

Governor Ernie Fletcher  
700 Capital Avenue  
Frankfort, KY 40601

September 21, 2004

Dear Governor Fletcher and Legislators:

The Kentuckiana Health Alliance (KHA) recommends a reasonable increase in the state tax on tobacco products purchased in Kentucky.

The KHA is an alliance of employers, unions, health providers, health plans and other organizations with an interest in the health and health care of residents of the Louisville metropolitan area. The KHA has evaluated a study by the Lewin Group on the health status of the Louisville area and has selected the reduction in youth smoking as one of high priority.

We realize there are concerns on the impact on Kentucky's agricultural economy. However, according to the Kentucky Health Investment for Kids, because our farmers grow in a world market, if every Kentucky smoker quit tomorrow, there would be little or no affect on Kentucky farmers.

Kentucky currently has the lowest excise tax in the county at three cents and the tax has not been increased in 30 years. In the last three years, 33 states have raised their taxes pushing the national average to 74 cents per pack. Our surrounding state's average tax is 43 cents.

Increasing the tobacco tax has been a win, win solution for states. It not only reduces youth smoking, but also raises much needed revenue to balance budgets and fund vital programs. More than thirty states have increased tobacco taxes since January 1, 2002.

The consumption rate of cigarettes is in large part connected to the price of the product and research shows that with every 10% increase in the price of tobacco, youth smoking rates can be reduced by 7%. Kentucky has one of the highest youth smoking rates in the United States. By increasing the tobacco tax thousands of youths would not become regular smokers, thus saving substantial dollars to our health care system in the future, but more importantly saving the lives of our children.

Over the past decade, Kentucky legislators have shown a strong interest in the welfare of our children. Please continue Kentucky's investment in our future by implementing strong public policy that proves Kentucky is serious about decreasing youth smoking.

Please refer to the attachments for information and facts on increasing tobacco taxes.

Sincerely,

David Allen, M.D.  
Founder  
FitLouisville

Kathy Olhmann,  
Founder  
Work Place

Rocky Comito  
President  
United Auto Workers, Local 862

Steve Harrison  
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