr. Eric Johnson
504 South 6th Street
Grand Forks, ND 58201

B.S. Psychology University of Nebraska at Kearney
M.D. University of Nebraska Medical Center Omaha
Family Medicine Residency Fargo, ND

Associate Professor, University of North Dakota School of Medicine and Health Sciences
Assistant Medical Director Altru Diabetes Center
Assistant Medical Director Valley Memorial Homes
Medical Director Physician Assistant Program, University of North Dakota School of Medicine and Health Sciences
Director of Interprofessional Education University of North Dakota School of Medicine and Health Sciences

Memberships:

North Dakota Tobacco Prevention and Control Advisory and Executive Committees (Governor appointment)
American Diabetes Association Primary Care Committee
American Medical Association
North Dakota Medical Association
American Academy of Family Physicians

North Dakota Academy of Family Physicians
Society for Research in Nicotine and Tobacco
Tobacco Free North Dakota Board President
American Diabetes Association North Dakota Affiliate Board President
North Dakota Rural Voters Board
Physician Consultant NDQuits

HB1024
2-2-15
#6

HB 1024
ND Center for Tobacco Prevention and Control Budget
February 2, 2015
Submitted by:
Javayne Oyloe, Executive Officer, Upper Missouri District Health Unit

House Appropriations Committee, Human Resources Division
Representative Chet Pollert, Chair

Good Morning Chairman Pollert and members of the House Appropriations Committee Human Resources Committee. I am Javayne Oyloe, Executive Officer at Upper Missouri District Health Unit, which extends services to Williams, McKenzie, Mountrail and Divide counties.

Across the nation, public health professionals know that the tobacco epidemic is one of the biggest public health threats the world has ever faced, killing nearly six million people a year. But local public health providers also know that they cannot effectively fight this epidemic by working on their own. That's why, as a North Dakota local public health provider, I am very glad today to support the continuation of full funding for the statewide comprehensive tobacco prevention program that has been administered since 2009 by the Center for Tobacco Prevention and Control Policy working in tandem with all 28 local public health units.

North Dakota's statewide program has made all the difference for local public health providers. Now, we can be effective working within our local communities because we are working from the indispensable foundation provided by its high-impact statewide, multi-media public education campaign; and the statewide NDQuits program that brings state-of-the-art tobacco-cessation counseling to every corner of the state via both telephone and internet.

Also thanks to the comprehensive program, local public health providers are kept on top of important tobacco control developments as they evolve. For instance, our state program has made sure that we are fully educated on of the rapidly-changing health threats newly posed by the whole array of drug-delivery paraphernalia that is loosely referred to as "electronic cigarettes." And because North Dakota's statewide program is built entirely on the U.S. Centers for Disease Control and Prevention's decades of tobacco prevention science, we know that the strategies we learn to implement have been tested and proven effective.

Due to the Bakken oil boom, the Upper Missouri District Health Unit faces some special tobacco prevention and control challenges because tobacco-use rates among oil-field workers are very high. Upper Missouri, Southwestern and First District Health Units, covering 19 western counties, have experienced these challenges and use this funding to address the unique needs in the area. The CDC's Morbidity and Mortality Report (September 2011), shows that workers in construction and extraction trades and food service occupations have the highest smoking prevalence – at 30 percent – compared to the state's adult average of 21.2 percent.

As we continue to combat tobacco use rates in the west, it is important to note that North Dakota's cigarettes are some of the cheapest in the nation. Cheap tobacco makes it challenging to keep both youth and adult tobacco use rates at a reduced level. In a high tobacco use market – the western ND market – an increase in the price of tobacco is needed to keep ahead of the tobacco industry's marketing and discount tactics that keep enticing users. Local public health supports a price increase for the health of our community members.

①

Tobacco prevention funding has enabled UMDHU to develop effective tobacco-free and smoke-free policies at workplaces, multi-unit housing buildings, and schools. These tobacco-free environments are protecting the public from tobacco's harms, and steadily de-normalizing tobacco use – and reducing addiction rates.

For all these reasons, we cannot compromise on effective tobacco prevention programs. It is more critical than ever to continue funding to build the necessary policies that reduce tobacco addiction, so that the tobacco epidemic will take fewer-and-fewer lives, and consume fewer-and-fewer healthcare dollars. In order for us to continue making these critical tobacco-prevention gains, our comprehensive program must remain fully funded.

Sincerely

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

Testimony in support of HB 1024
House Appropriations Human Resources Division
Representative Chet Pollert, Chair
February 2, 2015

MB1024
2-2-15
7

Good morning, Chairman Pollert and members of the House Appropriations Human Resources Division.

My name is Barbara Frydenlund and I am the Administrator/Director of Nursing for Rolette County Public Health District. I am here to request the continuation of tobacco prevention funding at the level recommended by the Center for Disease Control.

The current funding that is dedicated to state and local tobacco prevention programs has allowed North Dakota to lead the nation in tobacco prevention efforts. Our health district has received tobacco prevention funding since Rolette County Public Health District was established in 2001. This funding has allowed us to provide tobacco prevention efforts, following CDC Best Practice, to the residents of Rolette County. The tobacco prevention program continues to be one of our primary and most recognized programs.

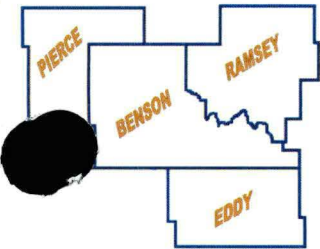
Rolette County has twice the state average smoking rate. Rolette County Tobacco Prevention staff works alongside the Turtle Mountain Tobacco Prevention Program staff to provide a unified voice with our primary goal of "prevention of the initiation of tobacco use and policy change." The respective tobacco prevention staff members support each other in grass roots efforts such as coalition participation and the implementation of CDC Best Practice methodology. Without the ongoing funding from the Center for Tobacco Prevention and Control Policy, limited county finances would not permit the continuation of a tobacco prevention program at the current capacity. The Tobacco Prevention Program has been a conduit to communication and collaboration with Tribal Health. The Tobacco Prevention program has aided Rolette County Public Health to be recognized within our community as a leader in preventative health and promotion of healthy lifestyles.

The goal of Healthy People 2020 is to decrease the adult smoking rate to 12%. With this objective in mind and despite our diligent efforts in tobacco prevention, we continue to have work to do and mountains to climb in achieving this goal. The 2014 County Health Ranking reflects that 36% of Rolette County adults currently smoke.

Continued support for tobacco prevention funding at the recommended CDC level will be greatly appreciated and will allow us to have a positive impact on the health behavior of the residents of Rolette County.

Thank you,

Barbara Frydenlund, RN
Rolette County Public Health District
Administrator/Director of Nursing
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Lake Region District Health Unit

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Toll Free 1-866-274-2316

HB 1024
ND Center for Tobacco Prevention and Control Budget
February 2, 2015
Submitted by:

Elizabeth Bonney, Tobacco Prevention Coordinator, Lake Region District Health Unit

House Appropriations Committee, Human Resources Division
Representative Chet Pollert, Chair

Good Morning Chairman Pollert and members of the House Appropriations Committee. I am Elizabeth Bonney, Tobacco Prevention Coordinator at Lake Region District Health Unit covering Benson, Ramsey, Eddy and Pierce Counties. I am testifying today in support of HB1024, which provides the appropriation for the ND Tobacco Prevention and Control Executive Committee, and I am testifying not on just a professional level but in a personal capacity as well.

I have lived through the horrible realities of what cigarette smoking can do, not just to the person who becomes physically incapacitated from the effects of smoking and nicotine but the emotional burden and heartbreak family members must go through as their loved one literally fades away before their eyes. My Mom and Dad both smoked, Dad was a Brigadier General in the United States Air Force, (pilot) obviously a very stressful job. I remember clearly stopping by his office to visit him and seeing at least two ashtrays full of cigarette butts all the time. My guess is he smoked 2-3 packs a day.

My Mom, who also smoked, told me a story once that on a regular visit to her doctor she relayed the stress she was feeling raising five children alone while my Dad was on his third tour of Vietnam. The doctor listened carefully and suggested that to help her relax it might be helpful if she took occasional cigarette breaks throughout the day.

When she was 52 years old, my Mom was diagnosed with COPD and Chronic Bronchitis, of course she didn't tell us because she knew we would worry and more importantly she knew she had to stop smoking immediately in order to stop the damage at this late stage, but she was just too addicted to face that reality. She felt she could handle that situation "somewhere down the road" and she continued to smoke. After spending several years in assisted living and then requiring around the clock nursing care we received a call from her doctor that she had taken a serious turn for the worse and we needed to make some tough decisions. On March 15th 2004, I

held my Mom's hand and said goodbye as we turned off her life support, she was only 74 years old.

My Dad's situation was a bit different, he never had COPD or heart trouble from the effects of smoking, and never presented any physical problems related to his addiction, until June 6th 1992 when I got the phone call that he had a massive stroke and it was very unlikely he would survive. But, he was a tough guy and he pulled through, however, he was never quite the same mentally, physically or emotionally.....and he continued to smoke. Two years later, he had a second massive stroke that caused paralysis to his left side and the complete loss of his swallow reflex. The physical and emotional decline after that led to his death of on January 11, 2006.

Through their illnesses, we would have open and frank conversations and I can tell you it always came back to the same two things: 1) I wish I had never started smoking, and 2) I wish I would have had the information that we know today because I would have never started. This is why my position as Tobacco Prevention Coordinator is not only my job, it is my passion.

Comprehensive Tobacco Prevention and Control Funding

Tobacco prevention efforts are critical to reduce youth and adult tobacco use rates. Without comprehensive tobacco prevention funding, tobacco use rates are at risk to escalate:

- 1) LPHU's would not be able to work within the community to help educate on the dangers of smoking and using ALL tobacco and nicotine products.
- 2) LPHU's would not be able to monitor the regulations already put in place by law North Dakota's smoke-free law.
- 3) Educating youth and adults on the dangers of smoking and tobacco would cease.
- 4) There would be no more opportunity to work with schools on passing comprehensive tobacco-free policies.

Monitoring the Industry and E-cigarettes

The tobacco industry here in the U.S. has been on the decline in recent years, but that hasn't stopped **Altria**, **Lorillard**, and **Reynolds American** from posting larger profits in recent years, and now we are facing a new front of dangers with the addition of e-cigarettes. Understanding the tobacco industry's practices is crucial for the success of tobacco control policies. In this context, it's important also to understand that tobacco products are the only legally available products that can kill up to one half of their regular users if consumed as recommended by the manufacturer. The ND Center for Tobacco Prevention and Control (the Center) continually monitor tobacco industry activities along with Tobacco Prevention Coordinators at 28 LPHUs across North Dakota.

E-cigarettes are the latest epidemic that will impact our tobacco use rates. While the outrageous debate continues about whether e-cigarettes are a safer alternative to a combustible product, one thing is for sure: consumers are curious about trying the new

products and many companies are out in force presenting the information on their terms. The three big e-cigarette companies, in an effort to replace tobacco smokers who have died due to the effects of smoking, are again targeting our youth:

- 2013 saw e-cigarette sales skyrocket to over 1 billion dollars annually and that figure is expected to double in 2014 (we are awaiting the final figures).
- The center for disease control reported on 9/6/13 that the Youth Tobacco Study found during 2011-2012, among all students in grades 6-12, e-cigarette use increased by over 50% from 3.3% to 6.8%. This rapid increase in sales figures was possible due to heavy marketing specifically directed to minors.
- Minors may be particularly vulnerable to trying e-cigarette products due to an abundance of "fun" flavors such as cherry, vanilla, pina colada and bubble gum.
- Tobacco companies continue to relay blatantly deceitful information that e-cigarettes can be used as a smoking cessation device; however, the FDA has never endorsed this claim.
- E-cigarette advertising is completely unregulated.

Comprehensive Tobacco Free School policies

Having a comprehensive tobacco-free school policy plays an important role in preventing youth initiation of tobacco use.

- It provides positive role modeling by adult employees and visitors.
- It reduces children's observation of tobacco use and reinforces a tobacco-free social norm.
- It supports prevention messages learned in classrooms by sending clear, consistent tobacco-free messages.
- It provides a safe environment for students by eliminating exposure to secondhand smoke.
- It protects children from a dangerous drug. Tobacco use is not just a "bad habit": it is a powerful addiction.
- And it prepares students for the reality of tobacco-free workplaces.

These policies eliminate not only cigarette use but also the other types of tobacco use on school grounds and at school events, which protects students, faculty, staff and visitors from exposure to all tobacco use including electronic smoking devices.

I had the wonderful opportunity to work with nine schools in my area who passed the ND Comprehensive Tobacco Free Policy this past fall. I was also invited to speak at two student assemblies with 7th through 12th grade students regarding the new comprehensive tobacco policy as well as tobacco prevention and education. My questions and their honest feedback told me two very important things:

1) We still have too many youth starting tobacco products who don't fully understand the full impact of the dangers of smoking and tobacco products.

2) When we work in a concerted effort with schools to get the information to our youth we can and do affect real change.

Mr. Chairman and members of the committee I am pleased to say that The American Lung Association has presented an "A" grade to the state of North Dakota in the area of Tobacco Prevention and Control Program Funding. We have made great strides in educating our youth on the dangers of tobacco and smoking, we continue to monitor our communities to make certain state and local laws are understood, and we are keeping a vigilant eye on the tobacco companies to make certain existing and new products do not outpace the progress we are making in tobacco prevention.

It is imperative that funding be allocated so we can continue our mission to improve and protect the health of North Dakotans by reducing the negative health and economic consequences of the state's number-one cause of preventable disease and death --- tobacco use. Thank you for your time.

HB 1024
2-2-15
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Written Testimony in Favor of HB 1024
(ND Center for Tobacco Prevention and Control Budget)
February 2, 2015
Submitted by: Mary Hillerud, Custer Health

House Appropriations Committee, Human Resources Division
Representative Chet Pollert, Chair

KUDOS! This is the magic word floating around the City of Hazen when it comes to protecting our youth from the dangers of second-hand smoke and the infamous Tobacco Industry! Not only the Hazen City Commission, but the Hazen Park and Recreation Board of Directors have taken very active policy steps fighting an industry that is known to grab our youth and get them started on a life-long addiction.

On July 31, 2014 the Hazen City Commission adopted, by unanimous decision, an electronic-cigarette ordinance. All City Commissioners were concerned with the lack of jurisdiction that these products have when it comes to age restrictions and product placements. As Tobacco Outreach Coordinator for Custer Health, I began visiting with the Hazen City Commission back in May, 2014, and shared some of my concerns with youth being able to purchase electronic-cigarettes at any age and that these same products do not have to be behind the counters. During the May meeting, it was decided that a committee be formed from within the commissioners to look into some of my concerns. Two City Commissioners, Mayor Jerry Obenauer and Commissioner Judy Brunmeier volunteered to be on this committee along with myself. Not only did the Center for Tobacco Prevention and Control provide a model policy for this ordinance, but they also held a conference call with these two commissioners. The Center also sent Barb Andrist to attend a meeting in Hazen to answer any questions that the commissioners would have.

In addition to the electronic-cigarette city ordinance, the Hazen Park and Recreation Board of Directors passed, by unanimous decision, a tobacco-free parks policy on January 13, 2015. Again, the Center for Tobacco Prevention and Control provided a model policy for me to present. Much discussion was held over three separate meetings deciding which parts of the parks should be tobacco-free, and which parts should be exempt. It was finally decided to have no exemptions in order to protect our families from the dirty cigarette butts that were thrown on the ground as well as the second-hand smoke. As one director said, "We take our children to the parks to be in a fun environment to promote health and wellness and the last thing I want is to be breathing in someone else's smoke". I have submitted for a mini-grant for 24 tobacco-free signs to be purchased with funds from The Center for Tobacco Prevention and Control to be placed around the city's parks as well as the play areas at Hazen Bay. All of this is done with help from the Center.

The Center for Tobacco Prevention and Control has been a wonderful resource for me in my policy work for electronic-cigarettes as well as the park board policy. I placed many calls into Kelli Ulberg, Donna Thronson, and Barbara Andrist asking questions and seeking clarification. Without funding for this entity, I couldn't do the job that I love to do.

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Job Corps Goes Tobacco-Free

HB1024
2-2-15
#10

It was 6:00PM on a Sunday evening. A group of about 50 Job Corps students gathered with several staff members to hold a ribbon cutting ceremony to celebrate the new healthy, tobacco-free campus at the Quentin Burdick Job Corps in Minot. The students and staff gathered in the once-popular smoking section of campus. Caution tape tied from one outdoor ashtray to another was used for the ribbon cutting ceremony. The Director of Job Corps, Mr. Sheppard, declared Job Corps officially tobacco-free. The students and staff began to chant as the ribbon was cut: "Job Corps, Better, Job Corps, Better!"

The students moved inside to the recreation center to conclude the celebration. First District Health staff presented an Award of Excellence to Mr. Shepard for the new strong, comprehensive, tobacco-free policy. The students lined up for a catered dinner, cake, drinks and games.



In preparation for this policy change on campus, Job Corps staff contacted First District Health Unit – Tobacco Prevention Division for guidance. First District provided a checklist and a sample comprehensive policy endorsed by the North Dakota Center for Tobacco Prevention and Control Policy. Job Corps staff fulfilled all the items on the checklist in the process of implementing this high standard policy.

Helping current tobacco users quit was very important to the Job Corps staff and student leaders. Bonnie Riely, Tobacco Cessation Coordinator at First District Health, conducted two Kick Start classes on campus. About sixty students had their carbon monoxide levels tested, and received information on quitting tobacco. They also started the process of enrolling in NDQuits, the North Dakota quitline and web support program.

The student involvement in the process of policy change was extremely apparent. Students created posters, made decorations, participated in ribbon cutting, made the cake decorating recommendations and decided the time and location of the event. In addition, student leaders assistance with the Kick Start cessation classes.

As of Monday, January 26, 2015 when students, visitors, volunteers, staff, contractors, and community members enter campus it will be the new, better, Quentin Burdick Job Corps – a place that promotes a healthy work and learning environment where all tobacco products, including electronic devices and paraphernalia are prohibited.



HB1024
2-2-15
11

Written Testimony from Stacy Langen, RN Tobacco Prevention Coordinator for
Walsh County Health District

Re: HB 1024

Date: February 2nd, 2015

Dear Chairman Pollert and members of the House Appropriations Committee, Human Resources Division:

My name is Stacy Langen and I'm a registered nurse who has worked in Grafton, ND for over 15 years. About 16 months ago, I made a pretty significant career change, starting my new position as Tobacco Prevention Coordinator at Walsh County Health District. What an amazing opportunity it has been to change gears and work on health issues largely from a proactive standpoint instead of reactively. Also, with almost 20 years of nursing experience, I can't think of a better health issue to tackle than tobacco use which still claims 1,000 lives in ND each year (www.tobaccofreekids.org/facts_issues/toll_us/north_dakota). Prior to taking my position in Public Health, I was all too familiar with seeing the after-math of tobacco use. Now, I have had the eye-opening experience of delivering a different type of nursing care to the public, preventative care that can create positive public health changes lasting for generations to come. One of the most interesting lessons I've learned thus far in this job, is how policy promotion can so hugely impact the public and create change on a large scale.

I would like to speak to why I am in support of HB1024. With the CDC recommended level of funding to our comprehensive program at the ND Center for Tobacco Prevention and Control Policy, our local public health units can continue the important work of helping people quit tobacco use and prevent youth from ever starting. In the short time I have been in this position, I am feeling very motivated and inspired by what we can offer to our county with this funding. I would like to let you know of just a few specific areas where this funding has allowed our Local Public Health Unit to serve Walsh County. Our tobacco prevention program has:

- Assisted all Walsh County Schools in adopting Tobacco Free Grounds Policies.
- Assisted other local businesses in adopting Tobacco Free Grounds policies that go above and beyond the State Smoke Free Law – meaning no tobacco use anywhere on business grounds or in business vehicles.
- Provided cessation counseling, education and cessation medication refund services to Walsh County residents and referral assistance to NDQuits.
- Provided education to healthcare providers on policy adoption in their own clinics that would allow them to systematically and consistently connect to each and every client

they see regarding tobacco use and offer cessation referrals as needed to our Public Health office and NDQuits.

- Assisted with any questions that arise regarding the ND State Smoke Free Law, educating on adherence to and compliance of this law.
- Provided tobacco cessation and prevention education to various groups in our community such as Marvin Windows employees who are looking to quit tobacco or participate in a wellness program that offers insurance premium reductions for being tobacco free;
- Provided information to students at our local schools to learn about the addictive nature of tobacco use and its health effects, second and third hand smoke exposure and newly emerging products in the world of tobacco such as E-Cigarettes.

Lastly, I would like to touch on one more tobacco prevention and control effort. Again, it relates to policy promotion and features Tami Egeland, MetroPlains Property manager and her support of smoke-free multi-unit housing in Walsh County. Part of my job is to educate the public and housing managers on the dangers of secondhand smoke in buildings such as apartments, where renters are often exposed to secondhand smoke not by their own choice. Tami, MetroPlains Property manager, recognizes the harmful effects of secondhand smoke and has worked with me to make every new property she takes on smoke free, asking for signage and fully utilizing the tools we have offered such as model smoke-free lease agreements. When I asked her about reactions to this new smoke-free policy she noted she received excellent feedback from tenants and visitors. She stated, "even ex-smokers say they appreciate it and for some, the new policy helped them quit." She noted that for smokers who are trying to quit, temptation is a big factor, so if the smell is gone and neighbors aren't smoking with you, that temptation is just not there anymore. Tami also notes that from a business perspective, owners of these properties are more accepting of the benefits going smoke-free as they see the health, safety and cost benefits of implementing a smoke-free lease. She can give first hand examples of the cost of clean-up in an apartment where a smoker resided in vs. the clean-up in a non-smoker's apartment. She described one apartment in particular that had been occupied by a heavy smoker and required extensive clean up. The walls required steaming to remove secondhand smoke residue so new primer and paint would adhere to the walls, they completely gut kitchen cabinets that were so smelly and sticky they were not salvageable, and replaced carpet and padding- all of which she stated cost the owner well over double the average cost to clean an apartment for a new renter.

