

Assessing Vermont's 2019 Tobacco Control Policies: Compliance & Implications for Young Vermonters' Access

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In 2019, Vermont implemented **three tobacco prevention policies** to address rising rates of e-cigarette use among young people.

The first phase of evaluating these policies is **focused on compliance**. Vermont has **compliance successes to celebrate**, yet **gaps to address**.



Tobacco 21 Strong compliance means limited ability to purchase tobacco in-store for youth under 21

Young people continue to access tobacco through friends and family

Delivery sales ban Compliance has improved, indicating decreased online access to tobacco

1/3 of tested online retailers continue to ship to Vermont

International online retailers pose a challenge to enforcement efforts

E-cigarette tax Compliance with the law as it is currently written is satisfactory

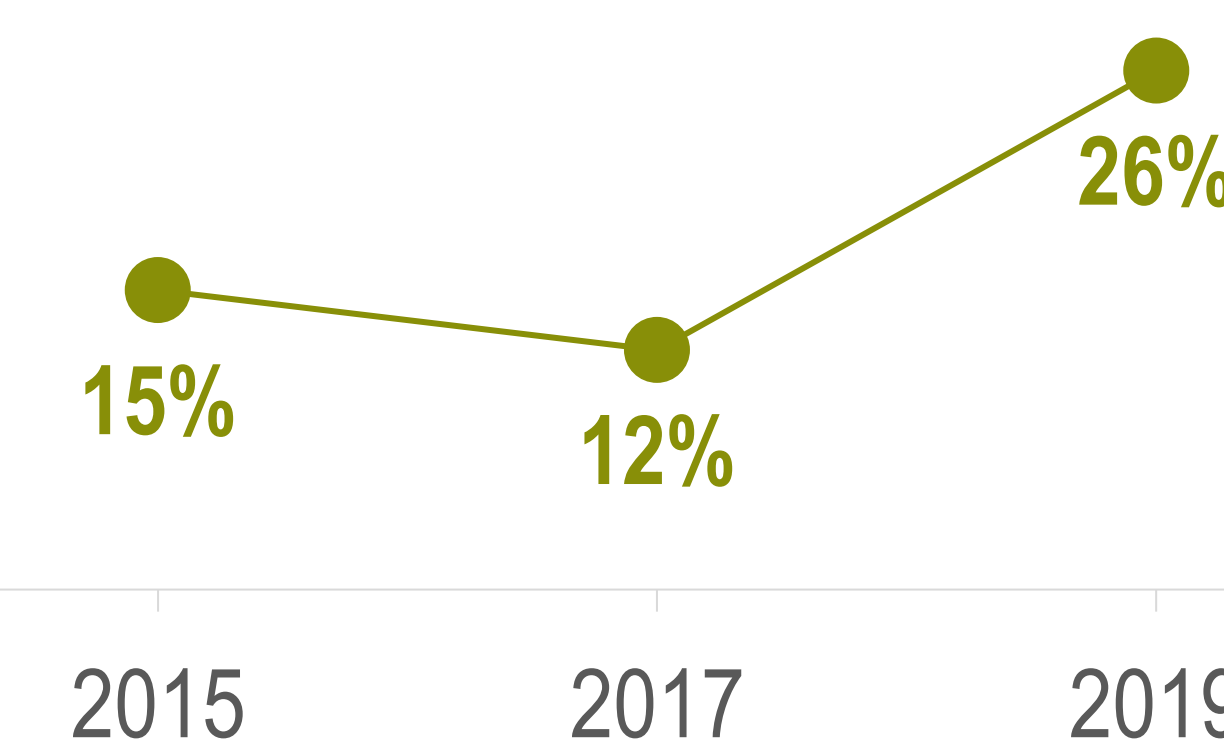
E-cigarette retailers also register as wholesalers to decrease tax burden

The tax's effects on price and access are uncertain

Three tobacco prevention policies

Consistent with nationwide trends, Vermont experienced an unprecedented increase in youth and young adults' use of e-cigarettes.

