

Increasing the Cigarette Tax Rate in Wyoming to Maintain State Programs: An AARP Survey

Published January 2003



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Data Collected by Southeastern Research Institute, Inc.
Report Prepared by Katherine Bridges

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AARP

Knowledge Management

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AARP is a nonprofit, nonpartisan membership organization for people 50 and over. We provide information and resources; advocate on legislative, consumer, and legal issues; assist members to serve their communities; and offer a wide range of unique benefits, special products, and services for our members. These benefits include *AARP Webplace* at www.aarp.org, the AARP lifestyle magazines, the monthly *AARP Bulletin*, and a Spanish-language newspaper, *Segunda Juventud*. Active in every state, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands, AARP celebrates the attitude that age is just a number and life is what you make it.

Acknowledgements

AARP staff from the Wyoming State Office, State Affairs, and Knowledge Management contributed to the design and implementation of this study. Special thanks go to AARP staff including Joanne Bowlby, Tim Summers, and Rita Inoway, Wyoming State Office; Van Ellet and Clare Hushbeck, State Affairs; Gretchen Straw, Darlene Matthews, and Jennifer Leslie, Knowledge Management. John Fries of Southeastern Institute of Research, Inc. insured a timely and high quality survey. Jennifer H. Sauer, AARP Knowledge Management, managed all aspects of the project and Katherine Bridges wrote the report. For more information, contact Jennifer H. Sauer at (202) 434-6207.

Background

The purpose of this survey is to gauge Wyoming AARP members support for a cigarette tax increase of \$.60 per pack to help pay for specific state programs and services, including health care for children, a low-income prescription drug assistance program, Medicaid reimbursement, and tobacco abuse treatment and prevention programs. In addition, some of the revenue from a cigarette tax would go to help maintain Wyoming's cities and counties. Currently, Wyoming has a \$.12 tax on cigarettes that generates about \$5 million per year in tax revenue. A cigarette tax of \$.60 more per pack would generate about an additional \$25 million in revenue to be used for only these programs and services. In addition to raising revenue, The Campaign for Tobacco Free Kids cites research suggesting cigarette tax increases help smokers quit or cut down on the amount they smoke and may help balance state budgets by saving millions in health care dollars. In fact, The Campaign for Tobacco Free Kids reports that Wyoming could experience a savings of approximately \$69million in long-term health care expenditures¹.

Specifically, the survey explored members:

- support for increasing the state cigarette tax by \$.60 per pack to help pay for and maintain Wyoming's health care services, as well as it's cities and towns
- ♦ level of concern about being able to afford prescription drugs
- opinion on if a cigarette tax increase would hurt the state's economy
- ♦ attitude toward state candidates who support a state cigarette tax increase to help pay for specific state programs and services

An annotated questionnaire is appended to the report and discloses exact question wording, as well as all responses to the survey. Percentages may not add up to 100% due to rounding or non-response.

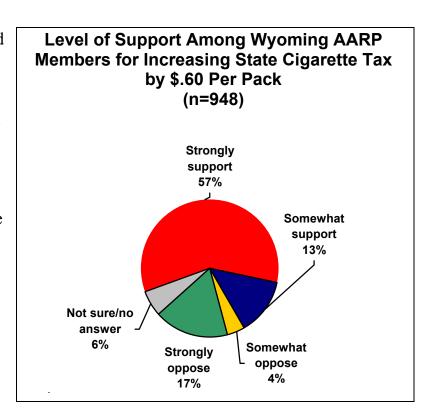
¹ Campaign For Tobacco-Free Kids, State Cigarette Taxes & Projected Benefits From Increasing Them, http://www.tobaccofreekids.org/research/factsheets. Also see U.S. Centers for Disease Control & Prevention (CDC), State Highlights 2002: Impact and Opportunity, April 2002, http://www.cdc.gov/tobacco/stateHighlights.htm.

Findings

Over half of Wyoming AARP members <u>strongly support</u> increasing the cigarette tax rate to help pay for state health programs and services.

When asked whether they would support increasing the state tax rate on cigarettes by \$.60 per pack, the majority of Wyoming AARP members say they would support such an increase.

Not surprisingly, members who smoke are more likely to oppose the proposed cigarette tax compared to those who do not smoke (73% vs. 16%).

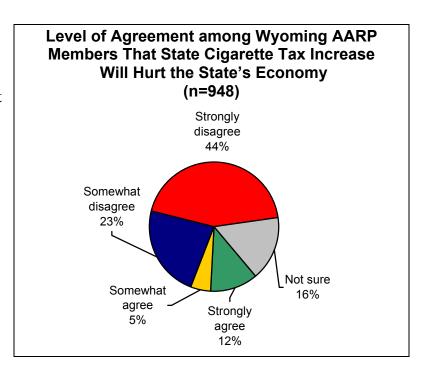


Most Wyoming AARP members <u>are concerned</u> about being able to afford prescription drugs over the next two years.

Over half (54%) of Wyoming AARP members are *very concerned*, and one-quarter (25%) are *somewhat concerned*, about being able to afford the cost of needed prescription drugs over the next two years (see Annotated Questionnaire in Appendix). Members who do not smoke are equally as likely as those who do to report they are *very concerned* about the affordability of prescription drugs in the near future (52% vs. 54%).

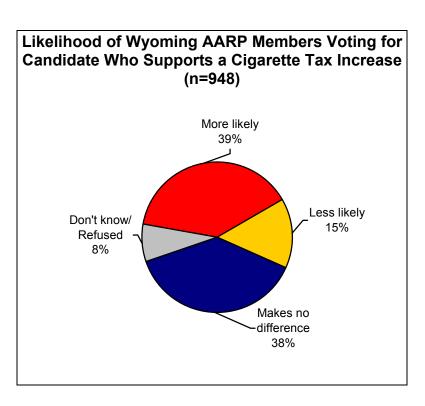
Most Wyoming members do not think a \$.60 cigarette tax increase would hurt the state's economy.

