

Op-Ed Article by William Moran, StopTuitionHikes.com

Competing Cigarette Tax Efforts?

Tuition and Healthcare Pushes are Two Sides of the Same Coin

On Friday, the Otter Administration announced a plan to provide primary care coverage to 78,000 residents living "in the gap" -- they make too much for Medicaid and don't make enough for the Your Idaho Exchange. One prospective funding source for this plan -- a cigarette tax.

One week prior, our group Stoptuitionhikes, announced a popular ballot initiative to reduce tuition costs 22% at Idaho's universities, add funding for community colleges, and triple our state's commitment to tobacco cessation through a \$1.50 cigarette tax and an additional 12% tobacco tax.

These conflict spelling trouble for both efforts, right? No.

It's a mistake to look at cigarette tax revenues but not its savings -- in fortune and lives.

Our Plan

Under our plan, every pack of cigarettes smoked leads to \$1.50 in additional revenues. But, for every pack of cigarettes not smoked, per the American Lung Association, Idaho saves \$15.

How much will our plan reduce smoking? A lot. 12,500 kids will never start smoking, nearly 9,500 adults will quit, and 6,500 lives -- low-income lives -- will be saved. The net savings to the state are over \$400 million in long-term healthcare savings. That means not only \$400 million less in healthcare needs, but also \$400 million not spent that can be used to fill gaps.

Their Plan

Their still developing their plan, but according to news clips we can expect roughly \$10 million to be pulled from current cigarette revenues and an additional \$20 million to be raised through an additional 57 cent cigarette tax to fund primary care for 78,000 Idahoans.

Like our plan, this plan will not only generate revenues but create savings and save lives. In 2006, Arizona, a state with similar demographics, raised their cigarette tax by 82 cents and the result was a 25% reduction in smoking. Similarly, in 2010, Utah raised their cigarette tax by \$1 with tremendous success.

Those savings can, similarly, be utilized to fund university scholarships and reduce our students' tuition burden. They can be used to ensure that more than 5 out of 10 Idaho kids go to college. They can be used to ensure that another 4 out of 10 Idaho kids aren't forced to drop out due to high costs. They can be used to ensure that those last 1 out of 10 kids, who do finish college, aren't carrying a mortgage without a house while being expected to carry our economy.

But, Isn't This a Regressive Sin Tax?

No. This is a nonsense talking point developed from whole cloth by Big Tobacco. The industry targets poor and young people then turns around to argue that their product has to be cheap as an act of charity. An industry that kills nearly half-million low-income Americans somehow has convinced people that allowing them to kill more low-income Americans quickly, cheaply, and efficiently is an act of charity. It is disturbing.

It turns out that the cost savings on the packs not purchased are nearly equivalent to the new tax. Then there are savings on healthcare premiums. Then there are savings by folks not being forced out of their jobs by catastrophic illness. Finally, there are savings by families not facing sudden and crippling healthcare costs.

\$4 cigarettes -- the cost in this state if you aren't picky -- are not charity. In fact, they strangle our budget, kill our people, and snuff out the hopes of our students.

Let's be united in helping Idaho break the habit. Let's be united in fixing this.