In summary, I feel it is extremely important to continue the work we are doing in tobacco prevention and control at a local level. Our work is not finished. As we make strides in assisting people to quit tobacco use and prevent youth from starting, we are only faced with new challenges such as the electronic vaping devices that are becoming so popular and only add to



the problems people face with nicotine addiction. We need to keep educating, and promoting policies that will make a huge impact on public behavior – policies that create new social norms to reduce tobacco use in this great state of North Dakota.

Thank you so much for your attention and time.

Sincerely,

Stacy Langen, RN
Walsh County Tobacco Prevention Coordinator
Grafton, ND
701-352-5139



North Dakota Tobacco Prevention and Control Executive Committee

Center for Tobacco Prevention and Control Policy
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Phone 701.328.5130 • Fax 701.328.5135 • Toll Free 1.877.277.5090

#1 HB 1024
2/12/15

**TO: House Appropriations Committee Human Resources Division
Representative Chet Pollert, Chair**
FROM: Jeanne Prom, Executive Director
RE: House Bill 1024, additional requested information
DATE: February 11, 2015

1 -- Quentin N. Burdick Job Corps Center, Minot -- population, demographic and tobacco use information

Renaë Byre, First District Health Unit (FDHU), provided the following information on the Quentin N. Burdick Job Corps Center in Minot:

- Quentin N. Burdick Job Corps Center in Minot offers free education and career and technical training to help young people age 16 to 24 learn a career, earn a high school diploma or GED.
- Students must be at least 16 years of age and qualify as low income.
- There are approximately 200 students enrolled at Job Corps.
- Historically, Job Corps catered to North Dakota students, but due to the economic climate, it now serves many out of state students, many from Mississippi and Texas.
- Job Corps is now a very diverse population.
- According to Ms. Byre, 60 of 200 students, or 30%, identified themselves as everyday smokers. Those 60 students went through the FDHU KickStart smoking cessation introductory class and were referred to NDQuits to help quit. However, there are more students that consider themselves "occasional" smokers.
- Through work with FDHU, the counselor at Job Corps sends NDQuits information in the pre-enrollment information packet sent to potential students. This information is meant to encourage those considering becoming students at Job Corps to seriously consider – and even start the process of -- quitting tobacco use before enrolling as student. The advance information may increase the student's success in quitting by allowing more time to dedicate to quitting, and therefore, allowing the student to focus more on school. It is evident that the counselor understands that this there is a high rate of smoking among this population if tobacco cessation materials are sent in advance to potential students.

Kelli Ulberg from the N.D. Center for Tobacco Prevention and Control Policy, noted that when she discussed Job Corps with Ms. Byre at First District Health Unit, they discussed how this comprehensive tobacco-free policy has been a wonderful policy change for the school. Job Corps students are a high smoking population and the students need this tobacco-free environment to reduce the rate of smoking, protect the health and safety of all students, staff and public, and to establish a standard of healthy, tobacco-free behavior. Ms. Byre is happy to answer any additional questions if the House Appropriations Committee Human Resources Division needs more information. Ms. Byre can be reached at 701.721.0530.

2 -- Additional information on IT data processing line item – below and attached
Information on costs on IT services, based on an email from ITD February 3, 2015:

“Here are service benefits that we have laid out in a type of brochure that was included in the budget instructions way back in March/April 2014.

Benefits of Service:

Full-time trained professional providing the service

(faster deployment, fewer problems after deployment, quicker problem resolution)

Device will be setup and maintained with proper security; protect agency data and only allow authorized access into network

Computers / software will be kept current with technology and security changes

End users will be more efficient because the computers will perform with fewer problems

Technical staff will receive the required training and will be able to provide back-up for each other

This estimated the install and monthly costs based on your machines that were in service. It would be difficult for me to compare this service to what you receive from NRG as I am not very familiar with their service.

Greg Hoffman
Information Technology Dept.”

3 – Professional services detail – attached

4 -- Copy of rental lease agreement – attached

5 -- Information on testimony from Dr. Eric Johnson that stated: “We know the tobacco industry has calibrated the nicotine and other ingredients in tobacco to be even more addictive and harmful than before.” – attached

North Dakota Information Technology Department (ITD)

Desktop Support

Desktop Support is a comprehensive approach to managing all of the personal computers within an organization. It has evolved to include laptops, tablets, mobile phones, and other computing devices.

Traditional device management tasks include installing and maintaining hardware and software, connecting network shares and printers, administering user permissions, and troubleshooting incidents. In recent years, an increasingly large proportion of administrative resources have been devoted to security-related tasks, such as patch management, anti-virus/spyware, and data encryption.

Expanded Desktop Support Offering (tentatively starting July, 2015)

As a result of the recent Eide Bailly Desktop Study (<http://www.nd.gov/itd/publications/2013-desktop-support-study>), ITD has been working with OMB to expand its Desktop Support offering. Agencies that are interested in using this service should coordinate with ITD and OMB to discuss how they might benefit from the service and ensure the correct amounts are included in their budget request.

Starting in July, 2015, ITD tentatively plans to expand its Desktop Support service to:

- Assume the Asset Management duties listed below under Customer Responsibilities
- Enable customers to choose a Standard PC, High-end PC, or Laptop computer
- Provide remote and on-site support

Service Level Agreement

The content of this section is based upon a mutual agreement between ITD and the IT Coordinators Council (<http://www.nd.gov/itd/statewide-alliances/itcc>). In conjunction with ITD's Enterprise SLA (<http://www.nd.gov/itd/files/sla/sla-enterprise.pdf>) and Hosting SLA (<http://www.nd.gov/itd/files/sla/sla-hosting.pdf>), it acts as a Service Level Agreement (<http://www.nd.gov/itd/support/service-level-agreements>) between ITD and all customers piloting this service.

ITD Responsibilities

Hardware and Software Deployment

- Test, research, and consult with customers regarding procurement of standard IT equipment and software
- Setup all computer and printer hardware, in accordance with the EA Desktop Application Suite Standard (<http://www.nd.gov/itd/standards/desktop-application-suite>) and EA Desktop Operating Systems Standard (<http://www.nd.gov/itd/standards/desktop-operating-systems>)
- Deploy Windows System Center Configuration Manager (<http://www.nd.gov/itd/services/windows-operating-system-patching>) and WSUS (when appropriate) for patching, updating, and remote management of computers, in accordance with the EA Management Suite Standard (<http://www.nd.gov/itd/standards/desktop-management-suite>) and the EA Operating System Critical Updates Standard (<http://www.nd.gov/itd/standards/operating-system-os-critical-updates>)
- Deploy Endpoint Encryption (<http://www.nd.gov/itd/services/endpoint-encryption>) (when available) on mobile devices, in accordance with the EA Encryption Standard (<http://www.nd.gov/itd/standards/encryption>)
- Deploy Anti-Virus/Spyware (<http://www.nd.gov/itd/services/anti-virusanti-spyware>) and Personal Firewalls (<http://www.nd.gov/itd/services/personal-firewall>) (when available), in accordance with the EA Anti-Virus/Malware Standard (<http://www.nd.gov/itd/standards/anti-virusmalware>)
- Deploy Mobile Device Management (<http://www.nd.gov/itd/services/mobile-device-management>) to secure and maintain tablets and smartphones, in accordance with the EA Mobile Device Access Control Standard (<http://www.nd.gov/itd/standards/mobile-device-access-control>)
- Deploy a client-based Virtual Private Network (<http://www.nd.gov/itd/service-info/virtual-private-network>) (VPN) as requested to connect from a remote location to the state network, in accordance with the EA Remote Access Standard (<http://www.nd.gov/itd/standards/remote-access>)
- Provide basic training regarding standard computer hardware/software to new and existing customers

Device Support and Management

Title	Current Rate	Current One Time Fee
Desktop Support is a comprehensive approach to managing all of the personal computers within an organization.		

All rates include 4.9% overhead charge.

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**Tobacco Prevention & Control Committee
2015 - 17 Executive Budget**

Professional Services

Description	Expended to date 1/30/15	Current Budget 2013-2015	Executive Budget 2015-2017	Difference	Percent % Increase + Decrease -
Legal	25,195	10,772	30,000	19,228	178.5%
Audit	8,894	10,000	10,000	-	0.0%
Health Communications Intervention	1,472,203	1,500,000	1,500,000	-	0.0%
Program Evaluation	278,483	1,200,000	1,200,000	-	0.0%
Tobacco Control Legal Consortium - technical assistance & training	56,795	150,000	150,000	-	0.0%
Sings/supporting state law	55,030	250,000	250,000	-	0.0%
Total Professional Services	\$ 1,896,600	\$ 3,120,772	\$ 3,140,000	\$ 19,228	0.6%

Information Technology Contractual Services

Description	Expended to date 1/30/15	Current Budget 2013-2015	Executive Budget 2015-2017	Difference	Percent % Increase + Decrease -
NRG	9,246		-		
Nexus Reporting System	88,522	200,000	200,000	-	0.0%
Total IT Contractual Services	\$ 97,768	\$ 200,000	\$ 200,000	\$ -	0.0%

COPY

LEASE EXTENSION AGREEMENT

This Amendment shall amend and become a part of that Lease commencing the 15th day of July 2009, between Ag Foundation Building, LLP, A North Dakota limited liability partnership, (hereinafter referred to as "Landlord") and the State of North Dakota, Tobacco Prev and Control Ex Com. (STATE), (hereinafter referred to as "Tenant")

RECITALS

WHEREAS, the parties entered into a Lease Agreement effective July 13, 2009 for the premises located at 4023 State Street, Suites 15, 60 & 65, Bismarck, ND 58501.

WHEREAS, following the execution of that agreement, the parties agreed to amend some of the terms.

NOW THEREFORE, the following amendments to that Lease Agreement are incorporated into the lease as if they were originally negotiated:

- 1. DEMISED PREMISES. The Demised shall now be Suite 65 consisting of 1,374 Square Feet, Suite 15 consisting of 512 Square Feet & Suite 60 consisting of 2,009 Square Feet. The total square footage of the three spaces is 3,895 Square Feet.

The lease dated July 13, 2009 identified suite 65 as 1,205 Square Feet and Suite 15 as 344 Square Feet. Since the date of this agreement, Landlord retained a professional architect to measure each of the spaces within the property and related common areas of the property. The architectural drawings identified the total leasable square footage as 8,048 square feet and a total common area square footage of 3,619 in the lower level. It is hereby agreed that the square footages of the respective suites are as follows:

Table with 5 columns: Suite Number, Square Footage of Suite Number, Percentage of Total Lower Level Common Area, Allocation of Common Area, Total Square Footage (SF). Rows for Suite 65, 15, and 60.

- 2. TERM. The term of this lease shall be extended for an additional 24 months, commencing on the 1st day of July, 2013, and terminating on the 30th day of June, 2015.
3. JANITORIAL SERVICES. Tenant shall be responsible for all Janitorial Services within the leased suite numbers. Landlord shall be responsible for all Janitorial Services for the Common Areas.
4. REMODEL OF SUITE 60. Remodel of suite 60 in the amount of \$9,392.00 will be amortized at an eight percent (8%) interest rate over remaining lease term, from period (5/1/13 - 6/30/13). The anticipated construction Completion Date is 6/28/2013. Tenant will pay for all construction costs including interest on or before the Completion Date. The additional payments shall be due with the rent check as follows:

Table with 4 columns: Total Construction Costs, Period, Monthly Const. Amount, Total Amount. Row for \$9,392.00, 5/1/13 - 6/30/13, \$4,743.01, \$9,486.02.

- 5. RENT. Rent shall be as follows, const. amount detailed above:

Table with 7 columns: Suite Numbers, Period, Square Feet, Per Sq. Foot, Const. Amt, Monthly Amt, Total Amt. Rows for Suite 65, 15 & 60 for periods 5/1/13-6/30/13, 7/1/13-6/30/14, and 7/1/14-6/30/15.

- 6. LEASE AGREEMENT TO REMAIN IN EFFECT. All of the other terms and conditions of the Lease Agreement between the parties shall remain in full force and effect.

LANDLORD
Ag Foundation Building, LLP
A North Dakota limited liability partnership

By: Patrick M. Vesey 4-8-13
Patrick M. Vesey, as general partner Date

TENANT
State of North Dakota
Tobacco Prev and Control Ex Com.

BY: Therese Lidstrom

ITS: _____

REVIEWED AS
FORM APPROVED BY ATTORNEY GENERAL:

BY: [Signature] DATE: 3 APRIL 13

Janne Brom 4/2/2013
ND Center for Tobacco Prevention
& Control Policy
Executive Director

APPROVED BY FACILITY MANAGEMENT:

BY: John Boyle DATE: 3 APRIL 2013

COPY

PV
KLM

LEASE Ag Foundation Building, LLP

This lease is entered into by Goldmark Realty, the owner of the premises described in Paragraph 1 (LANDLORD), and the State of North Dakota, Tobacco Prev and Control Ex Com (STATE).

1) SCOPE OF LEASE

LANDLORD, in consideration of the rent to be paid and the covenants to be performed by STATE, hereby leases to STATE the following described premises situated in the city of Bismarck, county of Burleigh and state of North Dakota:

AG Foundation Building, 4023 State Street, Bismarck, ND 58503, Suite 65 (1205 sq ft) and south conference room (344 sq.ft) Full service lease, 3% escalator in the 13-24th month, no security deposit, first right of refusal for other vacancies in the building

2) TERM OF LEASE

The term of this lease is for a period of 23.5 months, commencing on the 15th day of July, 2009, and terminating on the 30th day of June, 2011.

3) RENTAL PAYMENTS

STATE will pay rent for the premises, consisting of 1549 square feet, at \$ 8.50 per square foot per annum, or \$ 13,166.50 per annum. Rent will be paid in advance by the 10th day of each month in a monthly amount of \$ 1097.21, which is 1/12 of the annual amount, commencing on the 15th day of July, 2009, and continuing monthly thereafter for the term of this lease. Rent is payable at the address of LANDLORD, which is Goldmark Realty 1929 N Washington, St, Bismarck, unless STATE is notified otherwise in writing by LANDLORD.

4) LANDLORD'S OBLIGATIONS. LANDLORD agrees:

- a) To pay all water, sewer, heat, electricity, air conditioning, garbage collection, and all other utility fees (except telephone) charged against the premises.
- b) To perform all required maintenance for the premises, including all janitorial services, which will be done on a daily basis, including furnishing of related supplies.
- c) To keep the walkways and parking areas of the premises free of accumulations of snow and ice and to cut and care for the grass, shrubbery, plants and trees on the premises.

- d) That if other portions of the building are leased to other parties, LANDLORD shall not permit any activity to be conducted in other portions of the building or grounds that will materially interfere with STATE'S use and enjoyment of the premises.
- e) That STATE may install items that it deems necessary for maximum and optimum utilization of the premises. STATE may, at any time, remove from the premises all fixtures and other equipment owned by STATE, provided the removal is completed by termination of this lease or any renewal or extension. STATE agrees to repair any damages that may be done to the premises resulting from the removal of the items.
- f) STATE may place decorations, wall hangings, signs and directories upon entrance doors, in hallways leading to its premises, or doors and walls within the premises.
- g) To furnish NA automobile parking stalls for use by STATE, its agents or designees, in the lot provided for use by the building tenants.
- h) To comply at its own expense with all federal, state, county, and city laws and ordinances and all lawful rules, regulations, or orders of any duly constituted authority, present or future, affecting the premises.

5) **STATE'S OBLIGATIONS.**

For the term of this lease, and any renewals or extensions, STATE agrees:

- a) To pay the rent when due.
- b) To pay for its own telephone service.
- c) To keep the premises in reasonable condition the same as at the commencement of the term or as it may be put by LANDLORD, except for reasonable use and wear, and damage by fire and unavoidable casualty.
- d) Not to make any unlawful, improper, or offensive use of the premises, and to observe all the laws of the State of North Dakota and the ordinances of the city of Bismarck in force from time to time relating to the leased premises.
- e) To permit LANDLORD at all reasonable times to enter and examine the premises and to make necessary repairs for the protection of the premises.
- f) To surrender the premises to LANDLORD at the end of the term; and, in default of the payment of rent due or failure to perform its obligations under this lease, to surrender the premises upon demand made by LANDLORD.
- g) To maintain at its own expense and assume responsibility for all office equipment, furniture, and fixtures installed by STATE.

6) **TERMINATION OF LEASE**

It is expressly understood and agreed that STATE has no obligation under this lease for the initial or succeeding terms if the North Dakota Legislature fails to appropriate to STATE sufficient funds to defray the full rental costs. STATE, without any liability, may terminate this lease by providing 30- days written notice, if its legislative appropriations are reduced or if its authority to spend its appropriations is reduced or limited by law or by reductions in federal or other grant funds to a point STATE, in its sole discretion, deems insufficient to pay the full rental cost for the remainder of the term of this lease. During the term of this lease or any renewal or extension, STATE may terminate this lease by providing 30-days written notice to LANDLORD, if LANDLORD fails to comply with any of its obligations under this lease, or if STATE determines it must relocate to comply with the Americans With Disabilities Act of 1990 or any rules adopted under the act, or with any other state or federal law or rules.

7) **TERMINATION OF LEASE IN THE EVENT OF DESTRUCTION OF PREMISES**

If the leased premises are destroyed or damaged by fire or the elements to the extent they become untenable, then this lease immediately terminates, unless LANDLORD, within 20 days of the happening of the event, gives written notice of intention to restore the building and fully restores the premises within a reasonable time. During the term between destruction and restoration of the premises rent will not be due.

8) **HOLDING OVER**

If STATE remains in possession of the premises after the lease expires, and LANDLORD accepts rent from it, the lease will be deemed renewed on a month-to-month basis.

9) **MERGER**

This lease is the entire agreement between the parties, and no modification of it will be binding unless evidenced by written agreement signed by the parties.

10) **SEVERABILITY**

If any term of this lease is declared by a court of competent jurisdiction to be invalid, the validity of the remaining terms will not be affected, and the rights and obligations of the parties will be construed and enforced as if the lease did not contain that term.

11) **ASSIGNMENT**

This lease must not be assigned or subleased by STATE unless LANDLORD endorses its written consent to the assignment or sublease. This lease must not terminate by reason of any sale of the premises by LANDLORD to third parties, but must continue throughout the entire term.

12) NOTICE

Whenever the term “written notice” or “in writing” is used in this lease, mailing of the notice must be by certified mail sent to:

Kathleen Mangskau
4023 State Street, Suite 65 or _____
Bismarck, ND 58503 _____

Notice provided under this provision does not meet the notice requirements at N.D.C.C. § 32-12.2-04(1)

13) APPLICABLE LAW

This lease is governed by and construed in accordance with the laws of the State of North Dakota. Any action commenced to enforce this lease must be brought and solely litigated in the District Court of Burleigh County, North Dakota

14) SPOILIATION – NOTICE OF POTENTIAL CLAIMS

LANDLORD agrees to promptly notify STATE of all potential claims that arise from or result from this lease. LANDLORD shall also take all reasonable steps to preserve all physical evidence and information that may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and grants to STATE the opportunity to review and inspect the evidence, including the scene of an accident.

15) INDEMNITY

Landlord agrees to defend, indemnify, and hold harmless the state of North Dakota, its agencies, officers and employees (State), from and against claims based on the vicarious liability of the State or its agents, but not against claims based on the State’s contributory negligence, comparative and/or contributory negligence or fault, sole negligence, or intentional misconduct. The legal defense provided by Landlord to the State under this provision must be free of any conflicts of interest, even if retention of separate legal counsel for the State is necessary. Landlord also agrees to defend, indemnify, and hold the State harmless for all costs, expenses and attorneys’ fees incurred if the State prevails in an action against Landlord in establishing and litigating the indemnification coverage provided herein. This obligation shall continue after the termination of this agreement.

16) INSURANCE

LANDLORD shall secure and keep in force during the term of this agreement, from insurance companies, government self-insurance pools or government self-retention funds, authorized to do business in North Dakota, the following insurance coverages:

- 1) Commercial general liability, including premises or operations, contractual, and products or completed operations coverages, (if applicable) with minimum liability limits of \$250,000 per person and \$1,000,000 per occurrence.
- 2) Automobile liability, including Owned (if any), Hired, and Non-Owned automobiles, with minimum liability limits of \$250,000 per person and \$1,000,000 per occurrence.
- 3) Workers compensation coverage meeting all statutory requirements. The policy shall provide coverage for all states of operation that apply to the performance of this contract.
- 4) Property insurance insuring the full and true value of all Landlord's (or tenant's) real and personal property located on or in the building in which the leased premises are located for all losses.

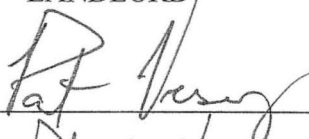
The insurance coverages listed above must meet the following additional requirements:

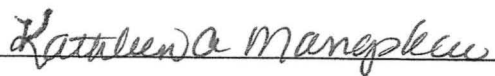
- 1) Any deductible or self insured retention amount or other similar obligation under the policies is the sole responsibility of LANDLORD.
- 2) This insurance may be in policy or policies of insurance, primary and excess, including the so-called umbrella or catastrophe form and must be placed with insurers rated "A-" or better by A.M. Best Company, Inc., provided any excess policy follows form for coverage. Less than an "A-" rating must be approved by State. The policies shall be in form and terms approved by State.
- 3) The duty to indemnify State under this agreement must not be limited by the insurance required in this agreement.
- 4) The State of North Dakota and its agencies, officers, and employees (State) shall be endorsed on the commercial general liability policy, including any excess policies (to the extent applicable), as additional insured. State shall have all the benefits, rights and coverages as an additional insured under these policies.
- 5) The insurance required in this agreement, through a policy or endorsement, shall include:
 - (a) a "Waiver of Subrogation" waiving any right to recovery the insurance company may have against State;
 - (b) a provision that the policy and endorsements may not be canceled or modified without 30-days prior written notice to the undersigned State representative;
 - (c) a provision that any attorney who represents State under this policy must first qualify as, and be appointed by, the North Dakota Attorney General as a Special Assistant Attorney General as required under N.D.C.C. § 54-12-08;

- (d) a provision that LANDLORD's insurance coverage will be primary (i.e., pay first) as respects any insurance, self-insurance or self-retention maintained by State and that any insurance, self-insurance or self-retention maintained by State must be in excess of LANDLORD's insurance and shall not contribute with it;
- (e) cross liability/severability of interest for all policies and endorsements;
- (f) The legal defense provided to State under the policy and any endorsements must be free of any conflicts of interest, even if retention of separate legal counsel for State is necessary.
- (g) The insolvency or bankruptcy of the insured Landlord shall not release the insurer from payment under the policy, even when such insolvency or bankruptcy prevents the insured Landlord from meeting the retention limit under the policy.
- 6) LANDLORD shall furnish a certificate of insurance to the undersigned State representative prior to commencement of this agreement. All endorsements must be provided as soon as practicable.
- 7) Failure to provide insurance as required in this agreement is a material breach of contract entitling State to terminate this agreement immediately

17) EFFECTIVENESS OF LEASE

This lease is not binding on STATE until it is reviewed by the Office of Attorney General and approved by the Facility Management Division, Office of Management and Budget, as required in N.D.C.C. § 54-21-24.1.

