

Policy Tip Sheet



POLICY ANALYSIS FROM
THE HEARTLAND INSTITUTE

Tobacco Harm Reduction 101: New Hampshire

Since their introduction to the U.S. market in 2007, e-cigarettes and vaping devices—tobacco harm reduction products that are 95 percent safer than combustible cigarettes—have helped more than three million American adults quit smoking.

1. Economic Impact

According to the Vapor Technology Association, in 2018, the industry created 360 direct vaping-related jobs, including manufacturing, retail, and wholesale jobs in New Hampshire, which generated \$11 million in wages alone.¹ Moreover, the industry has created hundreds of secondary jobs in the Granite State, bringing the total economic impact in 2018 to \$77,357,800. In the same year, New Hampshire received more than \$3 million in state taxes attributable to the vaping industry. These figures do not include sales in convenience stores, which sell vapor products including disposables and prefilled cartridges. In 2016, sales of these products in New Hampshire eclipsed \$6.1 million.²

2. State Health Department Data

As of October 7, 2019, the New Hampshire Division of Public Health Services (NHPHS) has reported the state's first probable case of a vaping-related lung illness.³ There is information on age, gender, or substance vaped by the particular patient, but NHPHS noted that most patients in statewide reports indicated they had vaped tetrahydrocannabinol (THC). *The Heartland Institute gives NHPHS a grade of D for information available on vaping-related lung illnesses.*

3. More Information Needed

The most recent report on youth e-cigarette use in New Hampshire is from the 2017 New Hampshire Youth Risk Behavior Survey.⁴ According to the survey, in 2017, 76 percent of New Hampshire high school students reported *not using* a vapor product in the 30 days prior to the survey, and only 3.9 percent reported daily use. More data is needed to understand the effects of public health campaigns on youth e-cigarette use.

4. Youth Sales Miniscule

From January 1, 2018 to September 30, 2019, the U.S. Food and Drug Administration (FDA) administered 1,106 tobacco age compliance inspections in New Hampshire, in which the agency used a minor in an attempt to purchase tobacco products.⁵ Of those, 157, or 14 percent, resulted in a sale to a minor. Of the violations, 60 (38 percent of violations and 5 percent of all compliance checks) involved the sale of e-cigarettes or vaping devices. The number of violations involving sales of cigars and cigarettes were 10 and 87, respectively, during the same period.

5. Misspent Money

In 2019, New Hampshire received an estimated \$254.9 million in tobacco taxes and tobacco settlement payments. In the same year, the state spent only \$140,000, or less than 1 percent, on funding tobacco control programs, including education and prevention.⁶ The lack of funding is notable in the state's telephone quit line, of which New Hampshire invests only \$2.12 per smoker, compared to the national average of \$2.21.

Policy Solution

Electronic cigarettes and vaping devices have proven to be tremendous tobacco harm reduction tools, helping many smokers transition away from combustible cigarettes. Despite recent fearmongering, their use is significantly safer than traditional cigarettes, as noted by numerous public health groups including the Royal College of Physicians,⁷ Public Health England,⁸ and the American Cancer Society.⁹ Rather than restricting their use, and undoubtedly reducing public health gains and millions of dollars in economic output, lawmakers should dedicate existing tobacco funds on programs that actually reduce youth usage.

Key Points

- 1 New Hampshire's vaping industry provided more than \$77 million in economic activity in 2018 while generating 360 direct vaping-related jobs. Sales of disposables and prefilled cartridges in New Hampshire exceeded \$6.1 million in 2016.
- 2 As of October 7, 2019, NHPHS has reported one case of vaping-related lung illness, noting other state health departments finding patients vaping THC prior to illness. NHPHS earns a **D** for its reporting on vaping-related lung illnesses.
- 3 In 2019, only 3.9 percent of New Hampshire high school students reported daily e-cigarette use. More data is needed.
- 4 Only 5 percent of FDA retail compliance checks in New Hampshire resulted in sales of e-cigarettes to minors from January 1, 2018 to September 30, 2019.
- 5 New Hampshire spends very little on tobacco prevention. In 2019, New Hampshire dedicated only \$140,000 on tobacco control, or less than 1 percent of what the state received in tobacco settlement payments and taxes.

