

Testimony to House Taxation Committee Supporting HB 2231 March 15, 2018 Greater Kansas City Chamber of Commerce

The Greater Kansas City Chamber of Commerce, representing over 2,200 businesses in the Greater Kansas City area, firmly believes tobacco prevention and cessation directly impacts the economic viability of our members and our workforce and calls on the committee to pass HB 2231 in order to further health and wellness in Kansas.

Each year, more businesses discover that employees who smoke cost their businesses in health care and insurance costs and in lost productivity. The average health care cost of an employee who uses tobacco is \$5,963 while the average cost of an employee who does not use tobacco is \$4,807, saving employers \$1,156 (roughly 20%) per employee. Additionally, data shows decreased productivity from tobacco use costs the Kansas economy \$2,233 per user annually. Tobacco usage does not only cost businesses money, it also costs tax payers and is a hindrance on economic productivity for the state.

Increasing the cost of tobacco products creates a viable barrier to smoking and is effective in reducing the number of users of tobacco. Leading research shows that for every 10% increase in a tobacco tax, there is a corresponding 3-4% decrease in use.

According to Tobacco Free Kids, smoking is the most preventable cause of death in the United State killing more people than alcohol, AIDS, car accidents, illegal drugs, murders and suicides—combined. In Kansas, this translates to 4,400 lives every year. This statistic is reason alone to increase tobacco taxes as an effective preventative measure to curb use.

HB 2231 represents a responsible and effective health care solution to support Kansas employers, employees, health care providers and communities. The Kansas government, being a steward of taxpayer dollars, should adopt policies that reduce health care costs, increase productivity, and most importantly, keep the citizens of Kansas healthy. The KC Chamber and member businesses believe a healthy workforce is good for all Kansans and increases the economic vitality for the state. The KC Chamber encourages this committee to pass HB 2231 with a favorable recommendation.

Cathy Bennett
Sr. Vice President, Public Policy & Government Relations
KC Chamber of Commerce
816.374.5412

Scott Hall Sr. Vice President, Civic and Community Initiatives KC Chamber of Commerce 816.374.5437