LANDLORD/

 BY: Patrick Vesey
 ITS: general partner

STATE OF NORTH DAKOTA

 BY: KATHLEEN A. MANGSKAU
 ITS: Chair, Tobacco Prevention & Control Executive Committee

FORM APPROVED BY ATTORNEY GENERAL:

BY: [Signature] DATE: 7/9/9

APPROVED BY FACILITY MANAGEMENT:

BY: John A. Boyle DATE: 7/13/09

According to the 2010 Surgeon General's Report, *How Tobacco Smoke Causes Disease – The Biology and Behavioral Basis for Smoking-Attributable Disease*, cigarettes are designed for addiction. The report cites changes over the past 50 years that have made cigarettes more addicting, such as chemical additives, tobacco blends, control of pH and control of nicotine dose. According to the Surgeon General's factsheet summarizing the report's findings:

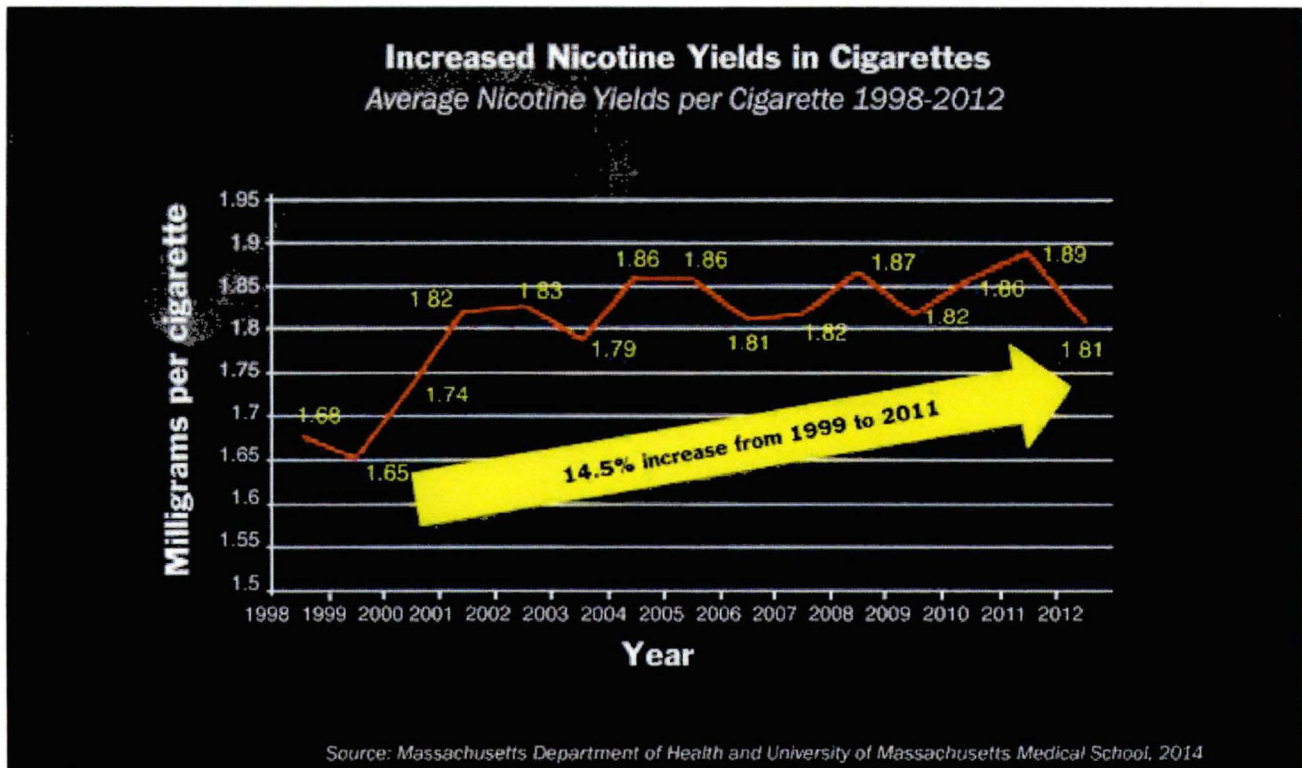
"The design and contents of tobacco products make them more attractive and addictive than ever before. Cigarettes today deliver nicotine more quickly from the lungs to the heart and brain. While nicotine is the key chemical compound that causes and sustains the powerful addicting effects of cigarettes, other ingredients and design features make them even more attractive and more addictive."⁸

An expert study group of the World Health Organization concluded in a 2012 report that "the industry actively investigated the effects of nicotine and other substances on the nervous system in an effort to increase the addictiveness... of their products."⁹ The Committee specifically found:

"The approaches used by the tobacco industry included manipulation of the nicotine dosing capacity of its products, products designed to increase the speed of nicotine delivery and hence its addictive 'impact' or 'kick', control of tobacco and smoke pH to increase the unprotonated ('free base') fraction of nicotine in the smoke, control of smoke particle size to increase lung penetration efficiency, product engineering to increase stimulation of the trigeminal nerves of the oral cavity and upper airways, and the use of a broad range of chemical additives to make smoke feel smoother, cooler and more pleasant, in order to facilitate deep inhalation and the transition to addiction."¹⁰

A study published in 2014 by the Massachusetts Department of Public Health and the University of Massachusetts Medical School found that while the nicotine content of cigarettes remained fairly stable between 1998 and 2012, the nicotine yields – the amount of nicotine delivered via smoke – increased significantly. These findings were based on an analysis of data from four major cigarette manufacturers.¹⁷

Specifically, the study found that average nicotine yield increased by 14.5 percent between 1999 and 2011, from 1.65 mg per cigarette to 1.89 mg per cigarette. Researchers conclude that the increase in nicotine yield cannot be explained by natural agricultural variations and that nicotine yield and yield-to-content ratio are factors controlled by the manufacturers. Further, the authors conclude that these results are likely due to tobacco manufacturers' attempts to increase the efficiency with which nicotine is delivered to a smoker's lungs.



Preface

*from the Acting Surgeon General,
U.S. Department of Health and Human Services*

On January 11, 1964, Luther L. Terry, M.D., the 9th Surgeon General of the United States, released the first report on the health consequences of smoking: *Smoking and Health: Report of the Advisory Committee of the Surgeon General of the Public Health Service*. That report marked a major step to reduce the adverse impact of tobacco use on health worldwide.

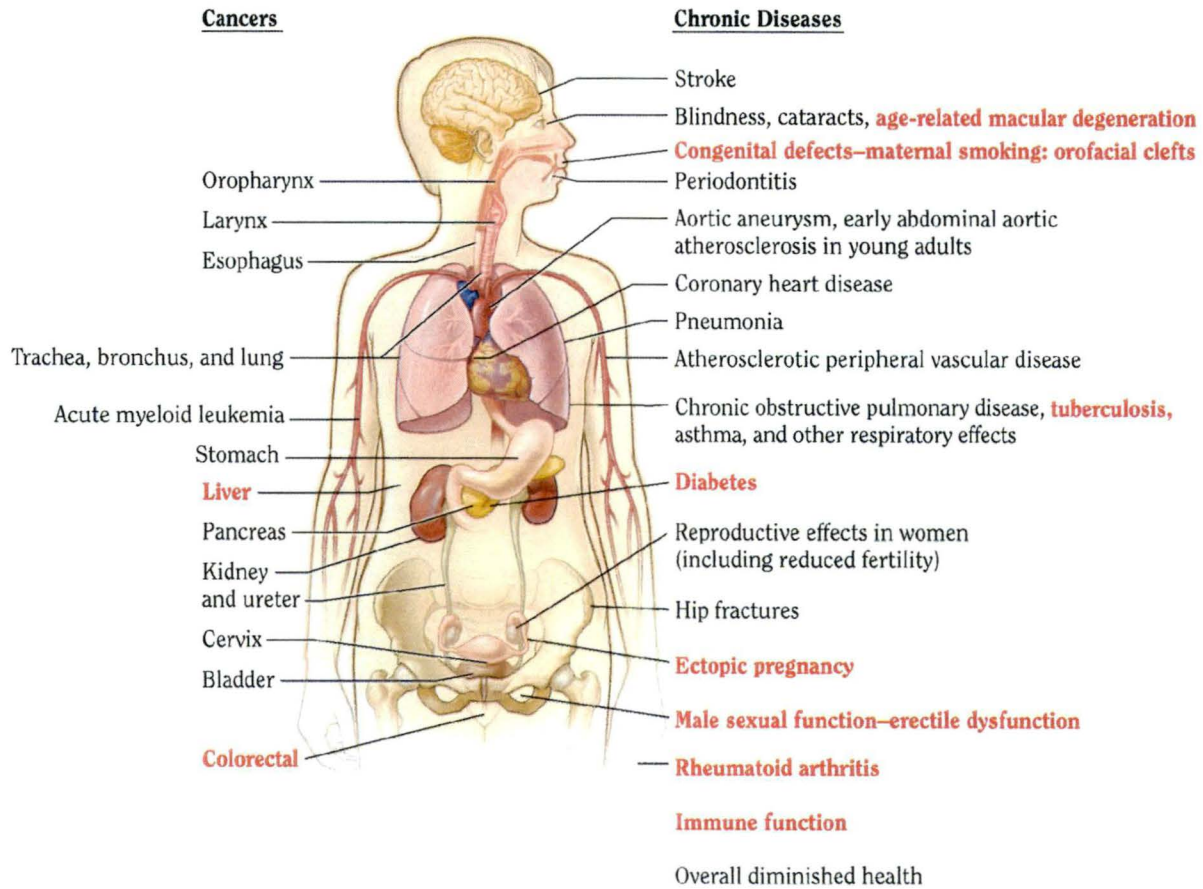
Over the past 50 years, 31 Surgeon General's reports have utilized the best available evidence to expand our understanding of the health consequences of smoking and involuntary exposure to tobacco smoke. The conclusions from these reports have evolved from a few causal associations in 1964 to a robust body of evidence documenting the health consequences from both active smoking and exposure to secondhand smoke across a range of diseases and organ systems.

The 2004 report concluded that smoking affects nearly every organ of the body, and the evidence in this report provides even more support for that finding. A half century after the release of the first report, we continue to add to the long list of diseases caused by tobacco use and exposure to tobacco smoke. This report finds that active smoking is now causally associated with age-related macular degeneration, diabetes, colorectal cancer, liver cancer, adverse health outcomes in cancer patients and survivors, tuberculosis, erectile dysfunction, orofacial clefts in infants, ectopic pregnancy, rheumatoid arthritis, inflammation, and impaired immune function. In addition, exposure to secondhand smoke has now been causally associated with an increased risk for stroke.

Smoking remains the leading preventable cause of premature disease and death in the United States. The science contained in this and prior Surgeon General's reports provide all the information we need to save future generations from the burden of premature disease caused by tobacco use. However, evidence-based interventions that encourage quitting and prevent youth smoking continue to be underutilized. This report strengthens our resolve to work together to accelerate and sustain what works—such as hard-hitting media campaigns, smokefree air policies, optimal tobacco excise taxes, barrier-free cessation treatment, and comprehensive statewide tobacco control programs funded at CDC-recommended levels. At the same time, we will explore “end game” strategies that support the goal of eliminating tobacco smoking, including greater restrictions on sales. It is my sincere hope that 50 years from now we won't need another Surgeon General's report on smoking and health, because tobacco-related disease and death will be a thing of the past. Working together, we can make that vision a reality.

Boris D. Lushniak, M.D., M.P.H.
Rear Admiral, U.S. Public Health Service
Acting Surgeon General
U.S. Department of Health and Human Services

Figure 1A The health consequences causally linked to smoking



Source: USDHHS 2004, 2006, 2012.

Note: The condition in red is a new disease that has been causally linked to smoking in this report.

- Exposure to secondhand smoke is a cause of stroke;
- Smoking increases the risk of dying from cancer and other diseases in cancer patients and survivors;
- Smoking is a cause of diabetes mellitus; and
- Smoking causes general adverse effects on the body including inflammation and it impairs immune function. Smoking is a cause of rheumatoid arthritis.

Progress has been made in tobacco control. During the 50 years since the 1964 report, approaches have moved from single measures, such as small text-only pack warnings, to implementing comprehensive control programs,

including indoor smoking bans, support for cessation, restrictions on advertising and promotion, media campaigns, and tax hikes to raise prices (Chapters 2 and 14). Smoking rates have declined, as have mortality rates for some diseases caused by smoking, such as heart disease and lung cancer for which smoking is the major cause.

Nonetheless, between 2005–2009, smoking was responsible for more than 480,000 premature deaths annually among Americans 35 years of age and older (Chapter 12). More than 87% of lung cancer deaths, 61% of all pulmonary disease deaths, and 32% of all deaths from coronary heart disease were attributable to smoking and exposure to secondhand smoke. Additionally, if current trends continue 5.6 million U.S. youth who are currently younger than 18 years of age will die prematurely during adulthood from their smoking (Chapter 12).

Tobacco Prevention and Control Executive Committee - Budget No. 305
House Bill No. 1024
Base Level Funding Changes

	Executive Budget Recommendation				House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2015-17 Biennium Base Level	8.00	\$0	\$15,815,828	\$15,815,828	8.00	\$0	\$15,815,828	\$15,815,828
2015-17 Ongoing Funding Changes								
Base payroll changes			\$52,924	\$52,924				\$0
Salary increase - Performance			82,768	82,768				0
Salary increase - Market equity			7,815	7,815				0
Retirement contribution increase			8,514	8,514				0
Health insurance increase			38,861	38,861				0
Cost to continue operating expenses			52,715	52,715				0
Removes equipment over \$5,000			(6,500)	(6,500)				0
Adds funding for Information Technology			21,460	21,460				0
Department desktop support								
Total ongoing funding changes	0.00	\$0	\$258,557	\$258,557	0.00	\$0	\$0	\$0
One-time funding items								
Adds desktop support fee			\$35,371	\$35,371				\$0
Total one-time funding changes	0.00	\$0	\$35,371	\$35,371	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	0.00	\$0	\$293,928	\$293,928	0.00	\$0	\$0	\$0
2015-17 Total Funding	8.00	\$0	\$16,109,756	\$16,109,756	8.00	\$0	\$15,815,828	\$15,815,828
Other Sections in House Bill No. 1024								
	Executive Budget Recommendation				House Version			

#2
 HB 1024
 2/12/15

#1 HB 1024
2/16/15

15.8132.01001
Title.

Prepared by the Legislative Council staff for
House Appropriations - Human Resources
Division Committee

Fiscal No. 1

February 13, 2015

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1024

Page 1, replace lines 11 through 14 with:

"Comprehensive tobacco control	\$15,807,437	\$239,918	\$16,047,355
Accrued leave	<u>8,391</u>	<u>(8,391)</u>	<u>0</u>
Total special funds	\$15,815,828	\$231,527	\$16,047,355
Full-time equivalent positions	8.00	0.00	8.00"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1024 - Tobacco Prevention & Control Exec Comm - House Action

	Base Budget	House Changes	House Version
Comprehensive tobacco control	\$15,807,437	\$239,918	\$16,047,355
Accrued leave payments	<u>8,391</u>	<u>(8,391)</u>	
Total all funds	\$15,815,828	\$231,527	\$16,047,355
Less estimated income	<u>15,815,828</u>	<u>231,527</u>	<u>16,047,355</u>
General fund	\$0	\$0	\$0
FTE	8.00	0.00	8.00

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

	Adds Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Adjusts Funding for Cost to Continue ³	Removes Funding for Equipment ⁴	Adds Funding for IT Desktop Support ⁵	Adds One-Time Funding for Desktop Support Installation ⁶
Comprehensive tobacco control	\$61,315	\$100,732	\$35,000	(\$6,500)	\$14,000	\$35,371
Accrued leave payments	<u>(8,391)</u>					
Total all funds	\$52,924	\$100,732	\$35,000	(\$6,500)	\$14,000	\$35,371
Less estimated income	<u>52,924</u>	<u>100,732</u>	<u>35,000</u>	<u>(6,500)</u>	<u>14,000</u>	<u>35,371</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Total House Changes
Comprehensive tobacco control	\$239,918
Accrued leave payments	<u>(8,391)</u>
Total all funds	\$231,527
Less estimated income	<u>231,527</u>
General fund	\$0
FTE	0.00

¹ Funding is added for cost-to-continue 2013-15 biennium salaries and benefit increases and for other base payroll changes.

² Funding is added for 2015-17 biennium performance salary adjustments of 2 to 4 percent per year (\$61,871) and increases in monthly health insurance premiums (\$38,861).

³ Funding is adjusted for cost to continue current program operating expenses primarily relating to anticipated increases in professional fees and rent.

⁴ Funding for equipment over \$5,000 is removed.

⁵ Funding is added for Information Technology Department desktop support services.

⁶ One-time funding is added for computer installation fees related to Information Technology Department desktop support.

Tobacco Prevention and Control Executive Committee - Budget No. 305
House Bill No. 1024
Base Level Funding Changes

	Executive Budget Recommendation				House Version				House Changes to Executive Budget			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2015-17 Biennium Base Level	8.00	\$0	\$15,815,828	\$15,815,828	8.00	\$0	\$15,815,828	\$15,815,828	0.00	\$0	\$0	\$0
2015-17 Ongoing Funding Changes												
Base payroll changes			\$52,924	\$52,924			\$52,924	\$52,924				\$0
Salary increase - Performance			82,768	82,768			61,871	61,871			(20,897)	(20,897)
Salary increase - Market equity			7,815	7,815				0			(7,815)	(7,815)
Retirement contribution increase			8,514	8,514				0			(8,514)	(8,514)
Health insurance increase			38,861	38,861			38,861	38,861				0
Cost to continue operating expenses			52,715	52,715			35,000	35,000			(17,715)	(17,715)
Removes equipment over \$5,000			(6,500)	(6,500)			(6,500)	(6,500)				0
Adds funding for Information Technology			21,460	21,460			14,000	14,000			(7,460)	(7,460)
Department desktop support												
Total ongoing funding changes	0.00	\$0	\$258,557	\$258,557	0.00	\$0	\$196,156	\$196,156	0.00	\$0	(\$62,401)	(\$62,401)
One-time funding items												
Adds desktop support fee			\$35,371	\$35,371			\$35,371	\$35,371			\$0	\$0
Total one-time funding changes	0.00	\$0	\$35,371	\$35,371	0.00	\$0	\$35,371	\$35,371	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	0.00	\$0	\$293,928	\$293,928	0.00	\$0	\$231,527	\$231,527	0.00	\$0	(\$62,401)	(\$62,401)
2015-17 Total Funding	8.00	\$0	\$16,109,756	\$16,109,756	8.00	\$0	\$16,047,355	\$16,047,355	0.00	\$0	(\$62,401)	(\$62,401)
Other Sections in House Bill No. 1024												
	Executive Budget Recommendation				House Version							

#2 HB 1024
2/16/15

15.8132.01001

Title.

Fiscal No. 1

Prepared by the Legislative Council staff for
House Appropriations - Human Resources
Division Committee

February 13, 2015

HB 1024
2-18-15
1 p. 1

DO PAs S
"as amended"
yes

5-1-10
Carrier
Poller

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1024

Page 1, replace lines 11 through 14 with:

"Comprehensive tobacco control	\$15,807,437	\$239,918	\$16,047,355
Accrued leave	8,391	(8,391)	0
Total special funds	\$15,815,828	\$231,527	\$16,047,355
Full-time equivalent positions	8.00	0.00	8.00"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1024 - Tobacco Prevention & Control Exec Comm - House Action

	Base Budget	House Changes	House Version
Comprehensive tobacco control	\$15,807,437	\$239,918	\$16,047,355
Accrued leave payments	8,391	(8,391)	
Total all funds	\$15,815,828	\$231,527	\$16,047,355
Less estimated income	15,815,828	231,527	16,047,355
General fund	\$0	\$0	\$0
FTE	8.00	0.00	8.00

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

	Adds Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Adjusts Funding for Cost to Continue ³	Removes Funding for Equipment ⁴	Adds Funding for IT Desktop Support ⁵	Adds One-Time Funding for Desktop Support Installation ⁶
Comprehensive tobacco control	\$61,315	\$100,732	\$35,000	(\$6,500)	\$14,000	\$35,371
Accrued leave payments	(8,391)					
Total all funds	\$52,924	\$100,732	\$35,000	(\$6,500)	\$14,000	\$35,371
Less estimated income	52,924	100,732	35,000	(6,500)	14,000	35,371
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Total House Changes
Comprehensive tobacco control	\$239,918
Accrued leave payments	(8,391)
Total all funds	\$231,527
Less estimated income	231,527
General fund	\$0
FTE	0.00

¹ Funding is added for cost-to-continue 2013-15 biennium salaries and benefit increases and for other base payroll changes.

² Funding is added for 2015-17 biennium performance salary adjustments of 2 to 4 percent per year (\$61,871) and increases in monthly health insurance premiums (\$38,861).

³ Funding is adjusted for cost to continue current program operating expenses primarily relating to anticipated increases in professional fees and rent.

⁴ Funding for equipment over \$5,000 is removed.

⁵ Funding is added for Information Technology Department desktop support services.

⁶ One-time funding is added for computer installation fees related to Information Technology Department desktop support.



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

/

Testimony
House Bill 1024
8:30 a.m., March 6, 2015
Senate Appropriations Committee
Senator Ray Holmberg, Chair

Good morning, 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 is the state agency office operated by the N.D. Tobacco Prevention and Control Executive Committee. I am testifying in support of House Bill 1024, which provides the appropriation for the N.D. Tobacco Prevention and Control Executive Committee.

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 portion of the money North Dakota receives from the Master Settlement Agreement with tobacco companies 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*, and
- is described in a State Plan developed by the Advisory Committee to significantly reduce tobacco use.