Notes

Tobacco Harm Reduction 101: New Hampshire

References

- ¹ Vapor Technology Association, “The Economic Impact of the Vapor Industry NEW HAMPSHIRE,” 2019, <https://vta.guerrillaeconomics.net/reports/46d2314b-b4da-4438-af7e-48c2b09b39d4?>
- ² Teresa W. Wang et al., “National and State-Specific Unit Sales and Prices for Electronic Cigarettes, United States, 2012-2016,” *Preventing Chronic Disease*, Centers for Disease Control and Prevention, August 2, 2018, https://www.cdc.gov/pcd/issues/2018/17_0555.htm.
- ³ New Hampshire Division of Public Services, “Vaping-Associated Lung Injury Identified in NH,” *Fact Sheet*, New Hampshire Department of Health and Human Services, October 7, 2019, <https://www.dhhs.nh.gov/dphs/cdcs/alerts/documents/vaping-lung-injury-nh.pdf>.
- ⁴ New Hampshire Department of Health and Human Services, “New Hampshire High School Survey,” 2017 Youth Risk Behavior Survey Results, 2017, <https://www.dhhs.nh.gov/dphs/hsdm/documents/hs-summary-yrbs-results-2017.pdf>.
- ⁵ U.S. Food and Drug Administration, “Compliance Check Inspections of Tobacco Product Retailers,” September 30, 2019, https://www.accessdata.fda.gov/scripts/oc/inspections/oc_insp_searching.cfm.
- ⁶ Truth Initiative, “Tobacco use in New Hampshire,” June 28, 2019, <https://truthinitiative.org/research-resources/smoking-region/tobacco-use-new-hampshire-2019>.
- ⁷ Royal College of Physicians, *Nicotine without Smoke: Tobacco Harm Reduction*, April 2016, <https://www.rcplondon.ac.uk/projects/outputs/nicotinewithout-smoke-tobacco-harm-reduction-0>.
- ⁸ A. McNeill et al., “Evidence review of e-cigarettes and heated tobacco products 2018,” Public Health England, February 2018, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/684963/Evidence_review_of_e-cigarettes_and_heated_tobacco_products_2018.pdf.
- ⁹ The American Cancer Society, “What Do We Know About E-Cigarettes?” June 19, 2019, <https://web.archive.org/web/20190806152535/https://www.cancer.org/cancer/cancer-causes/tobacco-and-cancer/e-cigarettes.html>.

For More Information, please refer to:

Tobacco Harm Reduction 101: A Guidebook for Policymakers

<https://www.heartland.org/publications-resources/publications/latest-heartland-policy-booklet-addresses-vaping-myths>

This booklet from The Heartland Institute aims to inform key stakeholders on the much-needed information on the benefits of electronic cigarettes and vaping devices. *Tobacco Harm Reduction 101* details the history of e-cigarettes, including regulatory actions on these products. The booklet also explains the role of nicotine, addresses tax policy and debunks many of the myths associated with e-cigarettes, including assertions about “popcorn lung,” formaldehyde, and the so-called youth vaping epidemic.

Nothing in this *Policy Tip Sheet* is intended to influence the passage of legislation, and it does not necessarily represent the views of The Heartland Institute. For further information on this and other topics, visit the [Budget & Tax News](#) website, [The Heartland Institute’s website](#), and [PolicyBot](#), Heartland’s free online research database.

The Heartland Institute can send an expert to your state to testify or brief your caucus; host an event in your state; or send you further information on a topic. Please don’t hesitate to contact us if we can be of assistance! If you have any questions or comments, contact Heartland’s government relations department, at governmentrelations@heartland.org or 312/377-4000.