Percent of high schoolers who used e-cigarettes in past 30 days¹



In 2019, in response to these trends, Vermont implemented three policies:

- Tobacco 21** increased the legal age of sale of tobacco products to 21
- Delivery sales ban** prohibited the sale of e-cigarettes by mail
- E-cigarette tax** taxed e-cigarettes at 92% of wholesale price

The intended outcomes of these policies are to decrease youth and young adult access to and use of tobacco products, particularly e-cigarettes.

Focusing first on compliance

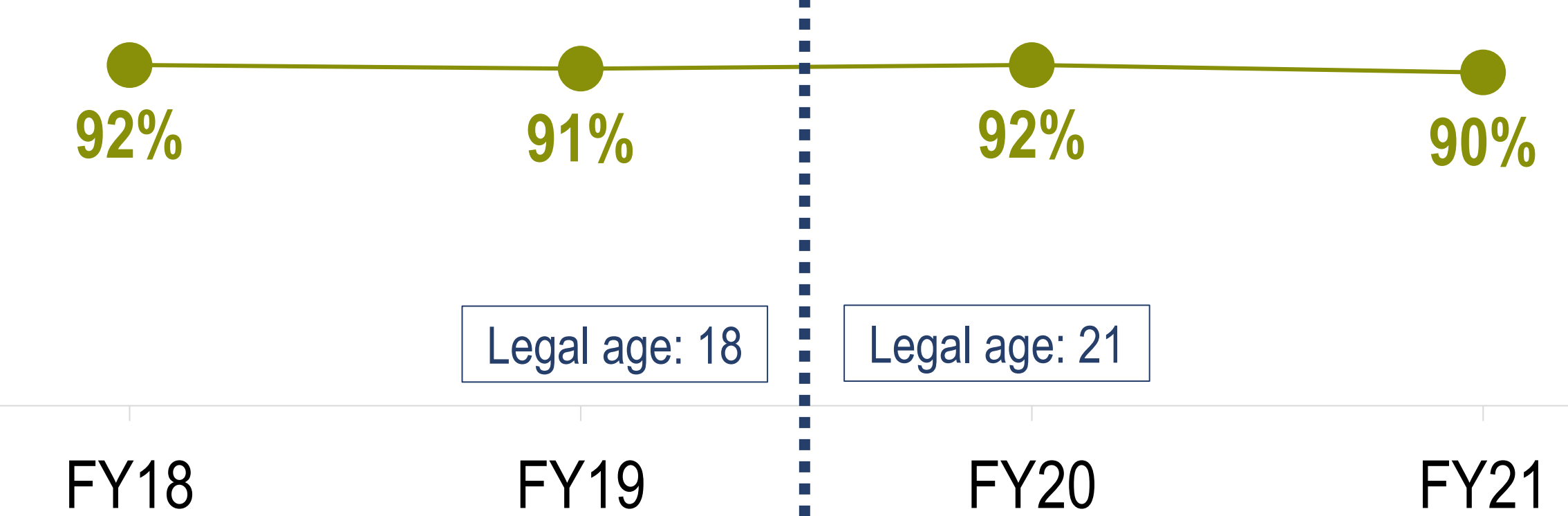
Policy effectiveness is mediated by the degree of compliance. Therefore, to understand these policies' effectiveness, we first need to assess compliance.

The Vermont Tobacco Control Program (VTCP) has cultivated a strong enforcement program, partnering with the Office of the Vermont Attorney General (AGO), the Vermont Department of Liquor and Lottery (DLL), and the Vermont Department of Taxes to ensure that wholesalers and retailers comply with the laws.

What we learned: Tobacco 21

Brick-and-mortar retailer compliance with Tobacco 21 is strong, limiting in-store access for Vermonters under 21.