CDC updated its Best Practices recommendations in 2014, incorporating the latest science and using 2013 dollars and 2012 population rates. These amounts should be updated annually according to the U.S. Department of Labor Consumer Price Index and U.S. Census Bureau, to account for inflation and population increases.

NDCC §23.42.01 through §23.42.08, and §54.27.25 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 a comprehensive statewide plan to prevent and reduce tobacco use. The Executive Committee is charged with implementing and administering 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 as the agency.

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All agency funding is from special funds.

This agency receives no state general funds and no federal funds.

The agency is funded entirely by a legislative appropriation from special funds in the Tobacco Prevention and Control Trust Fund. The agency receives no state general funds or federal funds.

The agency is small in FTE size, with 83.5 percent of funding issued in grants and contracts (64.5 percent in grants and 19 percent in contracts).

Requested information

As requested, my comments will focus on an overview of the:

- 2013-15 appropriation – column 1 on next page
- 2013-15 estimated spending – column 2 on next page
- 2015-17 budget needs and major variances – columns 3 and 4 on next page

The 2015-17 Executive Budget provided an additional \$293,928 in special fund authority of the current biennial budget: \$137,958 for the executive compensation package adjustment and \$155,970 in categories shown below.

The House version of HB 1024 reduced this amount by \$62,401 to \$231,527: \$20,897 less for performance increases; \$7,815 for market equity increases removed; \$8,514 for retirement increases removed; \$17,715 less for costs to continue operating expenses; and \$7,460 less for desktop support services.

The Executive Committee requests special funds spending authority of an additional amount to meet the CDC Best Practices level of spending, due to federal cuts anticipated by the Department of Health. After budget submission, the Department of Health learned that federal funding for that agency’s tobacco prevention program would be reduced by about \$250,000/year.

The following requested information does not apply to this agency’s 2013-15 appropriation or 2015-17 appropriation request:

- 2013-15 status of one-time funding items -- no one-time items in budget
- 2015-17 one-time funding needs -- no one-time funding needs
- 2015-17 changes in federal funds – no federal funds received
- 2015-17 comparison of optional to executive recommendation – no optional budget request submitted

The comprehensive statewide tobacco prevention and control program is appropriated at the CDC Best Practices recommended level of funding.

	Executive Committee 1024	Department of Health 1004	Total	CDC Level	over/(under) Appropriated
FY 2016	8,023,678	3,206,858	11,230,536	10,818,622	411,914
FY 2017	8,023,677	3,206,715	11,230,392	11,257,845	-27,453
	16,047,355	6,413,573	22,460,928	22,076,467	384,461

**ND Tobacco Prevention and Control Executive Committee
2015-2017 Executive and House Comparison**

	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]
	2013-2015	Expended	2015-2017	Executive	2015-2017	House	Percent%	Percent of
	Current	to Date	Executive	+ (-)	House	Changes	(Inc. +)-(Dec.-)	Total
	Budget	Feb. 28 2015	Budget	Difference	Version		[1] to [5]	Budget [5]
SALARIES AND WAGES								
FTE EMPLOYEES (Number)								
	8		8		8			
(511) Salaries Permanent	1,070,894	627,459	1,259,236	188,342	1,230,524	-28,712	15%	7.7%
(513) Salaries Temporary	200,000	163,712	199,971	-29	199,971	0	0%	1.2%
(516) Benefits	524,840	255,777	527,409	2,569	518,895	-8,514	-1%	3.2%
TOTAL	1,795,734	1,046,948	1,986,616	190,882	1,949,390	-37,226	9%	12.1%
OPERATING EXPENSES								
(521) Travel	53,000	34,882	53,000	0	53,000			0.3%
(531) IT Software /Supp.	4,500	3,252	4,500	0	4,500			0.0%
(532) Professional Supplies & Materials	5,354	2,661	5,354	0	5,354			0.0%
(534) Bldg./Vehicle Maint. Supplies	200	90	200	0	200			0.0%
(535) Miscellaneous Supplies	0	145	0	0	0			0.0%
(536) Office Supplies	19,000	10,462	19,000	0	19,000			0.1%
(541) Postage	4,320	4,696	7,200	2,880	7,200			0.0%
(542) Printing	13,519	11,770	20,000	6,481	20,000		48%	0.1%
(551) IT Equip. Under \$5,000	10,220	417	0	-10,220	0		-100%	0.0%
(553) Office Equip Under \$5,000	5,000	3,765	5,000	0	5,000			0.0%
(571) Insurance	1,500	1,340	1,500	0	1,500			0.0%
(581) Rentals /Leases-Equip. & Other	1,000		1,000	0	1,000			0.0%
(582) Rentals/Leases - Bldg./Land	80,000	65,284	96,544	16,544	80,000	-16,544	0%	0.5%
(591) Repairs	5,000	242	5,000	0	5,000			0.0%
(601) IT - Data Processing	18,000	13,106	99,051	81,051	91,591	-7,460	409%	0.6%
(602) IT - Communications	25,000	16,358	25,000	0	25,000			0.2%
(603) IT Contractual Services/Repairs	212,000	98,442	200,000	-12,000	200,000		-6%	1.2%
(611) Professional Development	12,000	6,945	12,000	0	12,000			0.1%
(621) Operating Fees and Services	17,345	27,652	22,927	5,582	21,756	-1,171	25%	0.1%
(623) Fees- Professional Services	3,128,535	1,837,827	3,147,763	19,228	3,147,763		1%	19.6%
TOTAL OPERATING	3,615,493	2,139,336	3,725,039	109,546	3,699,864	-25,175		
CAPITAL ASSETS								
(693) IT Equip/Software over \$5,000	6,500		0	-6,500	0		-100%	
GRANTS								
(712) Grants, Benefits & Claims	10,398,101	6,151,606	10,398,101	0	10,398,101			64.8%
								87.9%
TOTAL EXPENDITURES	15,815,828	9,337,890	16,109,756	293,928	16,047,355	-62,401	1%	100.0%
MEANS OF FUNDING								
Tobacco Prevention and Control Fund 369	15,815,828		16,109,756	293,928	16,047,355	-62,401		

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	\$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.

Senate Appropriations Committee

Senator Ray Holmberg, chair

March 6, 2015

ND Center for Tobacco Prevention and Control Policy: Public Testimony (listed by attachment)

- A) United Tribes Technical College – Tobacco free campus policy; Jan Kelly
 - a. First tribal college in ND; 3rd in nation
- B) Dr Eric Johnson – Advisory Committee member
 - a. Support for comprehensive tobacco prevention funding
- C) Hannah Rexine – Advisory Committee member and member of SADD
 - a. Dangers of increased use of e-cigs among youth
- D) Bismarck Burleigh Public Health – Renae Moch, Director
 - a. UTTC tobacco-free campus success
- E) Fargo Cass Public Health – Ruth Bachmeier, Administrator
 - a. E-cigarette ordinances successfully passed in six cities: Fargo, West Fargo, Harwood, Kindred, Mapleton, Casselton
- F) Central Valley - Robin Iszler, Director
 - a. Smoke free multi-unit housing success; in Jamestown MUH buildings increased from one in 2006 to over 26 properties in 2014
- G) Grand Fork Public Health Department – Debbie Swanson, Interim Director
 - a. Tobacco free school policies
 - b. E-cig youth access ordinance (Grand Forks)
- H) UMDHU – Javayne Oylo, Director
 - a. Bakken counties impact on increased tobacco use
- I) Rolette County Public Health District – Barb Frydenlund, Director
 - a. Turtle Mountain Tobacco Prevention Program collaboration
- J) Custer Health – Mary Hillerud
 - a. Hazen City e-cig ordinance
 - b. Hazen Tobacco-free Park Policy
- K) Lake Region District Health Unit – Liz Bonney
 - a. Personal story
 - b. Importance of passing school policy
- L) FDHU Success Story – Job Corp Goes Tobacco-Free
 - a. Importance of passing tobacco free policy in low socioeconomic status of young adults

TESTIMONY SUPPORT OF HB 1024

A

3-6-15

Jan Keller
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 Jan Keller; I am speaking on the behalf the Wellness Circle from the United Tribes Technical College. I am here to provide testimony and support for HB 1024.

Wellness Circle a group comprised of representatives of 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 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 50% smoking rate for American Indian in North Dakota. The tobacco industry is counting on this disparity and the college age group becoming addicted 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 their smoke-free policy to 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 maintain 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 the 3rd the United States. They joined 811 other colleges. 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 learn. United Tribes Technical College now protects approximately 1,160 students, faculty, staff and families from exposure to tobacco.

Please support HB 1024 because it provides a comprehensive tobacco prevention and control program. We would not have been able to accomplish the work we have done at the United Tribes Technical College without it.

**Testimony in support of HB 1024
from Dr. Eric Johnson
North Dakota Tobacco Prevention and Control Advisory and Executive Committees
To Senate Appropriations Committee
Senator Ray Holmberg, Chair
March 6, 2015**

Good morning, Chairman Holmberg and members of the Senate Appropriations Committee.

My name is Dr. Eric Johnson and I am a Governor-appointed member of the ND Center for Tobacco Prevention and Control Policy Advisory Committee and Executive Committee. I serve in medicine and education leadership roles at the UND School of Medicine and Health Sciences in Grand Forks. I am dedicated to preventive health, which is why I am so involved in preventing tobacco use, the leading cause of preventable disease and death in our state and nation.

I am here to support continued full funding of the statewide comprehensive tobacco prevention and control program through this appropriation for the Executive Committee. In my profession, I have witnessed firsthand the harms tobacco has caused to both our youth and adults in North Dakota. As part of my work with cessation, I know how tobacco use can addict users to nicotine for a lifetime and cause needless pain, suffering and costs to both the nicotine-addicted user and their families.

Fifty-one years after the first Surgeon General's report on smoking and health, we still battle tobacco's harms, even though we've made great progress in identifying these harms and how to prevent them. Today, we know that tobacco causes even more diseases than previously thought and we know the tobacco industry has calibrated the nicotine and other ingredients in tobacco to be even more addictive and harmful than before. We also know what works to stop this deadly epidemic, both in my field of medicine and in our role as citizens in public policy.

The Surgeon General reports that fully funding comprehensive statewide tobacco control programs at Centers for Disease Control recommended levels is paramount to control present and future harms and unnecessary costs of tobacco. This is just one of the legs on the three-legged stool metaphor used by CDC to describe what is needed before we see significantly reduced tobacco use. The other two legs are: a strong statewide smoke-free law, which we have; and a high tobacco tax. North Dakota has one of the lowest tobacco taxes in the nation, lower even than the average tax in tobacco-growing states. We are supporting two bills in the 2015 Legislative session that increase the tax significantly.

Tobacco companies spend an estimated \$27 million/year in North Dakota to promote their products, primarily through price discounts that keep prices low and sales high, according to

their latest marketing reports submitted to the Federal Trade Commission: “The amount spent on cigarette advertising and promotion by the largest cigarette companies in the United States rose from \$8.05 billion in 2010 to \$8.37 billion in 2011, due mainly to an increase in spending on price discounts, or discounts paid to cigarette retailers or wholesalers in order to reduce the price of cigarettes to consumers. Spending on price discounts increased from \$6.49 billion in 2010 to \$7.00 billion in in 2011. The price discounts category was the largest one in 2011, as it has been each year since 2002.” (FTC, 2015)

The tobacco industry also increases sales and profits by expanding existing market share and promoting new products, such as e-cigarettes and flavored cigars. The tobacco industry’s goal is to sell more tobacco to current users and to replace those who quit with the next generation of users – our kids. As long as tobacco is promoted, we must fully fund comprehensive tobacco use prevention efforts in North Dakota to keep kids from starting and help users – who were the previous generations of kids who started -- quit for good.


Dr. Eric Johnson
504 South 6th Street
Grand Forks, ND 58201

B.S. Psychology University of Nebraska at Kearney
M.D. University of Nebraska Medical Center Omaha
Family Medicine Residency Fargo, ND

Associate Professor, University of North Dakota School of Medicine and Health Sciences
Assistant Medical Director Altru Diabetes Center
Assistant Medical Director Valley Memorial Homes
Medical Director Physician Assistant Program, University of North Dakota School of Medicine and Health Sciences
Director of Interprofessional Education University of North Dakota School of Medicine and Health Sciences

Memberships:

North Dakota Tobacco Prevention and Control Advisory and Executive Committees (Governor appointment)
American Diabetes Association Primary Care Committee
American Medical Association
North Dakota Medical Association
American Academy of Family Physicians
North Dakota Academy of Family Physicians
Society for Research in Nicotine and Tobacco



Tobacco Free North Dakota Board President
American Diabetes Association North Dakota Affiliate Board President
North Dakota Rural Voters Board
Physician Consultant NDQuits



Testimony in support of HB 1024
Senate Appropriations Committee
Senator Ray Holmberg, Chair
March 6, 2015

#1

Chairman Holmberg and members of the Senate Appropriations Committee: I am Hannah Rexine, a junior at Century High School, a board member for the Century SADD group (Students Against Destructive Decisions) and a board member of the North Dakota Tobacco Prevention and Control Advisory Committee, appointed by Governor Dalrymple.

I come before you today in support of HB1024. If we are to continue making progress towards reducing youth tobacco use rates, the comprehensive tobacco prevention program must remain fully funded so that we can continue to defeat the work of tobacco companies that continue to target youth.

Tobacco companies actively market to youth and it has never been more obvious now with the marketing of e-cigarettes. E-cigarettes are highly addictive tobacco products that are designed to hook us – North Dakota's youth – to a lifetime addiction of a destructive habit – NICOTINE.

E-cigarettes have truly caused an epidemic. I have seen many of my peers who don't use traditional cigarettes use e-cigarettes. I have seen them use the stealth vaping devices which don't even look like a traditional cigarette. The 2014 edition of the national study called Monitoring the Future, shows that 8th and 10th graders are using e-cigarettes at twice the rate of regular cigarettes. That is an alarming statistic.

- 8.7 percent of 8th graders reported using an e-cigarette in the past 30 days, compared to 4 percent reporting use of a traditional cigarette.
- 16.2 percent of 10th graders reported using an e-cigarette, compared to 7.2 percent reporting use of a traditional cigarette.
- 17.1 percent of 12th graders reported e-cigarette use, compared to 13.6 percent reporting use of a traditional cigarette.

The leading authority on health, the Surgeon General, says tobacco companies recruit youth as replacement smokers to keep their companies profitable. I see this every day. As long as tobacco companies continue to market and develop new products, we will need to fight the battle against nicotine addiction and hooking new users – my generation and those younger than me -- to a lifetime of addiction. The tobacco strategy is obvious – target youth -- as nearly 90 percent of tobacco users begin by age 18 and hardly any one begins smoking after age 26. Thank you for your support of HB 1024.

Hannah Rexine
4660 Kost Drive
Bismarck, ND 58503

Testimony in support of HB 1024
Senate Appropriations Committee
Senator, Ray Holmberg
March 6, 2015

Good morning, Chairman Holmberg and members of the Senate Appropriations Committee.

My name is Renae Moch and I am the Director for Bismarck Burleigh Public Health. Bismarck Burleigh Public Health receives funding from the ND Center for Tobacco Prevention and Control Policy to reduce harms caused by tobacco use and to de-normalize tobacco use. It is important to continue this funding for tobacco prevention as Bismarck Burleigh Public Health does not receive tobacco prevention funds from any other source.

Bismarck Burleigh Public Health

Total Funds Received for biennium: \$744,246

- Local Policy: \$629,826
- Tobacco State Aid: \$114,420

The funds employ:

- 3 FTEs (full-time)
- \$207,998 on salary and fringe for the FY2015 local policy grant year (one year)

Bismarck Burleigh Public Health implements the Centers for Disease Control Best Practices in all tobacco prevention areas:

- Educating on harms of secondhand smoke
 - Assisting landlords and tenants with smoke free multiunit housing
 - ***Successfully implemented Bismarck Burleigh Smoke-free Public Housing***
 - Educating on North Dakota's smoke free law; providing signage and helping businesses understand what areas are smoke free.
- Helping tobacco users quit
- Building polices that de-normalize tobacco use within the community:
 - Tobacco-free Schools and colleges
 - ***Successfully implemented the first Tribal College in North Dakota and – 3rd in the nation – to become a tobacco free campus: United Tribes Technical College***

See more about UTTC success on reverse side.

Thank you,

Renae Moch
Bismarck-Burleigh Public Health
Director
500 E. Front Avenue
Bismarck, ND 58506
701-355-1541

The United Tribes Technical College's tobacco-free policy provides a healthy environment for students and families

Tobacco use is a college problem:

- 50% of American Indian/Alaskan Native in ND smoke ⁽¹⁾
- 38% of smokers started in college ⁽²⁾
- 57% of college smokers want to quit before graduation ⁽²⁾
- 20% of under grads used tobacco in the past 30 days ⁽³⁾

American Indians are disparately affected by tobacco. The tobacco industry is counting on this disparity and age group becoming addicted in order to secure sales for the future. Comprehensive tobacco policies reduce initiation and use.



How the tobacco-free policy came to be: In July of 2010, Bismarck Burleigh Public Health (BBPH) Tobacco Prevention Program partnered with United Tribes Technical College staff to provide education, resources and training about the importance of strengthening their smoke-free policy to comprehensive tobacco free policy to include the entire campus. UTTC Wellness Circle conducted a survey in fall of 2010 gain support for tobacco-free campus. The survey showed 52.2% of the students, staff, and faculty surveyed supported a tobacco-free policy. The Wellness Circle launched a tobacco-free campus initiative and began educating the campus. In June 2013, the Wellness Circle signed a resolution of support and sent a letter to Administrative Council encouraging them to adopt a comprehensive tobacco free policy. The Administrative Council met in August with concerns about their annual pow wow along with implementation. BBPH along with American Nonsmokers' Rights Foundation (ANRF) provided information strategies to address their concerns to Wellness Circle. Wellness Circle gathered signatures on petitions to show support and presented them to Administrative Council on November 8th. The Administrative Council voted in favor of the comprehensive tobacco free policy. President Gipp signed the comprehensive tobacco free campus policy on November 21st, 2013 and it was implemented on January 1st, 2014. "United Tribes is committed to the health and wellbeing of the children, students, faculty and staff of our campus, and to visitors who come here," said President Gipp. "Our goal is to help protect our campus community from the harmful effects of tobacco use while maintaining our respect for Native traditions."

Putting it into Action: The United Tribes Technical College developed 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.

Final Outcomes: The United Tribes Technical College has become the first tribal college in North Dakota to adopt a "Tobacco Free" campus policy and the 3rd the United States. They joined 811 other colleges. 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 learn. United Tribes Technical College now protects approximately 1,160 students, faculty, staff and families from exposure to tobacco.

Contact Information: For more information contact Sue Kahler, Community Outreach Prevention Coordinator at Bismarck Burleigh Public Health, Tobacco Prevention Program 701-355-1595.

(1) 2011 Behavior Risk Factor Surveillance System (BRFSS)
(2) National Health Interview Survey 2009
(3) BACCHUS TUAS, 2005

**Testimony in support of HB 1024
Senate Appropriations Committee
Senator, Ray Holmberg
March 6, 2015**

Good morning, Chairman Holmberg and members of the Senate Appropriations Committee.

My name is Ruth Bachmeier and I am the Administrator for Fargo Cass Public Health. Our agency receives tobacco prevention funding from the ND Center for Tobacco Prevention and Control Policy.

Fargo Cass Public Health receives the following funds from the ND Center for Tobacco Prevention

Total Funds Received for biennium: \$923,267

- Local Policy: \$699,966
 - Tobacco State Aid: \$223,301
- This investment allows us to hire 2.58 FTEs. Salary and fringe for the FY2015 policy grant year (one year) amount to \$198,407.

Fargo Cass Public Health uses Centers for Disease Control Best Practices in all tobacco prevention areas:

- 1) Providing education on the harmful effects of secondhand smoke, which includes assisting landlords and tenants with smoke free multiunit housing.
- 2) Educating on North Dakota's smoke free law and assuring the proper smoke-free signage is in place.
- 3) Helping tobacco users quit

Fargo Cass Public Health has made a concerted effort to prevent youth from having access to the latest highly-addictive tobacco product, electronic cigarettes. Since January 2014, several jurisdictions within Cass County have successfully implemented electronic cigarette ordinances to prevent youth from purchasing these new unregulated devices. These communities include:

- Fargo
- West Fargo
- Harwood
- Kindred
- Mapleton
- Casselton

Thank you,

Ruth Bachmeier
Fargo Cass Public Health
Administrator
401 3rd Ave N
Fargo, ND 58102
701-241-1360

Testimony in support of HB 1024
Senate Appropriations Committee
Senator, Ray Holmberg
March 6, 2015

Attachment F

Good morning, Chairman Holmberg and members of the Senate Appropriations Committee.

My name is Robin Iszler and I am the Administrator for Central Valley Health District. I am here to request the continuation of tobacco prevention funding at the levels recommended by the Center for Disease Control Best Practices.

Central Valley Health District receives tobacco prevention funds from the ND Center for Tobacco Prevention and Control Policy, which allows us to implement tobacco prevention efforts throughout our region. We operate as a collaborative, therefore the coverage area within this grant **includes Central Valley Health District, LaMoure County Public Health Unit and McIntosh District Health Unit**. Without these funds, good work in tobacco prevention could not continue as we do not receive tobacco prevention funds from any other agency.

Our collaborative **received \$495,916 in total funding for the 2013-2015 biennium from the Center's local policy grant**, which includes **\$50,900 for state aid**. Of these funds, a total of **2.12 FTEs are employed resulting in \$176,574 in salaries and fringe** for the FY2015 local policy grant year (one year).

The Central Valley Collaborative successfully works on the categories as outlined by the Centers for Disease Control Best Practices: **Cessation efforts (to help users quit), educating on the harms of secondhand smoke, and de-normalizing tobacco use by building successful tobacco-free and smoke free policies, such as tobacco free school policies and other tobacco free grounds and building policies.**

One particular project where Central Valley's collaborative made a difference was assisting landlords in making their apartment buildings smoke free. The education we continue to provide on the harms of secondhand smoke, along with demand created from North Dakota's statewide smoke free law, created numerous requests from the public for more smoke-free apartment living choices. Making multi-unit housing smoke free requires education. In October 2015, the Central Valley collaborative provided education to the participants in the Stutsman County housing tenant/landlord training held at the Gladstone.

