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 880 direct vaping-related jobs, including manufacturing, retail, and wholesale jobs in Utah, which generated $21 million in wages alone. Moreover, the industry has created hundreds of secondary jobs in the Beehive State, bringing the total economic impact in 2018 to $154,090,200. In the same year, Utah received more than $7 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 Utah eclipsed $6.5 million.

2. State Health Department Data
As of January 6, 2020, the Utah Department of Health (UDH) has reported 127 cases of vaping-related lung illnesses, including one death. The median age of patients is 25 and 75 percent are male. To date, 106 of 113 patients report vaping products containing tetrahydrocannabinol (THC). Further, in October, UDH tested cartridges and found vitamin E acetate, a chemical linked to recent vaping-related lung illnesses, in 89 percent of THC-containing product samples and in 0 percent of nicotine-containing product samples. The Heartland Institute gives UDH 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 Utah is from the 2019 Prevention Needs Assessment Survey. According to the survey, in 2019, 28.4 percent of Utah 10th and 12th grade students reported ever using a vapor product and only 14.75 percent reported using an e-cigarette on at least one day in the 30 days prior to the survey. There is not information on frequent and/or current e-cigarette 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 758 tobacco age compliance inspections in Utah, in which the agency used a minor in an attempt to purchase tobacco products. Of those, 40, or 5 percent, resulted in a sale to a minor. Of the violations, 19 (2 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 3 and 18, respectively, during the same period.

5. Misspent Money
In 2019, Utah received an estimated $141.9 million in tobacco taxes and tobacco settlement payments. In the same year, the state spent $7 million, or 4 percent, on funding tobacco control programs, including education and prevention.

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, Public Health England, and the American Cancer Society. 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 use.

Key Points:
1. Utah’s vaping industry provided more than $154 million in economic activity in 2018 while generating 880 direct vaping-related jobs. Sales of disposables and prefilled cartridges in Utah exceeded $6.5 million in 2016.

2. As of January 6, 2020, UDH has reported 127 cases of vaping-related lung illnesses, including one death. UDH notes that 89 percent of patients report vaping THC. UDH earns an A for its transparency on vaping-related lung illnesses.

3. In 2017, only 9.7 percent of Utah 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 2 percent of FDA retail compliance checks in Utah resulted in sales of e-cigarettes to minors from January 1, 2018 to September 30, 2019.

5. Utah spends very little on tobacco prevention. In 2019, Utah dedicated only $7 million to tobacco control programs including education and prevention, or less than 4 percent of what the state received in tobacco settlement payments and taxes.
References


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.