

1. *GOV. SCHWEIKER PROPOSES \$1-PER-PACK CIGARETTE TAX, SAYS TOO MANY KIDS STILL BUYING TOBACCO IN PA*

HARRISBURG (June 6) -- After receiving results of the latest Health Department tobacco-enforcement sweep that shows scores of Pennsylvania teenagers are still successfully buying cigarettes, Gov. Mark Schweiker today said he will immediately seek to raise Pennsylvania's cigarette tax 69 cents, to \$1 per pack. His proposal also would have Pennsylvania join 47 other states in taxing chewing tobacco.

Gov. Schweiker made the announcement from his Capitol office, joined by representatives of the Pennsylvania divisions of the American Cancer Society, Heart Association and Lung Association, and dozens of Pennsylvania teenagers who are part of the youth anti-tobacco movement, BUSTED!

"Our intentions have been good, our hearts in the right place," Gov. Schweiker said. "But when it comes to solutions, we just haven't measured up to the challenge of keeping tobacco out of the hands of our children.

"We haven't met the challenge when nearly four out of 10 high school seniors smoke cigarettes. We haven't met the challenge when 12.8 million packs of cigarettes were sold illegally to kids last year in Pennsylvania. And we certainly haven't met the challenge when, every year, more than 38,000 Pennsylvania children and teens become daily smokers.

"Pennsylvania's most precious natural resource -- our children -- is becoming addicted to nicotine by the thousands. And the news is not getting any better."

The state Department of Health just delivered to Gov. Schweiker the results of an eight-month tobacco-enforcement "sting" of Pennsylvania retailers. Out of 2,548 spot checks statewide, 535 citations were issued -- meaning that 21 percent of the time, teenagers under the legal age of 18 successfully purchased tobacco products.

This comes after Pennsylvania narrowly avoided losing \$23 million in federal funding last year earmarked for improving the health of state residents because Pennsylvania's retailers exceeded a federal limit on tobacco sales to minors.

"They say timing is everything," Gov. Schweiker. "Today, it's time to try something new. And when we succeed, we will change lives. And, most certainly, save lives.

"Today, I propose we put our children first and raise Pennsylvania's cigarette tax by 69 cents, to an even \$1 per pack. We haven't touched our cigarette tax in more than a decade. It now stands 12 cents below the national average. But study after study proves that teen smoking rates drop when the cigarette tax is raised."

The U.S. Surgeon General's Report, "Reducing Tobacco Use," found that raising tobacco-product prices decreases the prevalence of tobacco use, particularly among kids and young adults, and that tobacco-tax increases produce "substantial long-term improvements in health." From its review of existing research, the report concluded that raising tobacco taxes is one of the most effective tobacco prevention and control strategies.

Gov. Schweiker noted that his announcement comes as budget negotiations with legislative leaders enter a critical phase.

"My proposal will not only keep cigarettes and chewing tobacco out of the hands of children and save lives, it will go a long way toward helping us deal with the most difficult fiscal dilemma this state has faced in years," Gov. Schweiker said.

"By now, you've surely heard that our estimated revenue shortfall will be in excess of \$1.2 billion. What I'm proposing today is no one-time budget gimmick. Increasing our cigarette tax and creating a chewing-tobacco tax will provide Pennsylvania with much-needed revenue to sustain our existing programs without having to ask taxpayers to pay higher core taxes, such as income, sales and business taxes, which historically have been raised each time we've had to deal with a recession.

"I look forward to sitting down with legislative leaders in the very near future to hammer out our responsible spending plan for the next year.

"But, in the end, this isn't about revenues, spreadsheets or Rainy Day Funds. This is about stopping a child from buying that first pack of cigarettes or chewing tobacco. This is about saving lives."

At its current level of 31 cents per pack, Pennsylvania's excise tax on cigarettes is 12 cents less than the national average. If raised to \$1 per pack, Pennsylvania's cigarette tax would still be less than or equal to eight states, including New York (\$1.50), Washington (\$1.42) and Maryland (\$1).

In 2001, Pennsylvania collected \$320.9 million in cigarette taxes. By increasing the cigarette tax 69 cents to \$1, it's estimated the state will collect an additional \$617 million annually. By adding a 40-percent tax of the wholesale price of chewing tobacco, it's estimated the state would collect \$11.5 million in taxes.

"Pennsylvanians are ready to accept a higher cigarette tax," said Garry Pincock, Chief Executive Officer of the American Cancer Society, noting a recent survey of 646 registered voters that found three out of four state taxpayers would support the increase. "Gov. Schweiker's bold proposal will protect thousands of Pennsylvania kids from addiction to tobacco while, at the same time, helping the state address the budget crisis. It's a win-win, and we encourage the state legislature be a partner in this effort."

Also joining Gov. Schweiker today were Health Secretary Robert Zimmerman, Pennsylvania Physician General Dr. Robert Muscalus and Dan White of Allegheny County, who started smoking when he was just 7 years old and who recently lost his larynx to cancer.

"I smoked for over 57 years," White said. "The so-called pleasure of a [cigarette](#) is not worth the price you have to pay. Cancer took more than my voice; it took away my health, my breath and much of my mobility.

"An increase in the cigarette tax will decrease the amount of people who smoke, and I'm all for that. I smoked, and I'm lucky to be alive. Most smokers won't be that lucky."

Gov. Schweiker has made reducing youth access to tobacco one of his top priorities. Since taking office last October, Gov. Schweiker has launched Pennsylvania's most aggressive campaign yet -- aimed at making sure retailers support the state law that says selling tobacco products to anyone under the age of

18 is illegal.

"Tobacco use continues to be the single most preventable cause of death and disease in Pennsylvania," Secretary Zimmerman said. "We must do more to prevent the lifelong damaging effects of tobacco use and addiction. That's why I applaud Gov. Schweiker's bold initiative.

"Critical partners in Pennsylvania's efforts to eliminate children's access to tobacco are our retailers and clerks. These individuals serve as our front-line defense against children getting access to tobacco products. Unfortunately, as our numbers have demonstrated over the past several years, there are many who have not taken this responsibility to heart and who still choose to sell tobacco illegally to minors.

"Many retailers do the right thing by not selling; but we must act to prevent those retailers who do sell from continuing to put tobacco into the mouths of children.

"Since 90 percent of all smokers start when they are kids, limiting youth access is one way to stop them from picking up this deadly habit. If kids don't buy cigarettes, they don't get addicted."

According to the National Center for Tobacco-Free Kids, the projected benefits of Gov. Schweiker's proposal to increase the cigarette tax include:

- * 131,500 -- Increase in total number of kids alive today who will not become smokers;*
- * 42,000 -- Number of kids alive today saved from premature smoking-caused death;*
- * 20,300 -- Number of current adult smokers saved from smoking-caused death; and*
- * \$2.34 billion -- Long-term health-care savings from adult and youth smoking declines.*

Physician General Dr. Muscalus noted that the annual cost to treat tobacco-related illnesses in Pennsylvania is \$4 billion.

"We know tobacco can be deadly," Dr. Muscalus said. "We also know that the higher the cost of a pack of cigarettes, the less likely a young person is to buy them. Ultimately, that will make Pennsylvania healthier. It's as simple as that.

"As a physician, I understand some of the rhetoric may sound over the top at times. But I've seen first hand what can happen to a person after years of smoking. It's difficult to describe unless you see the effects for yourself."

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