In 2006, there was only one property offering 100 percent smoke-free buildings. Now, that number has risen to more than 25 properties. You can read more about it on this back page.

Thank you,

Robin Iszler
Central Valley Health District
Administrator
122 2nd Street NW
Jamestown, ND 58402
701-252-8130

Recently, the Center for Tobacco Prevention and Control Policy started a campaign to educate, advocate and promote smoke-free housing in North Dakota. A media campaign and website (www.smokefreehousingnd.com) launched in the spring of 2014.

Smoke-free housing efforts in Jamestown have been under way since 2005. The passage of the first statewide smoke-free worksite law increased awareness of the dangers of secondhand smoke. Awareness of the issue caused tenants of multi-unit housing to seek assistance in finding smoke-free living options, and in some cases, request assistance in developing smoke-free policies at their current residences. Many were under the impression that the smoke-free law not only covered workplaces, but apartments and condos as well.

Demand for smoke-free housing increased greatly after the passage of the second statewide smoke-free workplace law in 2012. In the years between the passage of the first and second laws, educational efforts on secondhand smoke and multi-unit housing increased locally, (and across the nation) creating even greater awareness of the impact of secondhand smoke. CVTPP staff members have worked with many area property owners and property managers to raise awareness regarding the demand for smoke-free housing. Staff members provide education on cost savings potential and offer assistance with policy development and promotion of smoke-free properties.

In 2006 there was only one property offering 100% smoke-free buildings in our area. That number has now risen to more than 25 properties. In response to the increased demand for smoke-free housing, the Central Valley Tobacco Prevention Partnership (CVTPP) has developed a smoke-free housing directory for the CVTPP service area. New properties are being added to the site on an ongoing basis. The directory is available on the Central Valley Health District website's tobacco section at www.centralvalleyhealth.com.

Directory:

SMOKE FREE
Housing Rentals In
Jamestown
North Dakota

Public Health
 Central Valley Health District

BreatheND
 Smoking hurts. Smoking kills. The value of the people.

The following units are
South of Highway 10

615 10th Street NE
 The Meadows - SMOKE FREE
 JRET Properties

901, 903, 905, 907, 909, 911, 913, 915,
 917, 919, 921, 923, 925, 927, 929, 929
 8th Avenue NE - Duplexes or Townhouses
 SMOKE FREE
 Better Homes Property Management, LLC

1115 12th Avenue NE 6 or 12 units
 SMOKE FREE
 Better Homes Property Management, LLC

411 15th Avenue NE - 2 Buildings - SMOKE FREE
 Better Homes Property Management, LLC

418 18th Avenue NE
 SMOKE FREE
 Better Homes Property Management, LLC

1015 and 1017 12th Street NE
 TOBACCO FREE

Listing:

Smoke Free Housing Rentals in Jamestown

Neighborhood	Address	Property Management	Image
Oaker Ridge	1800 and 1700 12th Avenue NE	Better Homes Property Management	
Under Court	1428 20th Avenue NE	Better Homes Property Management	
The Meadows	825 10th Street NE	JRET Properties	
Townhouses	901-929 8th Avenue NE	Better Homes Property Management	
Apartment Building	1120 12th Avenue NE	Better Homes Property Management	
Apartment Buildings	411 15th Avenue NE	Better Homes Property Management	
Apartment Building	405 18th Avenue NE	Better Homes Property Management	

TESTIMONY ON HOUSE BILL 1024**Senate Appropriations Committee****Grand Forks Public Health Department****March 6, 2015**

Chairman Holmberg and members of the Senate Appropriations Committee, my name is Debbie Swanson and I am the Interim Director for Grand Forks Public Health Department. On behalf of our department, I request continued support for tobacco prevention funding from the North Dakota Center for Tobacco Prevention and Control Policy. The funding in HB 1024 will allow us to continue life-saving work in tobacco prevention throughout Grand Forks County.

Following is a summary of what our agency receives for tobacco prevention funding. Please note that this is the only source of funding we receive for this important work.

Grand Forks Public Health Department

Total Funds Received for biennium: \$698,515

- Local Policy Grant: \$608,893
- Tobacco State Aid Grant: \$89,622

The program support allows Grand Forks Public Health Department to employ three full time personnel dedicated to eliminating the harms caused by tobacco use and assisting current users to quit. As a result of this work, we have observed significant reductions in tobacco use rates among both youth and adults. However, tobacco companies never stop marketing to our youth, and the use of smokeless tobacco products and e-cigarettes is increasing in that population.

Critical areas that our agency has concentrated on in this past year are:

- **Increasing the number of tobacco free school policies**
- **Restricting e-cigarette sales to minors with the passage of a city ordinance**
- **Tobacco free parks**
- **Smoke free multi-unit housing**

To learn more about the successful tobacco prevention strategies of the Grand Forks Public Health Department, please see the information on the back of this testimony.

Thank you for your time and attention to the important issue of protecting the health of all residents in North Dakota. I urge a do pass recommendation on HB 1014.

Respectfully,

Debbie Swanson, MS, RN
Interim Director
Grand Forks Public Health Department
151 S 4th St, Suite N301
Grand Forks, ND 58201

Stopping Them Before They Start In Grand Forks County

Tobacco use remains the leading cause of death and disease in North Dakota. One in five adults in North Dakota is a current tobacco user. North Dakota's youth use tobacco at higher rates than adults and lifetime smoking and other tobacco use almost always begins by the time children graduate from high school.

According to the Centers of Disease Control and Prevention's Best Practices for Comprehensive Tobacco Control Programs, interventions to prevent tobacco use initiation need to reshape the environment so that it supports a tobacco-free life. These interventions include policies that protect health and safety, restrict minors' access to tobacco products, and support for healthy lifestyles.

The Grand Forks Public Health Department and the Grand Forks Tobacco Free Coalition collaborated with key leaders within Grand Forks County to address youth tobacco use. These efforts led to the adoption of two Comprehensive Tobacco Free School Policies in Emerado and Manvel and the adoption of an ordinance in the City of Grand Forks that restricts minors' access to electronic cigarettes.

Comprehensive Tobacco Free School Policy

With an increased emphasis on educating school leaders on the importance of tobacco-related policies, two more communities will reap the benefits of a Comprehensive Tobacco Free School Policy. With the addition of Emerado and Manvel to the list of school districts in Grand Forks County with Comprehensive Tobacco Free School Policies, there are now four of seven public districts protecting more than 7,700 students and 1,150 faculty and staff.

Electronic Cigarette Ordinance

The 2013 North Dakota Youth Tobacco Survey revealed that the uptake of electronic cigarettes by youth has nearly tripled in the last two years.

Area youth from the student governments of both Central and Red River High Schools and the Grand Forks Youth Commission recognized the trends in e-cigarette use among youth. They collectively asked the Grand Forks City Council to take action and align e-cigarettes with traditional tobacco products to reduce their access to the youth in the community.

On June 2, 2014, the Grand Forks City Council unanimously voted to adopt restrictions on e-cigarette sales to minors and also included provisions for the licensing of e-cigarette retailers.

The passage of these policies will assist with reducing tobacco use initiation among youth by promoting positive role modeling, restricting youth access to tobacco products and establishing a community norm that tobacco use is not an acceptable behavior.

HB 1024
ND Center for Tobacco Prevention and Control Budget
March 6, 2015
Submitted by:
Javayne Oyloe, Executive Officer, Upper Missouri District Health Unit

Senate Appropriations Committee
Senator Ray Holmberg, Chair

Good Morning Chairman Holmberg and members of the Senate Appropriations Committee. I am Javayne Oyloe, Executive Officer at Upper Missouri District Health Unit, which extends services to Williams, McKenzie, Mountrail and Divide counties.

Across the nation, public health professionals know that the tobacco epidemic is one of the biggest public health threats the world has ever faced, killing nearly six million people a year. But local public health providers also know that they cannot effectively fight this epidemic by working on their own. That's why, as a North Dakota local public health provider, I am very glad today to support the continuation of full funding for the statewide comprehensive tobacco prevention program that has been administered since 2009 by the Center for Tobacco Prevention and Control Policy working in tandem with all 28 local public health units.

North Dakota's statewide program has made all the difference for local public health providers. Now, we can be effective working within our local communities because we are working from the indispensable foundation provided by its high-impact statewide, multi-media public education campaign; and the statewide NDQuits program that brings state-of-the-art tobacco-cessation counseling to every corner of the state via both telephone and internet.

Also thanks to the comprehensive program, local public health providers are kept on top of important tobacco control developments as they evolve. For instance, our state program has made sure that we are fully educated on of the rapidly-changing health threats newly posed by the whole array of drug-delivery paraphernalia that is loosely referred to as "electronic cigarettes." And because North Dakota's statewide program is built entirely on the U.S. Centers for Disease Control and Prevention's decades of tobacco prevention science, we know that the strategies we learn to implement have been tested and proven effective.

Due to the Bakken oil boom, the Upper Missouri District Health Unit faces some special tobacco prevention and control challenges because tobacco-use rates among oil-field workers are very high. Upper Missouri, Southwestern and First District Health Units, covering 19 western counties, have experienced these challenges and use this funding to address the unique needs in the area. The CDC's Morbidity and Mortality Report (September 2011), shows that workers in construction and extraction trades and food service occupations have the highest smoking prevalence – at 30 percent – compared to the state's adult average of 21.2 percent.

As we continue to combat tobacco use rates in the west, it is important to note that North Dakota's cigarettes are some of the cheapest in the nation. Cheap tobacco makes it challenging to keep both youth and adult tobacco use rates at a reduced level. In a high tobacco use market – the western ND market – an increase in the price of tobacco is needed to keep ahead of the tobacco industry's marketing and discount tactics that keep enticing users. Local public health supports a price increase for the health of our community members.

Tobacco prevention funding has enabled UMDHU to develop effective tobacco-free and smoke-free policies at workplaces, multi-unit housing buildings, and schools. These tobacco-free environments are protecting the public from tobacco's harms, and steadily de-normalizing tobacco use – and reducing addiction rates.

For all these reasons, we cannot compromise on effective tobacco prevention programs. It is more critical than ever to continue funding to build the necessary policies that reduce tobacco addiction, so that the tobacco epidemic will take fewer-and-fewer lives, and consume fewer-and-fewer healthcare dollars. In order for us to continue making these critical tobacco-prevention gains, our comprehensive program must remain fully funded.

Sincerely

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

**Testimony in support of HB 1024
Senate Appropriations Committee
Senator, Ray Holmberg
March 6, 2015**

Good morning, Chairman Holmberg and members of the Senate Appropriations Committee.

My name is Barbara Frydenlund and I am the Administrator/Director of Nursing for Rolette County Public Health District. I am here to request the continuation of tobacco prevention funding at the level recommended by the Center for Disease Control.

The current funding that is dedicated to state and local tobacco prevention programs has allowed North Dakota to lead the nation in tobacco prevention efforts. Our health district has received tobacco prevention funding since Rolette County Public Health District was established in 2001. This funding has allowed us to provide tobacco prevention efforts, following CDC Best Practice, to the residents of Rolette County. The tobacco prevention program continues to be one of our primary and most recognized programs.

Rolette County has twice the state average smoking rate. Rolette County Tobacco Prevention staff works alongside the Turtle Mountain Tobacco Prevention Program staff to provide a unified voice with our primary goal of "prevention of the initiation of tobacco use and policy change." The respective tobacco prevention staff members support each other in grass roots efforts such as coalition participation and the implementation of CDC Best Practice methodology. Without the ongoing funding from the Center for Tobacco Prevention and Control Policy, limited county finances would not permit the continuation of a tobacco prevention program at the current capacity. The Tobacco Prevention Program has been a conduit to communication and collaboration with Tribal Health. The Tobacco Prevention program has aided Rolette County Public Health to be recognized within our community as a leader in preventative health and promotion of healthy lifestyles.

The goal of Healthy People 2020 is to decrease the adult smoking rate to 12%. With this objective in mind and despite our diligent efforts in tobacco prevention, we continue to have work to do and mountains to climb in achieving this goal. The 2014 County Health Ranking reflects that 36% of Rolette County adults currently smoke.

Continued support for tobacco prevention funding at the recommended CDC level will be greatly appreciated and will allow us to have a positive impact on the health behavior of the residents of Rolette County.

Thank you,

Barbara Frydenlund, RN
Rolette County Public Health District
Administrator/Director of Nursing
211 1st Ave. NE
PO Box 726
Rolla, ND 58367-0726
701-477-5646
bfrydenlund@nd.gov

Written Testimony in Favor of HB 1024
(ND Center for Tobacco Prevention and Control Budget)
March 6, 2015
Submitted by: Mary Hillerud, Custer Health

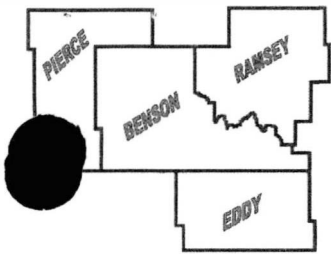
Senate Appropriations Committee
Senator Ray Holmberg, Chair

KUDOS! This is the magic word floating around the City of Hazen when it comes to protecting our youth from the dangers of second-hand smoke and the infamous Tobacco Industry! Not only the Hazen City Commission, but the Hazen Park and Recreation Board of Directors have taken very active policy steps fighting an industry that is known to grab our youth and get them started on a life-long addiction.

On July 31, 2014 the Hazen City Commission adopted, by unanimous decision, an electronic-cigarette ordinance. All City Commissioners were concerned with the lack of jurisdiction that these products have when it comes to age restrictions and product placements. As Tobacco Outreach Coordinator for Custer Health, I began visiting with the Hazen City Commission back in May, 2014, and shared some of my concerns with youth being able to purchase electronic-cigarettes at any age and that these same products do not have to be behind the counters. During the May meeting, it was decided that a committee be formed from within the commissioners to look into some of my concerns. Two City Commissioners, Mayor Jerry Obenauer and Commissioner Judy Brunmeier volunteered to be on this committee along with myself. Not only did the Center for Tobacco Prevention and Control provide a model policy for this ordinance, but they also held a conference call with these two commissioners. The Center also sent Barb Andrist to attend a meeting in Hazen to answer any questions that the commissioners would have.

In addition to the electronic-cigarette city ordinance, the Hazen Park and Recreation Board of Directors passed, by unanimous decision, a tobacco-free parks policy on January 13, 2015. Again, the Center for Tobacco Prevention and Control provided a model policy for me to present. Much discussion was held over three separate meetings deciding which parts of the parks should be tobacco-free, and which parts should be exempt. It was finally decided to have no exemptions in order to protect our families from the dirty cigarette butts that were thrown on the ground as well as the second-hand smoke. As one director said, "We take our children to the parks to be in a fun environment to promote health and wellness and the last thing I want is to be breathing in someone else's smoke". I have submitted for a mini-grant for 24 tobacco-free signs to be purchased with funds from The Center for Tobacco Prevention and Control to be placed around the city's parks as well as the play areas at Hazen Bay. All of this is done with help from the Center.

The Center for Tobacco Prevention and Control has been a wonderful resource for me in my policy work for electronic-cigarettes as well as the park board policy. I placed many calls into Kelli Ulberg, Donna Thronson, and Barbara Andrist asking questions and seeking clarification. Without funding for this entity, I couldn't do the job that I love to do.



www.lrdhu.com



Public Health
Prevent. Promote. Protect.

Lake Region District Health Unit

K

“Your Public Health Professionals”

BENSON COUNTY

PO Box 86
330 C Ave
Minnewaukan, ND 58351
Phone 701-473-5444
Fax 701-473-2564

EDDY COUNTY

24 8th Street N
New Rockford, ND 58356
Phone 701-947-5311
Fax 701-947-5213

PIERCE COUNTY

240 2nd Street SE Ste 1
Rugby, ND 58368
Phone 701-776-6783
Fax 701-776-7609

RAMSEY COUNTY (Main)

524 4th Ave NE #9
Devils Lake, ND 58301
Phone 701-662-7035
Fax 701-662-7097
Toll Free 1-866-274-2316

Attachment K

HB 1024

ND Center for Tobacco Prevention and Control Budget

March 6, 2015

Submitted by:

Elizabeth Bonney, Tobacco Prevention Coordinator, Lake Region District Health Unit

Senate Appropriations Committee

Senator Ray Holmberg, Chair

Good Morning Chairman Holmberg and members of the Senate Appropriations Committee. I am Elizabeth Bonney, Tobacco Prevention Coordinator at Lake Region District Health Unit covering Benson, Ramsey, Eddy and Pierce Counties. I am testifying today in support of HB1024, which provides the appropriation for the ND Tobacco Prevention and Control Executive Committee, and I am testifying not on just a professional level but in a personal capacity as well.

I have lived through the horrible realities of what cigarette smoking can do, not just to the person who becomes physically incapacitated from the effects of smoking and nicotine but the emotional burden and heartbreak family members must go through as their loved one literally fades away before their eyes. My Mom and Dad both smoked, Dad was a Brigadier General in the United States Air Force, (pilot) obviously a very stressful job. I remember clearly stopping by his office to visit him and seeing at least two ashtrays full of cigarette butts all the time. My guess is he smoked 2-3 packs a day.

My Mom, who also smoked, told me a story once that on a regular visit to her doctor she relayed the stress she was feeling raising five children alone while my Dad was on his third tour of Vietnam. The doctor listened carefully and suggested that to help her relax it might be helpful if she took occasional cigarette breaks throughout the day.

When she was 52 years old, my Mom was diagnosed with COPD and Chronic Bronchitis, of course she didn't tell us because she knew we would worry and more importantly she knew she had to stop smoking immediately in order to stop the damage at this late stage, but she was just too addicted to face that reality. She felt she could handle that situation "somewhere down the road" and she continued to smoke. After spending several years in assisted living and then requiring around the clock nursing care we received a call from her doctor that she had taken a

serious turn for the worse and we needed to make some tough decisions. On March 15th 2004, I held my Mom's hand and said goodbye as we turned off her life support, she was only 74 years old.

My Dad's situation was a bit different, he never had COPD or heart trouble from the effects of smoking, and never presented any physical problems related to his addiction, until June 6th 1992 when I got the phone call that he had a massive stroke and it was very unlikely he would survive. But, he was a tough guy and he pulled through, however, he was never quite the same mentally, physically or emotionally.....and he continued to smoke. Two years later, he had a second massive stroke that caused paralysis to his left side and the complete loss of his swallow reflex. The physical and emotional decline after that led to his death of on January 11, 2006.

Through their illnesses, we would have open and frank conversations and I can tell you it always came back to the same two things: 1) I wish I had never started smoking, and 2) I wish I would have had the information that we know today because I would have never started. This is why my position as Tobacco Prevention Coordinator is not only my job, it is my passion.

Comprehensive Tobacco Prevention and Control Funding

Tobacco prevention efforts are critical to reduce youth and adult tobacco use rates. Without comprehensive tobacco prevention funding, tobacco use rates are at risk to escalate:

- 1) LPHU's would not be able to work within the community to help educate on the dangers of smoking and using ALL tobacco and nicotine products.
- 2) LPHU's would not be able to monitor the regulations already put in place by law North Dakota's smoke-free law.
- 3) Educating youth and adults on the dangers of smoking and tobacco would cease.
- 4) There would be no more opportunity to work with schools on passing comprehensive tobacco-free policies.

Monitoring the Industry and E-cigarettes

The tobacco industry here in the U.S. has been on the decline in recent years, but that hasn't stopped **Altria**, **Lorillard**, and **Reynolds American** from posting larger profits in recent years, and now we are facing a new front of dangers with the addition of e-cigarettes. Understanding the tobacco industry's practices is crucial for the success of tobacco control policies. In this context, it's important also to understand that tobacco products are the only legally available products that can kill up to one half of their regular users if consumed as recommended by the manufacturer. The ND Center for Tobacco Prevention and Control (the Center) continually monitor tobacco industry activities along with Tobacco Prevention Coordinators at 28 LPHUs across North Dakota.

E-cigarettes are the latest epidemic that will impact our tobacco use rates. While the outrageous debate continues about whether e-cigarettes are a safer alternative to a

combustible product, one thing is for sure: consumers are curious about trying the new products and many companies are out in force presenting the information on their terms. The three big e-cigarette companies, in an effort to replace tobacco smokers who have died due to the effects of smoking, are again targeting our youth:

- 2013 saw e-cigarette sales skyrocket to over 1 billion dollars annually and that figure is expected to double in 2014 (we are awaiting the final figures).
- The center for disease control reported on 9/6/13 that the Youth Tobacco Study found during 2011-2012, among all students in grades 6-12, e-cigarette use increased by over 50% from 3.3% to 6.8%. This rapid increase in sales figures was possible due to heavy marketing specifically directed to minors.
- Minors may be particularly vulnerable to trying e-cigarette products due to an abundance of "fun" flavors such as cherry, vanilla, pina colada and bubble gum.
- Tobacco companies continue to relay blatantly deceitful information that e-cigarettes can be used as a smoking cessation device; however, the FDA has never endorsed this claim.
- E-cigarette advertising is completely unregulated.

Comprehensive Tobacco Free School policies

Having a comprehensive tobacco-free school policy plays an important role in preventing youth initiation of tobacco use.

- It provides positive role modeling by adult employees and visitors.
- It reduces children's observation of tobacco use and reinforces a tobacco-free social norm.
- It supports prevention messages learned in classrooms by sending clear, consistent tobacco-free messages.
- It provides a safe environment for students by eliminating exposure to secondhand smoke.
- It protects children from a dangerous drug. Tobacco use is not just a "bad habit": it is a powerful addiction.
- And it prepares students for the reality of tobacco-free workplaces.

These policies eliminate not only cigarette use but also the other types of tobacco use on school grounds and at school events, which protects students, faculty, staff and visitors from exposure to all tobacco use including electronic smoking devices.

I had the wonderful opportunity to work with nine schools in my area who passed the ND Comprehensive Tobacco Free Policy this past fall. I was also invited to speak at two student assemblies with 7th through 12th grade students regarding the new comprehensive tobacco policy as well as tobacco prevention and education. My questions and their honest feedback told me two very important things:

1) We still have too many youth starting tobacco products who don't fully understand the full impact of the dangers of smoking and tobacco products.

2) When we work in a concerted effort with schools to get the information to our youth we can and do affect real change.

