

Policy Tip Sheet



POLICY ANALYSIS FROM
THE HEARTLAND INSTITUTE

Tobacco Harm Reduction 101: Nevada

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 973 direct vaping-related jobs, including manufacturing, retail, and wholesale jobs in Nevada, which generated \$28 million in wages alone.¹ Moreover, the industry has created hundreds of secondary jobs in the Silver State, bringing the total economic impact in 2018 to \$204,179,700. In the same year, Nevada received more than \$15 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 Nevada eclipsed \$7.3 million.²

2. State Health Department Data

As of December 18, 2019, the Southern Nevada Health District (SNHD) has reported six cases of vaping-related lung illnesses in Clark County, Nevada.³ The Nevada Department of Health and Human Services (NDHHS) does not provide any information on vaping-related lung illnesses on its website. SNHD provides age ranges and substances vaped. Of the patients, five, or 83 percent, reported using vapor products containing tetrahydrocannabinol (THC). *The Heartland Institute gives SNHD a grade of A for information available on vaping-related lung illnesses.*

3. More Information Needed

The most recent report on youth e-cigarette use in Nevada is from the 2017 Nevada Youth Risk Behavior Survey.⁴ According to the survey, in 2017, only 15 percent of Nevada high school students had reported using a vapor product on at least one day, in the 30 days prior to the survey. There is no information on frequent and/or 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 6,718 tobacco age compliance inspections in Nevada, in which the agency used a minor in an attempt to purchase tobacco products.⁵ Of those, 62, or 19 percent, resulted in a sale to a minor. Of the violations, 11 (17 percent of violations and 3 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 12 and 37, respectively, during the same period.

5. Misspent Money

In 2019, Nevada received an estimated \$230.4 million in tobacco taxes and tobacco settlement payments. In the same year, the state spent \$1 million, or less than 1 percent, on funding tobacco control programs, including education and prevention.⁶ The lack of funding is most notable in the state's telephone quit line, of which Nevada spends \$0.75 per smoker, significantly lower than 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

Nevada's vaping industry provided more than \$204 million in economic activity in 2018 while generating 973 direct vaping-related jobs. Sales of disposables and prefilled cartridges in Nevada exceeded \$7.3 million in 2016.

2

As of December 18, 2019, SNHD has reported six cases of vaping related lung injury, noting that 83 percent of patients report vaping THC. NDHHS does not provide state reports. SNHD deserves an A for its transparency on vaping-related lung illnesses.

3

In 2017, only 15 percent of Nevada high school students reported using an e-cigarette on at least one day, in the 30 days prior. There is no information on frequent and/or daily use. More data is needed.

4

Only 3 percent of FDA retail compliance checks in Nevada resulted in sales of e-cigarettes to minors from January 1, 2018 to September 30, 2019.

5

Nevada spends very little on tobacco prevention. In 2019, Nevada dedicated only \$1 million to tobacco control programs including education and prevention, or less than 1 percent of what the state received in tobacco settlement payments and taxes.

Notes

Tobacco Harm Reduction 101: Nevada

References

- ¹ Vapor Technology Association, “The Economic Impact of the Vapor Industry NEVADA,” 2019, <https://vta.guerrillaeconomics.net/reports/578b827c-2255-4bc4-8985-9624030c6ebe?>
- 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 Southern Nevada Health District, “Outbreak – Vaping/E-Cigarette Related Lung Injuries,” December 18, 2019, <https://www.southernnevadahealthdistrict.org/Health-Topics/nevada-clean-indoor-air-act/outbreak-vaping-e-cigarette-related-lung-injuries/>.
- ⁴ Nevada Department of Health and Human Services, “2017 Nevada High School Youth Risk Behavior Survey (YRBS) Report,” 2017, <https://scholarworks.unr.edu/bitstream/handle/11714/5007/2017%20Nevada%20High%20School%20YRBS%2012.3.pdf?sequence=1&isAllowed=y>.
- 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 Nevada,” June 28, 2019, <https://truthinitiative.org/research-resources/smoking-region/tobacco-use-Nevada-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.

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