Tobacco retailer compliance rate²



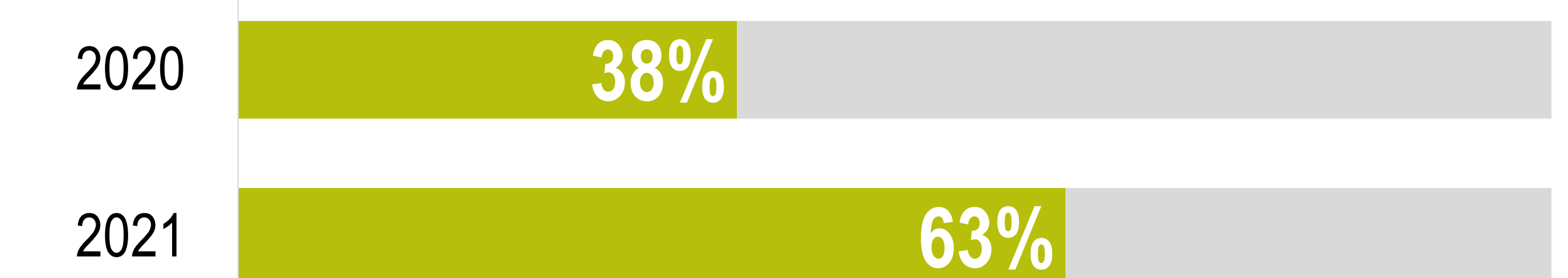
Yet young Vermonters are likely accessing tobacco products in other ways.

In 2019, when the legal age of sale was 18 in Vermont, 78% of e-cigarette users under 18 primarily accessed their products through someone else.¹

What we learned: Delivery sales ban

Online tobacco retailer compliance with the delivery sales ban has improved, yet more than 1/3 continue to ship to VT.

Online tobacco retailer compliance rate³



Enforcement efforts have been effective domestically, but the international online marketplace is complicated to enforce.

As of June 2022, an enforcement partnership between VTCP, AGO, and DLL has resulted in **23 settlements with non-compliant online retailers, bringing in \$834,000 in penalties.**

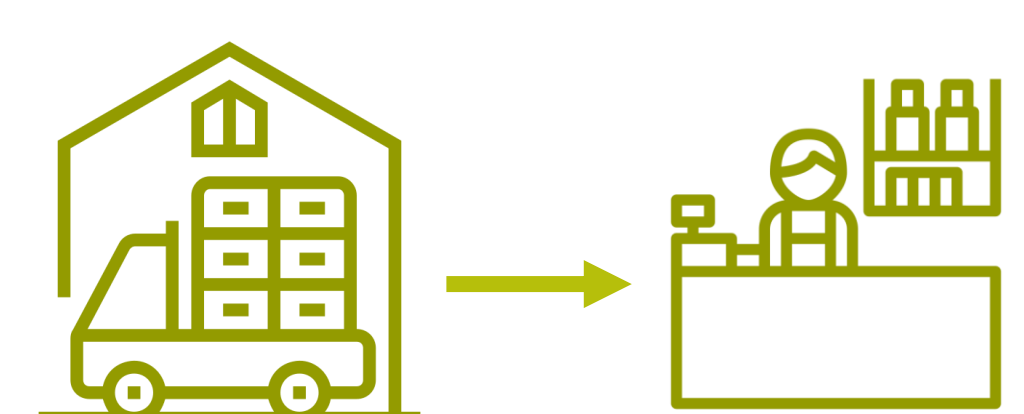
Enforcement of online retailers based outside the U.S. is more complicated and resource-intensive. This is an area of enforcement that Vermont continues to explore, as international online retailer activity may have significant implications for online access to tobacco.

What we learned: E-cigarette tax

Tobacco wholesaler compliance with the e-cigarette tax, as the law is written, is satisfactory. However, a common business structure allows retailers & wholesalers to lessen the tax.

The e-cigarette tax is applied at the point that wholesalers sell the products to retailers.

In Vermont, it is **common for retailers to also be licensed as wholesalers**, a structure permissible under current law. This allows a retailer to sell the product to itself at lower rates, **effectively decreasing the tax**. An administrative rule-making process would be required to address this.



The tax's effects on price and access are uncertain.

Because retailers and wholesalers are able to decrease their tax, and due to practices like discounting and coupons, the tax's effects on price and access are uncertain.

Sources:

- Vermont Youth Risk Behavior Survey.
- Vermont Department of Liquor and Lottery, Tobacco Youth Enforcement Program data.
- Vermont Department of Liquor and Lottery, Online Sale Enforcement Program data.



Access the full brief here



Access PDA NCTOH materials here