Mr. Chairman and members of the committee I am pleased to say that The American Lung Association has presented an "A" grade to the state of North Dakota in the area of Tobacco Prevention and Control Program Funding. We have made great strides in educating our youth on the dangers of tobacco and smoking, we continue to monitor our communities to make certain state and local laws are understood, and we are keeping a vigilant eye on the tobacco companies to make certain existing and new products do not outpace the progress we are making in tobacco prevention.

It is imperative that funding be allocated so we can continue our mission to improve and protect the health of North Dakotans by reducing the negative health and economic consequences of the state's number-one cause of preventable disease and death --- tobacco use. Thank you for your time.

Job Corps Goes Tobacco-Free

It was 6:00PM on a Sunday evening. A group of about 50 Job Corps students gathered with several staff members to hold a ribbon cutting ceremony to celebrate the new healthy, tobacco-free campus at the Quentin Burdick Job Corps in Minot. The students and staff gathered in the once-popular smoking section of campus. Caution tape tied from one outdoor ashtray to another was used for the ribbon cutting ceremony. The Director of Job Corps, Mr. Sheppard, declared Job Corps officially tobacco-free. The students and staff began to chant as the ribbon was cut: "Job Corps, Better, Job Corps, Better!"

The students moved inside to the recreation center to conclude the celebration. First District Health staff presented an Award of Excellence to Mr. Shepard for the new strong, comprehensive, tobacco-free policy. The students lined up for a catered dinner, cake, drinks and games.



In preparation for this policy change on campus, Job Corps staff contacted First District Health Unit – Tobacco Prevention Division for guidance. First District provided a checklist and a sample comprehensive policy endorsed by the North Dakota Center for Tobacco Prevention and Control Policy. Job Corps staff fulfilled all the items on the checklist in the process of implementing this high standard policy.

Helping current tobacco users quit was very important to the Job Corps staff and student leaders. Bonnie Riely, Tobacco Cessation Coordinator at First District Health, conducted two Kick Start classes on campus. About sixty students had their carbon monoxide levels tested, and received information on quitting tobacco. They also started the process of enrolling in NDQuits, the North Dakota quitline and web support program.

The student involvement in the process of policy change was extremely apparent. Students created posters, made decorations, participated in ribbon cutting, made the cake decorating recommendations and decided the time and location of the event. In addition, student leaders assistance with the Kick Start cessation classes.

As of Monday, January 26, 2015 when students, visitors, volunteers, staff, contractors, and community members enter campus it will be the new, better, Quentin Burdick Job Corps – a place that promotes a healthy work and learning environment where all tobacco products, including electronic devices and paraphernalia are prohibited.





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

3-6-15
#2
HB 1024

Saving Lives – Saving Money: North Dakota’s Comprehensive State Plan to Prevent and Reduce Tobacco Use, 2014-2016
State Plan Highlights – 2013-15

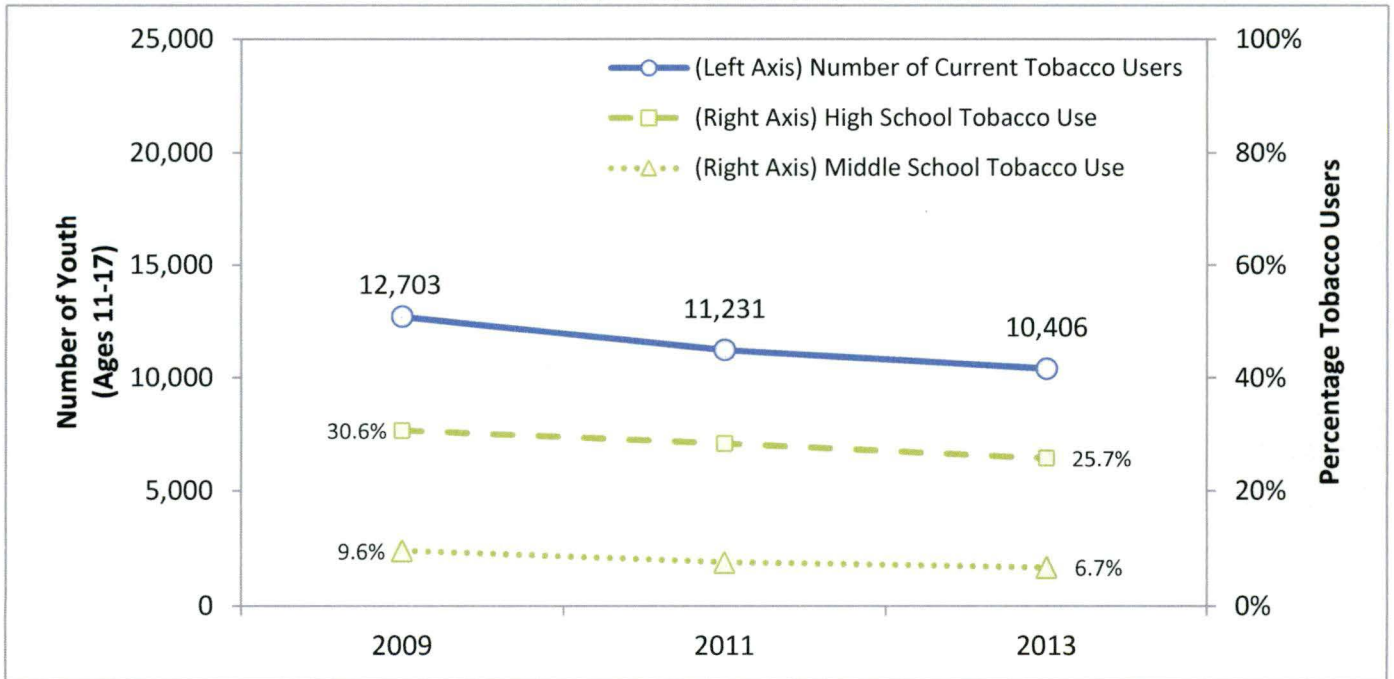
Goal: Preventing initiation of tobacco use by youth and young adults

North Dakota youth tobacco use rates have continued to decline:

North Dakota’s Estimated Number of Youth Tobacco Users and Tobacco Use Prevalence 2009 – 2013 YRBS and Census

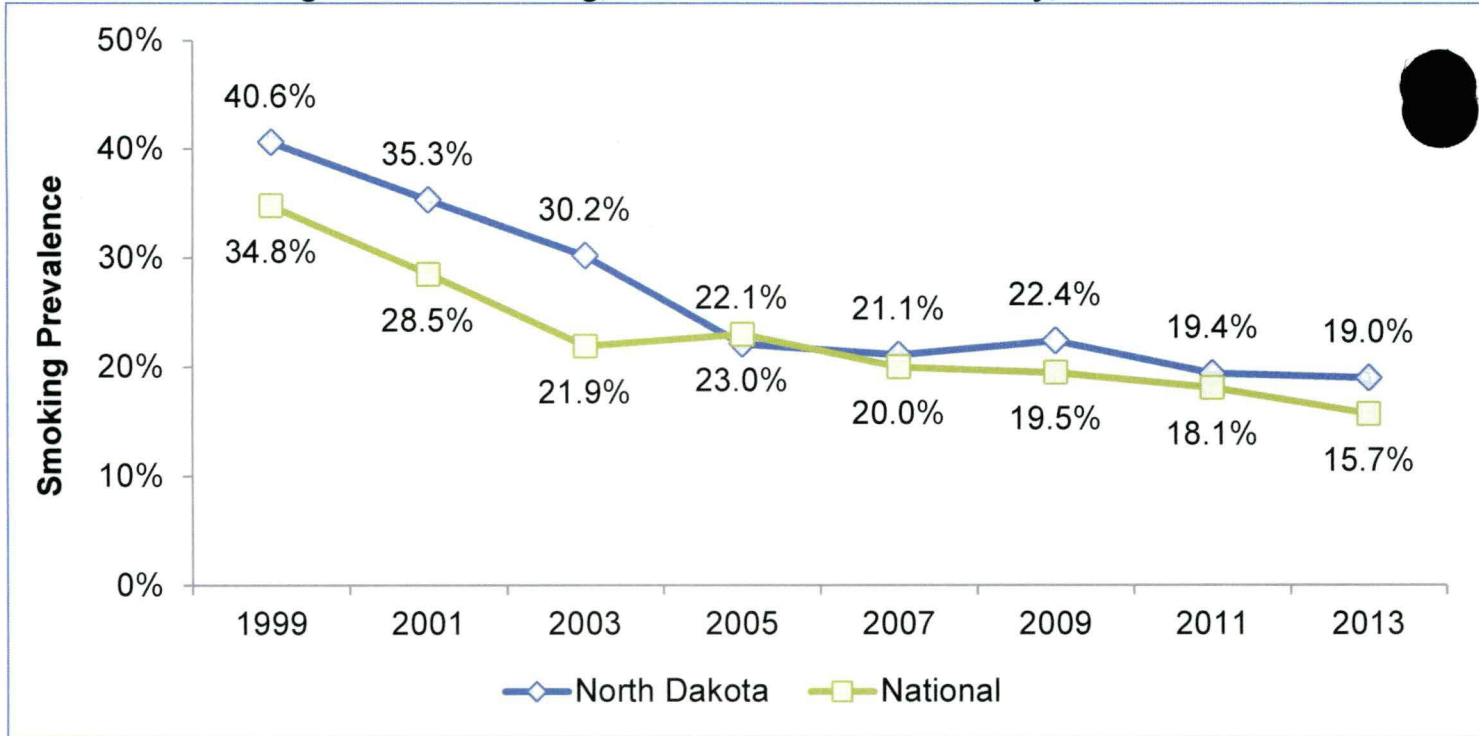
Year	MS + HS (ages 11 to 17)	Middle School (ages 11 to 13)		High School (ages 14 to 17)	
	Number of Youth	Prevalence	Number of Youth	Prevalence	Number of Youth
2009	12,703	9.6%	2,320	30.6%	10,383
2011	11,231	7.6%	1,818	28.3%	9,413
2013	10,406	6.7%	1,665	25.7%	8,741
2009 vs 2013	2,297 fewer	30% decline	654	16% decline	1,643 fewer

North Dakota’s Estimated Number of Youth Tobacco Users and Youth Tobacco Use Prevalence, 2009 – 2013 YRBS and Census



2-1

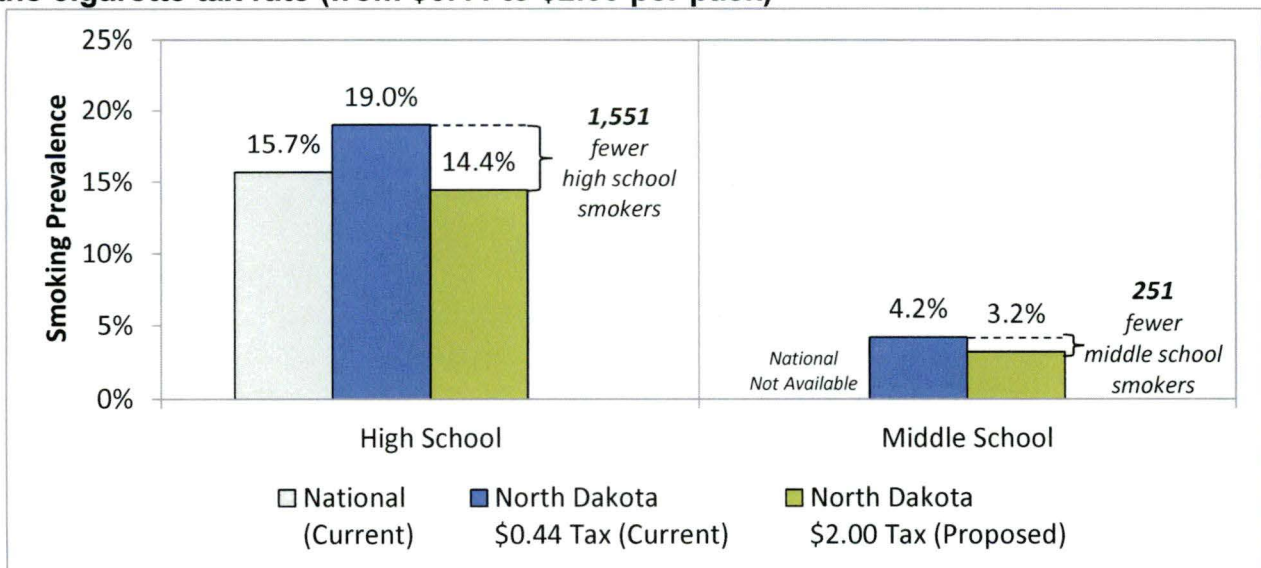
High School Smoking, North Dakota and Nationally, 1999-2013



Objective – tobacco tax

- North Dakota's tax on tobacco remains at 44 cents/pack of cigarettes, 60 cents/ounce for snuff, 16 cents/ounce for chewing tobacco, and 28% of wholesale price for cigars and pipe tobacco products. These are some of the lowest tobacco tax rates in the nation. Raising the price of tobacco is one of the most effective ways to prevent youth from starting to smoke, as youth are very price sensitive. (2014 Surgeon General's Report)

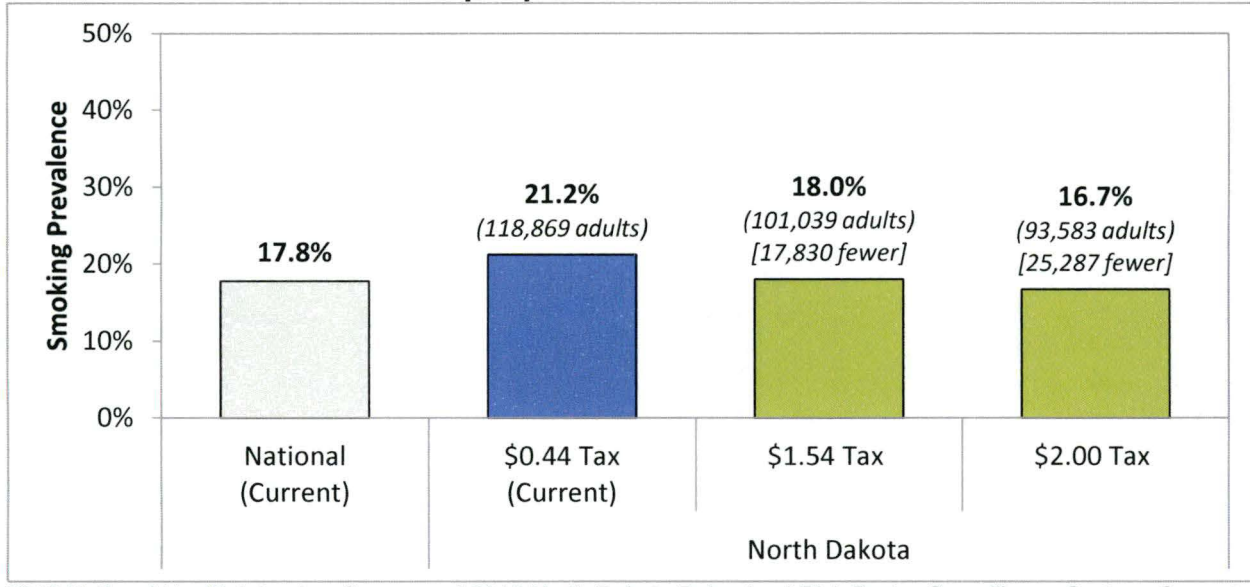
Projected decrease in North Dakota youth smoking prevalence resulting from a \$1.56 increase in the cigarette tax rate (from \$0.44 to \$2.00 per pack)



Adapted from Campaign for Tobacco Free Kids (CTFK); 2013 National Youth Risk Behavior Survey and 2013 North Dakota Youth Risk Behavior Survey; Current smoking prevalence, 19.0% of high school students and 4.2% of middle school students, represents an estimated 6,462 high school smokers and 1,044 middle school smokers in North Dakota (2013 Census^{1,2}).

- Raising the tobacco tax by \$1.56/pack to a total \$2/pack, which is near the border-states' average, or raising the tax by \$1.10/pack to the national average of \$1.54/pack, has a significantly different impact on adult smoking.

Projected decrease in North Dakota adult smoking prevalence if the cigarette excise tax increased to \$1.54 or to \$2.00 per pack



2013 National Health Interview Survey and 2013 North Dakota Behavioral Risk Factor Surveillance System; Current adult smoking prevalence, 21.2%, represents an estimated 118,869 adult smokers in North Dakota (2013 Census¹).

¹Annual Estimates of the Resident Population by Single Year of Age and Sex for the United States, States, and Puerto Rico Commonwealth: April 1, 2010 to July 1, 2013. Source: U.S. Census Bureau, Population Division. Release Date: June 2014. ²Middle School aged population defined as 11 to 13 year olds. High school aged population defined as 14 to 17 year olds.

Objective -- K-12 comprehensive tobacco-free school district policies

- 67% of K-12 students attend school with a comprehensive tobacco-free campus policy.
- Of the 149 school districts/private schools have adopted a comprehensive tobacco-free school policy, 22 were passed this biennium, and 89 total since Center funding began.

Objective -- Higher education tobacco-free policies

- Williston State College and United Tribes Technical College passed comprehensive tobacco-free campus policies.
- United Tribes Technical College became the first tribal college in North Dakota and the third tribal college in the United States to become tobacco-free, except for sanctioned sacred use of tobacco.
- Of 21 institutions (11 – NDUS, 5 – private, 5 – tribal), 14 are tobacco-free, serving 71% of students. Seven of the colleges became tobacco free since Center funding began.

Objective – youth access to tobacco – including electronic cigarettes

- Since January 1, 2014, 23 cities have passed ordinances to restrict youth access to electronic cigarettes and other tobacco products.
- Youth electronic cigarette use in North Dakota has increased significantly over two years.

North Dakota's Estimated Number of Youth Electronic Cigarette User and Use Prevalence, 2011 – 2013 YTS and Census

Year	MS + HS (ages 11 to 17)	Middle School (ages 11 to 13)		High School (ages 14 to 17)	
	Number of Youth	Prevalence	Number of Youth	Prevalence	Number of Youth
2011	NA	NA	NA	1.6%	532
2013	2,364	1.3%	323	6.0%	2,041

NA = Not available. The table presents the calculated number of current youth electronic cigarette users from the North Dakota Youth Tobacco Survey in 2011 and 2013. (2011 and 2013, North Dakota Department of Health).

**City Ordinances Prohibiting E-cigarette Sales to Minors,
Restricting E-cigarette Self-Service, and Requiring a License for
Sale of E-cigarettes, 2014**

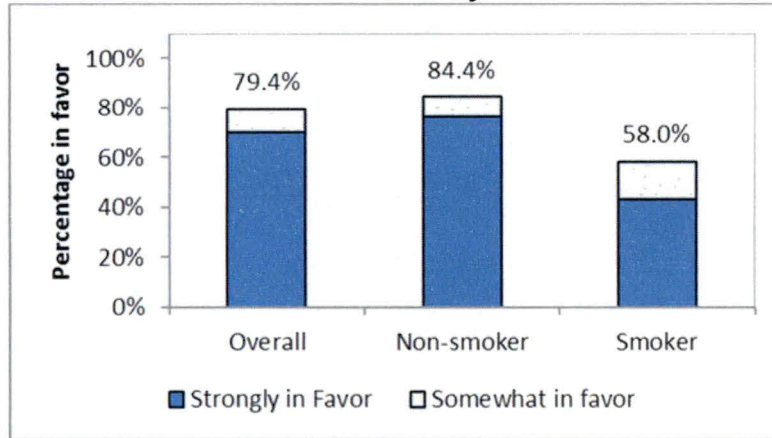
City	Prohibits Sales to Minors	Restricts Self-Service	Requires License
Bismarck	●	●	
Cando	●	●	
Casselton	●		
Crosby	●		
Devils Lake	●	●	
Fargo	●		
Forman	●	●	
Grand Forks	●		●
Hankinson	●	●	
Harvey	●	●	
Harwood	●	●	●
Hazen	●	●	
Kindred	●	●	●
Langdon	●	●	
Lisbon	●		
Mandan	●	●	
Mapleton	●	●	●
Minot	●	●	
Mohall	●	●	
Rutland	●	●	
Wahpeton	●	●	●
West Fargo	●	●	●
Williston	●		

Goal: Eliminating exposure to secondhand smoke

Objective – state smoke-free law

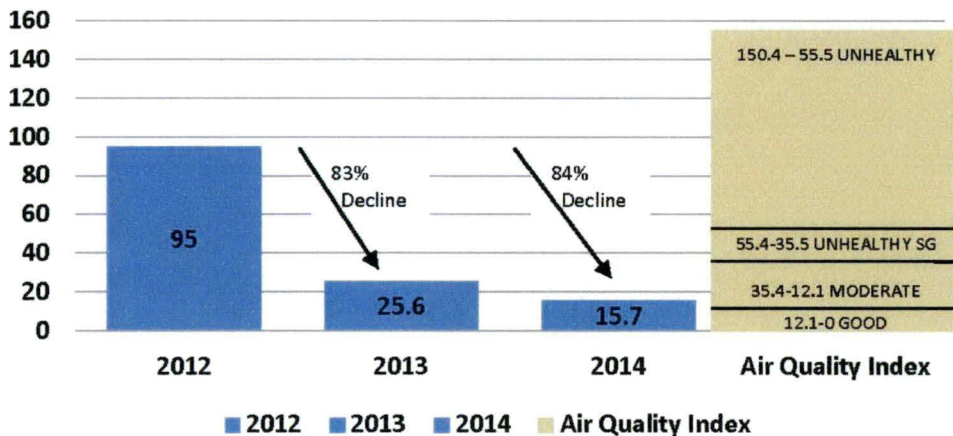
- Eight cities passed ordinances same or stronger than state law, to enhance enforcement.
- Compliance is high. Enforcement agencies reported only one prosecuted case of violation of the smoke-free law. (2015 phone survey, RTI International)
- Public support is high, even among smokers. (2014, RTI International)

Figure 1. Percentage of North Dakota adults in favor of the statewide smoke-free air law, 2014 Public Opinion Survey



- Indoor air quality continues to improve.

Trended Average Tobacco Smoke Pollution Levels



Source: ND Tobacco Smoke Pollution and Compliance (TSPAC) Study: A Preliminary Report (1-05-15)
 Authors: Kelly Buettner-Schmidt, PhD, RN, North Dakota State University; Blake Boursaw, MS, BSM, University of New Mexico; Marie L. Lobo, PhD, RN, University of New Mexico.

Objective – smoke-free multi-unit housing

- Two public housing authorities have smoke-free policies -- 71 buildings and 452 units.
- 40 private housing organizations report smoke-free policies -- 210 buildings and 934 units.

Objective – tobacco-free and smoke-free policies in outdoor areas

Local public health units report:

- 104 site-specific tobacco-free grounds policies, not including parks, including 7 new policies in the past two quarters.
- 22 site-specific smoke-free grounds policies, not including parks.
- 11 tobacco-free parks policies.
- 4 smoke-free parks policies.

Goal: Promote quitting tobacco use

Objective – use of NDQuits (operated by Department of Health)

- In FY2014, the Executive Committee began promoting NDQuits with three health communications campaigns featuring 1-800-QUITNOW: July 14 – August 10 -- Artery (stroke/heart attack); September 29 – October 26 -- Artery (stroke/heart attack); and November 10 – December 7 -- CDC's Tips from Former Smokers featuring Shawn (throat), Brandon (Buergers/vascular), and Bill (diabetes).
- **Objective -- policies to Ask, Advise and Refer (AAR) to NDQuits (operated by NDDoH)**

Local public health units reported:

- training 339 health care providers and 555 local public health unit staff.
- 5 health care providers implemented policies to ask, advise and refer to NDQuits.
- passing 3 tobacco-free local public health unit grounds policies in addition to the majority of health units already tobacco-free.
- North Dakota's rate of referring tobacco users to services is increasing: in 2012, 31.9% of tobacco users reported their health care provider referred them to cessation services, up from 19.8% in 2010. (N.D. Adult Tobacco Surveys, N.D. Department of Health.)

Objective – evidence-based nicotine dependence interventions with private addiction and mental health treatment program providers

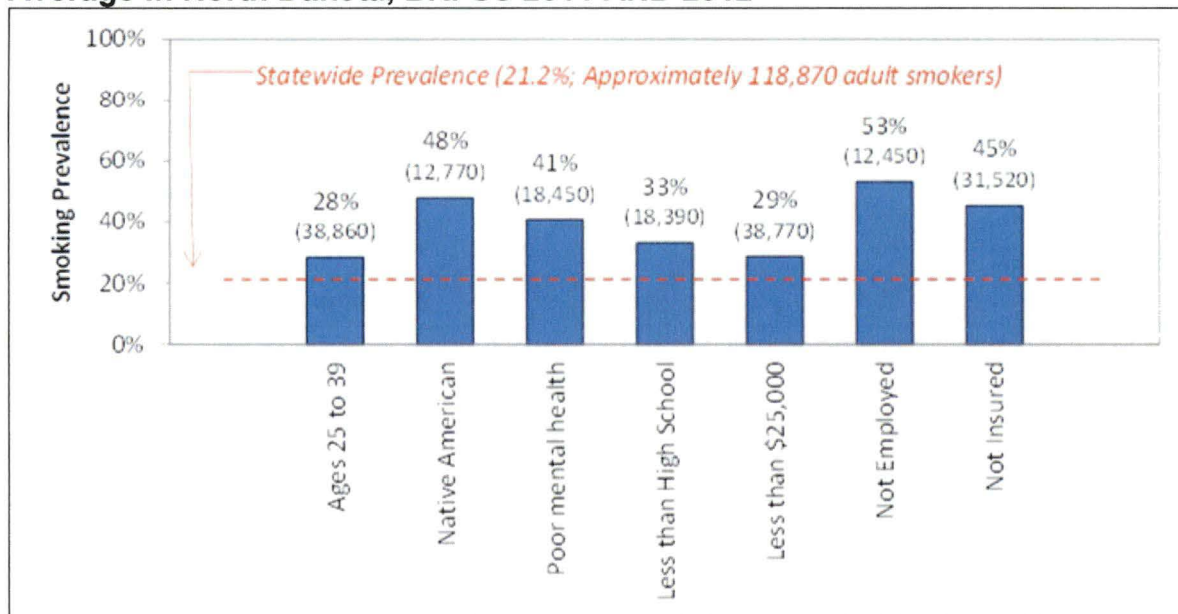
- The Executive Committee sponsored presentations at two ND DHS statewide behavioral health conferences. Presentations featured a national expert on mental health and tobacco cessation.
- The Executive Committee conducted a statewide survey of public and private behavioral health providers. This survey served as a baseline assessment of behavioral health clinical tobacco prevention policies and procedures for staff and clients.

Goal: Build capacity to implement a comprehensive statewide program

Overall objective – adapt program quickly to address emerging and ongoing challenges

- Smoking rates among selected groups are high.

Adult Smoking Prevalence among Selected Groups with Prevalence Higher than the State Average in North Dakota, BRFSS 2011 AND 2012



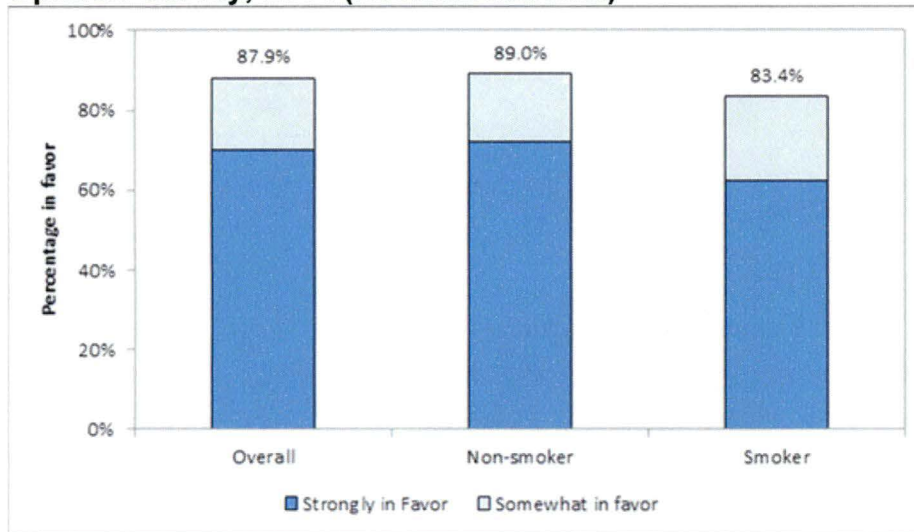
Legend: Estimate (Calculated number of adult smokers); Source: Smoking Prevalence pooled data from 2011, 2012 and estimate from 2013: Behavioral Risk Factor Surveillance System (BRFSS), National Health Interview Survey (NHIS), and Youth Risk Behavior Surveillance System (YRBSS). Note: The categories are not mutually exclusive.

- Smoking rates by occupation and industry show the highest rates among construction and extraction jobs (30%), and mining and food services industries (31.4%). (CDC, 2011)
- North Dakota adult smoking rate has remained unchanged: 21.9% in 2011 and 21.2% in 2012. (ND Department of Health, ND Behavioral Risk Factor Surveillance System)

Overall objective – continue to change social norms of tobacco

Social norms of tobacco will not change without broad public support for these policies and the comprehensive program, and public support is high, even among smokers.

Percentage of North Dakota adults somewhat or strongly in favor of North Dakota's comprehensive tobacco prevention program, overall and by smoking status, ND Public Opinion Survey, 2014 (RTI International)



New and emerging tobacco and nicotine products are heavily advertised, unregulated, are being aggressively marketed to youth and young adults, are being packaged and marketed for “stealth use” to circumvent smoke-free laws, are being promoted as unproven cessation methods, can be adapted for other substance use, are being priced comparably to cigarettes in some iterations, but are not taxed like other tobacco products. In summary, these unregulated products are renormalizing smoking by causing new and continuing nicotine addiction, and use of multiple nicotine products.

- Electronic cigarette “vapors” contain known toxins and are not safe.
- The following substances in electronic cigarette aerosol are harmful to human health: nicotine, propylene glycol, glycerin, tin particles, aluminum, iron, nickel, arsenic, copper, lead, carcinogenic compounds, and volatile organic compounds. This is not just water vapor.

THE TOLL OF TOBACCO IN NORTH DAKOTA

Tobacco Use in North Dakota

- High school students who smoke: 19.0% [Girls: 19.5% Boys: 18.4%]
- High school males who use smokeless tobacco: 22.0%
- Kids (under 18) who try cigarettes for the first time each year: 2,600
- Additional Kids (under 18) who become new regular, daily smokers each year: 600
- Packs of cigarettes bought or smoked by kids in North Dakota each year: 1.5 million
- Adults in North Dakota who smoke: 21.2% [Men: 22.9% Women: 19.5% Pregnant Females: 17.4%]
- Adults in North Dakota who use smokeless tobacco: 7.6% [Men: 13.9% Women: NA]

Nationwide, youth smoking has declined significantly since the mid-1990s. The 2013 Youth Risk Behavior Survey found that the percentage of high school students reporting that they have smoked cigarettes in the past month decreased to 15.7 percent in 2013, the lowest level since this survey began in 1991. The high school smoking rate fell from 18.1 percent in 2011 and has declined by a remarkable 57 percent since peaking at 36.4 percent in 1997. 17.8 percent of U.S. adults currently smoke, less than the 18.1 percent in 2012 and significantly less than the 20.9 percent in 2005.

Deaths in North Dakota From Smoking

- Adults who die each year in North Dakota from their own smoking: 1,000
- North Dakota kids who have lost at least one parent to a smoking-caused death: 500
- Kids alive in state today who will ultimately die from smoking: 14,000 (given current smoking levels)

Smoking, alone, kills more people each year than alcohol, AIDS, car crashes, illegal drugs, murders, and suicides combined. For every person in North Dakota who dies from smoking approximately 20 more state residents are suffering from serious smoking-caused disease and disability, or other tobacco-caused health problems.

Tobacco-Related Monetary Costs in North Dakota

- Annual health care expenditures in the State directly caused by tobacco use: \$326 million
 - State Medicaid program's total health expenditures caused by tobacco use: \$56.9 million
- Estimated annual health care expenditures in North Dakota from secondhand smoke exposure: \$17.0 million
- Citizens' state/federal taxes to cover smoking-caused gov't costs: \$244.1 million (\$819/household)
- Smoking-caused productivity losses in North Dakota: \$232.6 million

The above productivity loss is from smoking-death-shortened work lives, alone. Even larger productivity losses come from smoking-caused work absences, on-the-job performance declines, and disability-shortened productive work lives. Other non-health costs caused by tobacco use include direct residential and commercial property losses from smoking-caused fires and smoking-caused cleaning and maintenance costs.

Tobacco Industry Advertising and Other Product Promotion

- Estimated portion spent in North Dakota each year: \$27.9 million

Research has found that kids are three times more sensitive to tobacco advertising than adults and are more likely to be influenced to smoke by cigarette marketing than by peer pressure, with one-third of underage smoking experimentation attributable to tobacco company marketing.

North Dakota Government Policies Affecting The Toll of Tobacco in North Dakota

- Annual State tobacco prevention spending from tobacco settlement and tax revenues: \$9.5 million
[National rank: 1 (with 1 the best), based on percent of CDC recommendation. CDC recommendation: \$9.8 million. Percent of CDC recommendation: 97.1%]
- State cigarette tax per pack: \$0.44 [National rank: 46th (average state tax is \$1.54 per pack)]

Campaign for Tobacco-Free Kids / December 3, 2014

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

2-8

The ND Tobacco Prevention and Control Executive Committee, along with the North Dakota Department of Health, local public health units, and other partners, is charged with implementing North Dakota's comprehensive state tobacco prevention plan: *Saving Lives – Saving Money*. The plan's goals are to significantly reduce tobacco use and its health and economic consequences by using policies and programs proven to keep kids from starting to use tobacco, help tobacco users quit, and protect everyone from secondhand smoke.

North Dakota 2013 High School (Grades 9-12) YRBS Results
(Including breakdowns by region and urban/rural)

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#1

Format, Question Order, Abbreviations & a Reminder Related to "Voluntary" Data

At the end of each question (or calculated variable) on the following pages, we have provided both a ND [NDHqn# (or NDHqnname)] and a CDC [CDC QN# (or CDC QNname)] question number or variable name. The ND question number indicates the question number as it appeared on the 2013 North Dakota High School (Grades 9-12) YRBS questionnaire. The CDC question number (or variable name) indicates the question number or variable name assigned to the question (or variable) by the CDC. Please note that the results on the following pages are listed in an order similar to that in which the statewide results will be presented on the Department of Public Instruction website.

Remember, when looking at the Region or Urban-Rural data, please note that we cannot say the results that include "voluntary" data represent all schools/students within a region or segment; we can simply say they represent mainly the schools/classes that volunteered to participate in the survey. Therefore, changes that occur within a region or segment from one survey year to another may not represent true changes in behavior within the region or segment. The changes may simply result because of differences between the kinds of schools that chose to participate in one year versus another.

In previous years, Department of Human Services regions were used for the regional results. Beginning in 2013, however, YRBS stakeholders decided to use Regional Education Association (REA) regions for the regional results. Therefore, the Region/Urban-Rural data is presented for the following categories:

- Regional Education Association (REA) regions
 - Great Northwest Education Cooperative (GNWEC): Williston Area
 - Mid-Dakota Education Cooperative (MDEC): Minot Area
 - North Central Education Cooperative (NCEC): Bottineau-Rugby Area
 - Northeast Education Services Cooperative (NESC): Devils Lake Area
 - Red River Valley Education Cooperative (RRVEC): Grand Forks Area
 - South East Education Cooperative (SEEC): Fargo-Jamestown Area
 - Missouri River Educational Cooperative (MREC): Bismarck-Mandan Area
 - Roughrider Education Services Program (RESP): Dickinson Area
 - Schools that are not a member of a REA: No defined area
 - **NOTE:** Due to the small number of Non-REA school districts that participated in this study, the number of students from these schools that were surveyed is extremely small. Therefore, the results for Non-REA school districts have very little statistical reliability and likely do not accurately reflect the behaviors of students from Non-REA school districts.
- Urban-Rural categories
 - Urban Towns: 1,000 or more students in grades K-12 within the community
 - Rural Towns: Less than 1,000 students in grades K-12 within the community

The last page of this report provides a list of Regional Education Associations and their member school districts (as listed on their websites on November 6, 2013). For more information on school district membership for each Regional Education Association (REA) and other resources, please refer to the following websites:

- <http://www.ndrea.org/index/REAWbsites.html>
- <http://www.dpi.state.nd.us/finance/jpa/JPAmap.pdf>
- http://www.dpi.state.nd.us/finance/jpa/rea_directory.pdf

North Dakota 2013 High School (Grades 9-12) YRBS Results

(Including breakdowns by region and urban/rural)

Regional and Urban-Rural Results, Limitations, and Contact Information

Regional and Urban-Rural Results & Limitations

The regional and urban-rural data apply only to those schools/classes participating in the survey during that year. We **cannot** say the results that include "voluntary" data represent all schools/students within a region or segment; we can simply say they represent mainly the schools/classes that volunteered to participate in the survey. Therefore, changes that occur within a region or segment from one survey year to another may not represent true changes in behavior within the region or segment. The changes may simply result because of differences between the kinds of schools/classes that chose to participate in one year versus another.

As was noted in the footnote on the previous page, 10,516 high school students (Grades 9-12) participated in the 2013 North Dakota High School YRBS, of which 8,535 were students from schools/classes that "voluntarily" participated in the YRBS. Therefore, the vast majority of the data used for the regional and urban-rural results was not collected from randomly selected school buildings and/or classes. Given that most of these schools/classes "volunteered" to participate and were not selected at random, even though a high participation rate was achieved, Winkelman Consulting is not able to generate weighted data that is representative of all high school students (Grades 9-12) from eligible, public high schools in either the state or an individual region or segment. Because of this, **the regional and urban-rural data cannot be used to (1) project the results to all public high school students in a region or segment or (2) compare changes in results for a region or segment from one survey year to another. Also, noticeable differences may be seen between the results for a region/segment and the statewide data simply because the students from schools/classes that completed "voluntary" YRBS surveys are more (or less) likely to have a certain behavior than the "average" student represented by the random, weighted, representative statewide data.**

Contact Information for the Regional and Urban-Rural Results

If you have any questions about the enclosed regional or urban-rural results or desire additional detail, please feel free to contact:

Mark Winkelman
Winkelman Consulting
Email: MRWinkelman@cableone.net
Telephone: 701-237-2283

School Results, Limitations, and Contact Information

Parameters for School Results

Schools that met the requirements² received a similar report that included their 2013 YRBS high school (Grades 9-12) results! To receive results for an individual question, however, six or more students from your school must have reported the behavior being measured by that question.

Contact Information for School Results

If any schools have questions about their school results or desire additional analysis (tables by grade/gender³, significance tests, or data weighting as noted in the footnotes below), please feel free to have them contact Mark Winkelman at Winkelman Consulting (see the contact information above).

² Due to federal and state confidentiality requirements, YRBS high school (Grades 9-12) results will be provided only to schools that returned at least 25 completed high school surveys. If your school did not return at least 25 completed high school surveys, you will not receive high school results for your school but you can still access the 2013 North Dakota Statewide High School YRBS results on the Department of Public Instruction's Safe and Healthy Schools website (<http://dpi.state.nd.us/health/YRBS/index.shtm>).

³ To receive additional analysis by grade, gender, etc. for a minimal fee, there must be at least 25 countable surveys in each grade segment, gender segment, etc. If a grade or gender segment does not have 25 countable surveys, grade segments can be combined to attain the required number of countable surveys. For example, if Grade 10 had seventeen countable surveys and Grade 11 had twenty-two countable surveys, a segment that combines Grades 10-11 could be provided.

North Dakota 2013 High School (Grades 9-12) YRBS Results
(Including breakdowns by region and urban/rural)

Tobacco Use

Cigarette	CDC North Dakota Results	Winkelman Consulting Results										
		<u>GNWEC</u> Williston Area	<u>MDEC</u> Minot Area	<u>NCEC</u> Bott.-Rugby Area	<u>NESC</u> Devils Lake Area	<u>RRVEC</u> Grand Forks Area	<u>SEEC</u> Fargo-Jamestown Area	<u>MREC</u> Bismarck-Mandan Area	<u>RESP</u> Dickinson Area	Not REA member	<u>Urban</u> Towns	<u>Rural</u> Towns
Question												
Percentage of students who smoked cigarettes on 20 or more of the past 30 days (NDHqncrfg, CDC QNFRCIG, calculated using NDHq30, CDC QN33)	6.6%	7.7%	8.7%	7.0%	6.9%	5.0%	4.1%	8.5%	5.8%	18.5%	6.5%	5.6%
Percentage of students who ever tried cigarette smoking, even one or two puffs (NDHqn28, CDC QN31)	41.4%	49.5%	42.4%	46.6%	47.9%	35.5%	33.8%	41.2%	46.0%	63.0%	36.5%	43.0%
Percentage of students who smoked a whole cigarette for the first time before age 13 years (NDHqn29, CDC QN32)	7.9%	16.3%	6.7%	12.7%	13.3%	6.5%	6.9%	9.5%	8.2%	22.2%	8.1%	9.1%
Percentage of students who smoked cigarettes on one or more of the past 30 days (NDHqn30, CDC QN33)	19.0%	20.9%	18.7%	17.0%	19.7%	13.2%	13.1%	20.6%	18.7%	29.6%	16.2%	16.7%
Among students who reported current cigarette use, the percentage who ever tried to quit smoking cigarettes during the past 12 months (NDHqn32, CDC QN38)	55.5%	56.1%	59.0%	55.7%	56.2%	45.3%	48.4%	54.6%	48.6%	62.5%	53.2%	51.2%

Cigarette Purchase	CDC North Dakota Results	Winkelman Consulting Results										
		<u>GNWEC</u> Williston Area	<u>MDEC</u> Minot Area	<u>NCEC</u> Bott.-Rugby Area	<u>NESC</u> Devils Lake Area	<u>RRVEC</u> Grand Forks Area	<u>SEEC</u> Fargo-Jamestown Area	<u>MREC</u> Bismarck-Mandan Area	<u>RESP</u> Dickinson Area	Not REA member	<u>Urban</u> Towns	<u>Rural</u> Towns
Question												
Among students who were less than 18 years of age and who reported current cigarette use, the percentage who usually got their own cigarettes by buying them in a store or gas station during the past 30 days (NDHqn31, CDC QN35)	7.8%	7.5%	17.8%	13.4%	20.2%	3.9%	7.0%	9.4%	13.3%	0.0%	9.6%	11.4%

Other Tobacco	CDC North Dakota Results	Winkelman Consulting Results										
		<u>GNWEC</u> Williston Area	<u>MDEC</u> Minot Area	<u>NCEC</u> Bott.-Rugby Area	<u>NESC</u> Devils Lake Area	<u>RRVEC</u> Grand Forks Area	<u>SEEC</u> Fargo-Jamestown Area	<u>MREC</u> Bismarck-Mandan Area	<u>RESP</u> Dickinson Area	Not REA member	<u>Urban</u> Towns	<u>Rural</u> Towns
Question												
Percentage of students who smoked cigarettes or cigars or used chewing tobacco, snuff, or dip on one or more of the past 30 days (NDHqnanytob, CDC QNANYTOB, calculated using NDHq30, CDC QN33; NDHq33, CDC QN39; & NDHq34, CDC QN40)	25.7%	28.2%	27.2%	24.1%	27.8%	19.6%	21.0%	27.9%	25.4%	44.4%	22.8%	25.6%
Percentage of students who used chewing tobacco, snuff, or dip on one or more of the past 30 days (NDHqn33, CDC QN39)	13.8%	16.2%	14.6%	11.5%	15.3%	9.3%	12.6%	13.2%	14.3%	24.1%	11.2%	15.1%
Percentage of students who smoked cigars, cigarillos, or little cigars on one or more of the past 30 days (NDHqn34, CDC QN40)	11.7%	10.9%	12.8%	12.7%	10.0%	9.2%	11.0%	13.9%	16.1%	20.7%	11.3%	12.9%
Percentage of students who used dissolvable tobacco products such as Ariva, Stonewall, Camel Orbs, Strips, or Sticks, on one or more of the past 30 days (NDHqn35, CDC QN93)	2.4%	3.5%	2.1%	1.9%	1.9%	2.1%	2.6%	2.2%	4.5%	3.7%	2.2%	2.8%

North Dakota 2013 Middle School (Grades 7-8) YRBS Results

(Including breakdowns by region and urban/rural)

Background Information

The Youth Risk Behavior Survey (YRBS) was developed by the Division of Adolescent and School Health (DASH), National Center for Chronic Disease Prevention and Health Promotion, and the Centers for Disease Control and Prevention (CDC) in collaboration with several representatives from state and local health education agencies and other federal agencies.

The YRBS is designed to focus on behaviors related to the leading causes of death and disability among youth and young adults and to assess how these risk behaviors change over time.

It is a self-reporting survey to measure priority health-risk behaviors that fall mainly into six categories:

- Behaviors that result in unintentional injuries and violence
- Tobacco use
- Alcohol and other drug use
- Dietary behaviors
- Physical activity
- Sexual behaviors that result in HIV infection, other sexually transmitted diseases (STDs), and unintended pregnancies

These behaviors are often established during youth and extend into adulthood and are frequently interrelated.

The YRBS and Youth Tobacco Survey (YTS) are conducted biannually in the spring of odd years. Therefore, this study will be conducted again in the spring of 2015, 2017, 2019, etc. **To avoid the risk of overburdening teachers and students with surveys, we strongly recommend you encourage the schools in your area to reserve March and April of odd years for conducting the YRBS and YTS only!**

North Dakota Statewide Results, Limitations, and Contact Information

Statewide Results & Limitations

The statewide data is collected by randomly selecting school buildings, as well as classes within each building. Given that these schools/classes were selected at random and a high participation rate was achieved, the CDC was able to generate weighted data that is highly representative of all middle school students (Grades 7-8) from eligible¹, public middle schools in the state of North Dakota. Therefore, **the statewide results do not have any limitations and can be used to (1) project the results to all public middle school students and (2) compare changes in results from one survey year to another.**

Contact Information for the Statewide Results

The 2013 Middle School Youth Risk Behavior Survey (YRBS) results are available on the Department of Public Instruction's Safe and Healthy Schools website at: <http://dpi.state.nd.us/health/YRBS/index.shtm>

If you have any questions about the statewide YRBS information or desire additional information, please feel free to contact:

Gail Schauer
YRBS Data Manager
ND Department of Public Instruction
Email: gschauer@nd.gov
Telephone: 701-328-2265

¹ During the 2012-2013 school year, roughly 14,810 students (Grades 7-8) attended "eligible" North Dakota public middle schools. To be eligible for the 2013 YRBS Middle School Survey, a school building was required to have at least 10 students enrolled in Grades 7-8. The North Dakota YRBS survey was completed by 6,921 middle school students (Grades 7-8) from 101 North Dakota middle schools during the spring of 2013, of which 2,132 were students from schools/classes that were "selected" for the statewide CDC sample and 4,789 were students from schools/classes that "voluntarily" participated in the YRBS. Data from all middle school student surveys are included in the Winkelman Consulting results.

North Dakota 2013 Middle School (Grades 7-8) YRBS Results (Including breakdowns by region and urban/rural)

Regional and Urban/Rural Results, Limitations, and Contact Information

Regional and Urban-Rural Results & Limitations

The regional and urban-rural data apply only to those schools/classes participating in the survey during that year. We **cannot** say the results that include "voluntary" data represent **all** schools/students within a region or segment; we can simply say they represent **mainly** the schools/classes that **volunteered** to participate in the survey. Therefore, changes that occur within a region or segment from one survey year to another **may not** represent true changes in behavior within the region or segment. The changes **may** simply result because of differences between the kinds of schools/classes that chose to participate in one year versus another.

As was noted in the footnote on the previous page, 6,921 middle school students (Grades 7-8) participated in the 2013 North Dakota Middle School YRBS, of which 4,789 were students from schools/classes that "voluntarily" participated in the YRBS. Therefore, the vast majority of the data used for the regional and urban-rural results was not collected from randomly selected school buildings and/or classes. Given that most of these schools/classes "volunteered" to participate and were not selected at random, even though a high participation rate was achieved, Winkelman Consulting is not able to generate weighted data that is representative of all middle school students (Grades 7-8) from eligible, public middle schools in either the state or an individual region or segment. Because of this, **the regional and urban-rural data cannot be used to (1) project the results to all public middle school students in a region or segment or (2) compare changes in results for a region or segment from one survey year to another. Also, noticeable differences may be seen between the results for a region/segment and the statewide data simply because the students from schools/classes that completed "voluntary" YRBS surveys are more (or less) likely to have a certain behavior than the "average" student represented by the random, weighted, representative statewide data.**

Contact Information for the Regional and Urban-Rural Results

If you have any questions about the enclosed regional or urban-rural results or desire additional detail, please feel free to contact:

Mark Winkelman
Winkelman Consulting
Email: MRWinkelman@cableone.net
Telephone: 701-237-2283

School Results, Limitations, and Contact Information

Parameters for School Results

Schools that met the requirements² received a similar report that included their 2013 YRBS middle school (Grades 7-8) results. To receive results for an individual question, however, six or more students from their school must have reported the behavior being measured by that question.

Contact Information for School Results

If any schools have any questions about their school results or desire additional analysis (tables by grade/gender³, significance tests, or data weighting as noted in the footnotes below), please feel free to have them contact Mark Winkelman at Winkelman Consulting (see the contact information above).

² Due to federal and state confidentiality requirements, YRBS middle school (Grades 7-8) results will be provided **only** to schools that returned at least 25 completed middle school surveys. If a school did not return at least 25 completed middle school surveys, they will not receive middle school results for their school but they can still access the 2013 North Dakota Statewide Middle School YRBS results on the Department of Public Instruction's Safe and Healthy Schools website (<http://dpi.state.nd.us/health/YRBS/index.shtm>).

³ To receive additional analysis by grade, gender, etc. for a minimal fee, there must be at least 25 countable surveys in each grade segment, gender segment, etc.

North Dakota 2013 Middle School (Grades 7-8) YRBS Results
(Including breakdowns by region and urban/rural)

Format, Question Order, Abbreviations & a Reminder Related to "Voluntary" Data

At the end of each question (or calculated variable) on the following pages, we have provided both a ND [NDMqn# (or NDMqnname)] and a CDC [CDC QN# (or CDC QNname)] question number or variable name. The ND question number indicates the question number as it appeared on the 2013 North Dakota Middle School (Grades 7-8) YRBS questionnaire. The CDC question number (or variable name) indicates the question number or variable name assigned to the question (or variable) by the CDC. Please note that the results on the following pages are listed in an order similar to that in which the statewide results will be presented on the Department of Public Instruction website.

Remember, when looking at the Region or Urban-Rural data, please note that we cannot say the results that include "voluntary" data represent all schools/students within a region or segment; we can simply say they represent mainly the schools/classes that volunteered to participate in the survey. Therefore, changes that occur within a region or segment from one survey year to another may not represent true changes in behavior within the region or segment. The changes may simply result because of differences between the kinds of schools that chose to participate in one year versus another.

In previous years, Department of Human Services regions were used for the regional results. Beginning in 2013, however, YRBS stakeholders decided to use Regional Education Association (REA) regions for the regional results. Therefore, the Region/Urban-Rural data is presented for the following categories:

- Regional Education Association (REA) regions (<http://www.ndrea.org/index/REAWbsites.html>)
 - Great Northwest Education Cooperative (GNWEC): Williston Area
 - Mid-Dakota Education Cooperative (MDEC): Minot Area
 - North Central Education Cooperative (NCEC): Bottineau-Rugby Area
 - Northeast Education Services Cooperative (NESC): Devils Lake Area
 - Red River Valley Education Cooperative (RRVEC): Grand Forks Area
 - South East Education Cooperative (SEEC): Fargo-Jamestown Area
 - Missouri River Educational Cooperative (MREC): Bismarck-Mandan Area
 - Roughrider Education Services Program (RESP): Dickinson Area
 - Schools that are not a member of a REA: No defined area
 - **NOTE:** No Non-REA school districts participated in this study. Therefore, no results for Non-REA school districts can be provided. For all questions in the following tables, "N.A." (Not Available) has been entered as the results for Non-REA school districts.
- Urban-Rural categories
 - Urban Towns: 1,000 or more students in grades K-12 within the community
 - Rural Towns: Less than 1,000 students in grades K-12 within the community

The last page of this report provides a list of Regional Education Associations and their member school districts (as listed on their websites on November 6, 2013). For more information on school district membership for each Regional Education Association (REA) and other resources, please refer to the following websites:

- <http://www.ndrea.org/index/REAWbsites.html>
- <http://www.dpi.state.nd.us/finance/jpa/JPAmap.pdf>
- http://www.dpi.state.nd.us/finance/jpa/rea_directory.pdf

North Dakota 2013 Middle School (Grades 7-8) YRBS Results
(Including breakdowns by region and urban/rural)

Injury to Oneself & Suicide	CDC North Dakota Results	Winkelman Consulting Results										
		GNWEC Williston Area	MDEC Minot Area	NCEC Bott.-Rugby Area	NESC Devils Lake Area	RRVEC Grand Forks Area	SEEC Fargo-Jamestown Area	MREC Bismarck-Mandan Area	RESP Dickinson Area	Not REA member	Urban Towns	Rural Towns
Question												
Percentage of students who ever seriously thought about killing themselves (NDMqn16, CDC QN15)	17.8%	23.1%	20.8%	23.2%	25.0%	20.4%	19.1%	18.8%	18.5%	N.A.	19.6%	21.1%
Percentage of students who ever made a plan about how they would kill themselves (NDMqn17, CDC QN16)	12.5%	14.8%	12.4%	17.6%	13.9%	13.9%	13.6%	12.5%	10.7%	N.A.	13.1%	14.2%
Percentage of students who ever tried to kill themselves (NDMqn18, CDC QN17)	5.1%	6.6%	5.6%	8.3%	9.1%	6.4%	5.5%	5.6%	3.1%	N.A.	5.8%	6.2%

Tobacco Use

Cigarette	CDC North Dakota Results	Winkelman Consulting Results										
		GNWEC Williston Area	MDEC Minot Area	NCEC Bott.-Rugby Area	NESC Devils Lake Area	RRVEC Grand Forks Area	SEEC Fargo-Jamestown Area	MREC Bismarck-Mandan Area	RESP Dickinson Area	Not REA member	Urban Towns	Rural Towns
Question												
Percentage of students who smoked cigarettes on 20 or more of the past 30 days (NDMqncig, CDC QNFRICIG, calculated using NDMq21, CDC Q20)	1.1%	1.2%	0.2%	0.3%	2.8%	1.3%	0.7%	1.4%	0.8%	N.A.	0.9%	1.2%
Percentage of students who ever tried cigarette smoking, even one or two puffs (NDMqn19, CDC QN18)	17.0%	27.5%	15.7%	21.9%	32.2%	15.2%	11.8%	16.6%	12.8%	N.A.	14.5%	19.1%
Percentage of students who smoked a whole cigarette for the first time before age 11 years (NDMqn20, CDC QN19)	3.2%	5.2%	3.4%	4.1%	6.7%	2.8%	2.0%	3.8%	1.9%	N.A.	2.8%	3.7%
Percentage of students who smoked cigarettes on one or more of the past 30 days (NDMqn21, CDC QN20)	4.2%	8.2%	2.9%	5.0%	11.4%	4.0%	3.0%	4.5%	2.7%	N.A.	3.8%	5.2%

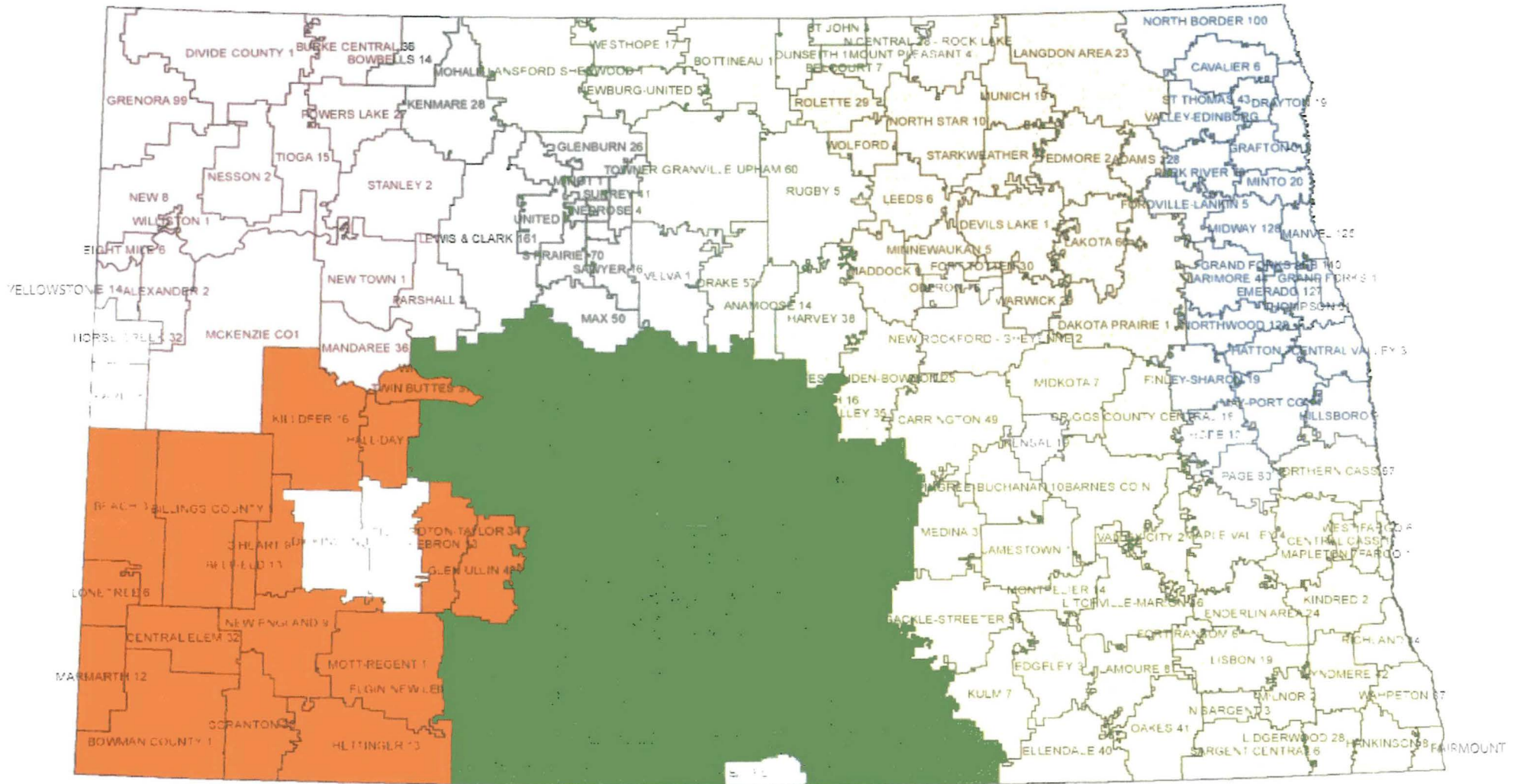
Other Tobacco	CDC North Dakota Results	Winkelman Consulting Results										
		GNWEC Williston Area	MDEC Minot Area	NCEC Bott.-Rugby Area	NESC Devils Lake Area	RRVEC Grand Forks Area	SEEC Fargo-Jamestown Area	MREC Bismarck-Mandan Area	RESP Dickinson Area	Not REA member	Urban Towns	Rural Towns
Question												
Percentage of students who smoked cigarettes or cigars or used chewing tobacco, snuff, or dip on one or more of the past 30 days (NDMqnanytob, CDC QNANYTOB, calculated using NDMq21, CDC Q20, NDMq22, CDC Q24, & NDMq23, CDC Q25)	6.7%	12.5%	3.8%	6.5%	14.2%	4.9%	4.2%	6.9%	6.5%	N.A.	5.0%	7.9%
Percentage of students who used chewing tobacco, snuff, or dip on one or more of the past 30 days (NDMqn22, CDC QN24)	3.5%	6.6%	1.0%	2.9%	5.8%	2.2%	2.2%	3.8%	3.8%	N.A.	2.2%	4.3%
Percentage of students who smoked cigars, cigarillos, or little cigars on one or more of the past 30 days (NDMqn23, CDC QN25)	2.1%	2.3%	1.1%	3.2%	4.5%	2.1%	2.1%	2.0%	2.3%	N.A.	2.0%	2.4%
Percentage of students who used dissolvable tobacco products such as Ariva, Stonewall, Camel Orbs, Strips, or Sticks, on one or more of the past 30 days (NDMqn24, CDC QN57)	1.1%	1.2%	0.3%	2.3%	1.4%	1.3%	1.3%	0.8%	1.1%	N.A.	1.2%	1.0%

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North Dakota 2013 Middle School (Grades 7-8) YRBS Results
(Including breakdowns by region and urban/rural)

Regional Education Association (REA) Member North Dakota School Districts (as of November 6, 2013)
Used for the 2013 YRBS Regional Data

GNWEC Williston Area	MDEC Minot Area	NCEC Bottineau-Rugby Area	NESC Devils Lake Area	RRVEC Grand Forks Area	SEEC Fargo-Jamestown Area	MREC Bismarck-Mandan Area	RESP Dickinson Area
<ul style="list-style-type: none"> • Alexander • Burke Central • Divide County • Eight Mile • Grenora • Johnson Corners Christian Academy • Mandaree • McKenzie County • Nesson • New 8 • New Town • Parshall • Powers Lake • St. Joseph's Catholic (Williston) • Stanley • Tioga • Williston • Yellowstone 	<ul style="list-style-type: none"> • Bowbells • Dakota Memorial • Glenburn • Kenmare • Lewis and Clark • Max • Minot Catholic • Minot • Nedrose • Our Redeemers Christian (Minot) • Sawyer • South Prairie • Surrey • Velva • United 	<ul style="list-style-type: none"> • Anamoose • Belcourt-Turtle Mountain Community • Bottineau • Drake • Dunseith • Dunseith Day • Harvey • Little Flower (Rugby) • MLS • Mt. Pleasant • Newburg-United • Ojibwa Indian (Belcourt) • Rugby • St. John • TGU • Westhope 	<ul style="list-style-type: none"> • Adams • Dakota Prairie • Devils Lake • Edmore • Ft. Totten-Four Winds Community • Lakota • Langdon Area • Leeds • Maddock • Minnewaukan • Munich • North Star • Oberon • Rolette • St. Joseph's (Devils Lake) • Starkweather • Tate Tope • Warwick • Wolford 	<ul style="list-style-type: none"> • Cavalier • Central Valley • Drayton • Emerado • Finley-Sharon • Fordville-Lankin • Grafton • Grand Forks • Hatton Eielson • Hillsboro • Larimore • Manvel • May-Port CG • Midway • Minto • North Border • Northwood • Park River • St. Thomas • Thompson • Valley-Edinburg 	<ul style="list-style-type: none"> • Barnes County North • Blessed John Paul II • Carrington • Central Cass • Circle of Nations • Edgeley • Ellendale • Enderlin Area • Fairmount • Fargo • Fessenden-Bowdon • Fort Ransom • Gackle-Streeter • Griggs County Central • Hankinson • Hope • Jamestown • Kindred • Kulm • LaMoure • Lidgerwood • Lisbon • Litchville-Marion • Maple Valley • Mapleton • Medina • Midkota • Milnor • New Rockford-Sheyenne • North Sargent • Northern Cass • Oak Grove • Oakes • Page • Pingree-Buchanan • Richland • Sargent Central • Valley City • Wahpeton • West Fargo • Wyndmere 	<ul style="list-style-type: none"> • Apple Creek • Ashley • Beulah • Bismarck • Center-Stanton • Elgin-New Leipzig • Flasher • Ft. Yates-Standing Rock • Garrison • Goodrich • Hazelton-Moffit-Braddock • Hazen • Kidder County • Linton • Little Heart • Mandan • Manning • McClusky • Napoleon • Naughton • New Salem-Almont • Pleasant Valley • Robinson • Roosevelt • Selfridge • Solen-Cannonball • Sterling • Strasburg • Sweet Briar • Turtle Lake-Mercer • Underwood • Washburn • White Shield • Wilton • Wing • Wishek • Zeeland 	<ul style="list-style-type: none"> • Beach • Belfield • Billings Co • Bowman Co • Central Elem (Amdon) • Dickinson • Glen Ullin • Halliday • Hebron • Hettinger • Killdeer • Lone Tree-Golva • Marmarth • Mott-Regent • New England • Richardton-Taylor • Scranton • South Heart



- | | |
|------|-------|
| NESC | GNWEC |
| MDEC | RRVEC |
| MREC | RESP |
| NCEC | SEEC |



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PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1024

Page 1, replace lines 11 through 14 with:

"Comprehensive tobacco control	\$15,807,437	\$740,602	\$16,548,039
Accrued leave	<u>8,391</u>	<u>(8,391)</u>	<u>0</u>
Total special funds	\$15,815,828	\$732,211	\$16,548,039
Full-time equivalent positions	8.00	0.00	8.00"

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1024 - Tobacco Prevention & Control Exec Comm - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Comprehensive tobacco control	\$15,807,437	\$16,047,355	\$500,684	\$16,548,039
Accrued leave payments	<u>8,391</u>			
Total all funds	\$15,815,828	\$16,047,355	\$500,684	\$16,548,039
Less estimated income	<u>15,815,828</u>	<u>16,047,355</u>	<u>500,684</u>	<u>16,548,039</u>
General fund	\$0	\$0	\$0	\$0
FTE	8.00	8.00	0.00	8.00

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

	Adjusts Funding for Health Insurance Premium Increases ¹	Increases Funding for Information Technology ²	Adds Funding for State Department of Health Grant ³	Total Senate Changes
Comprehensive tobacco control	(\$6,776)	\$7,460	\$500,000	\$500,684
Accrued leave payments	<u>(6,776)</u>	<u>7,460</u>	<u>500,000</u>	<u>500,684</u>
Total all funds	(\$6,776)	7,460	500,000	500,684
Less estimated income	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
General fund	0.00	0.00	0.00	0.00
FTE				

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

² Funding for information technology is increased to provide a total of \$21,460 for ongoing information technology costs related to House Bill No. 1053, the same as the executive recommendation.

³ Funding is added to provide a grant to the State Department of Health to be used for the Centers for Disease Control *Best Practices for Comprehensive Tobacco Prevention and Control Programs*.