Some believe a \$.60 tax increase on cigarettes will be helpful in paying for and maintaining state programs that the tax is reserved for, while others believe the tax will hurt the state's economy. Members were asked whether they agree or disagree the tax increase would hurt the state's economy: the majority disagree.



Wyoming AARP members are more likely to vote for a candidate who supports increasing the state cigarette tax.

About four in ten Wyoming AARP members would be *more likely* to vote for a candidate for state office who supported a cigarette tax increase to help pay for and maintain state programs and services, compared to just one in seven who are *less likely* to vote for such a candidate. For 38 percent, it *would make no difference*.



Conclusions

Given that fifty-four percent of Wyoming AARP members say they are *very concerned* about being able to afford the cost of prescription drugs in the next two years, the findings from this survey show that efforts made by the state to aleviate these concerns by increasing the state tax on cigarettes are strongly supported. Over seven in ten Wyoming members support increasing the tax on cigarettes by \$.60 per pack to help pay for and maintain health care programs and services in the state, including a low-income presciption drug assistance program. Furthermore, the majority of members do not believe that such an increase in the cigarette tax would hurt the state's economy. Finally, generating revenues to maintain delivery of health care services and programs is an issue that could influence voting behavior: at least twice as many members say they would be more likely to vote for a candidate who supported a cigarette tax increase to help pay for these programs and services than those who would be less likely to vote for such a candidate.

Methodology

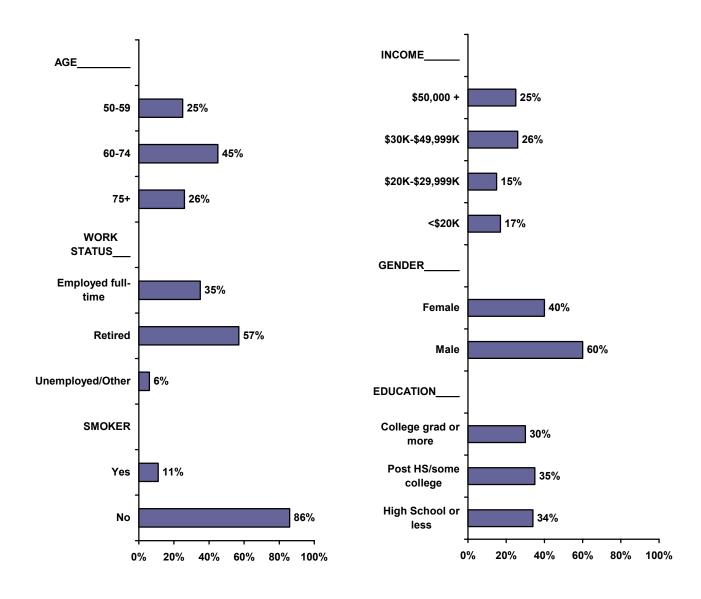
AARP members residing in Wyoming. A total of 948 interviews were completed from December 6 – Dec 12, 2002, yielding a 39 percent response rate and 47 percent cooperation rate.² The survey has a sampling error of plus or minus 3.2 percent. This means that in 95 out of 100 samples of this size, the results obtained in the sample would fall in a range of 3.2 percentage points of what would have been obtained if every AARP member in Wyoming had been surveyed. Survey responses were weighted to reflect the distribution of Wyoming members by age and gender. Weighted responses to all survey questions are in the attached annotated questionnaire.

For more information about this study, contact Jennifer H. Sauer, AARP Knowledge Management, (202) 434-6207.

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² The response rate is Response Rate 3 and the cooperation rate is Cooperation Rate 3 from the following publication: The American Association for Public Opinion Research. 2000. *Standard Definitions: Final Dispositions of Case Codes and Outcome Rates for Surveys.* Ann Arbor, Michigan: AAPOR.

Demographic Profile of Wyoming AARP Members Who Responded To Survey



Annotated Questionnaire



Wyoming AARP Survey

Wyoming AARP Members = 948, Response Rate = 39%, Sampling Error = 3.2% (Percentages may not add to 100 percent due to rounding or multiple responses.)

Introduction

[NEW INTRODUCTION:] Hello, I'm calling from Southeastern Institute of Research, a national opinion research firm, on behalf of A-A-R-P. We are conducting a survey in Wyoming to find out your opinion on an important issue facing the state. Your views are important and we would greatly appreciate your participation. Let me assure you, this is not a sales call and you will not be asked to buy anything either now or later. All of your responses are kept entirely confidential. The survey should only take 5 minutes of your time

My name is .

I'm calling from Southeastern Institute of Research, a national opinion research firm located in Richmond, Virginia.

This is not a sales call.

We are not telemarketers.

You will not be asked to buy anything either now or later.

All of your responses are kept entirely confidential.

The survey should only take a few minutes of your time depending on your answers.

The survey should only take about 5 minutes of your time.

- 1) CONTIUNE TO SURVEY
- 2) NO ANSWER → [AUTO CODE "NO ANSWER" DISPO]
- 3) BUSY → [AUTO CODE "BUSY" DISPO]
- 4) HOUSEHOLD ANSWERING MACHINE → [AUTO CODE "HH ANSWERING MACHINE" DISPO]
- 5) UNKNOWN ANSWERING MACHINE → [AUTO CODE "UNKNOWN ANS MACHINE" DISPO]
- 6) TOO BUSY RIGHT NOW / CALL LATER → [AUTO CODE "CALL LATER/BUSY NOW" DISPO]
- SCHEDULE A CALLBACK FOR A SPECIFIC TIME → [AUTO CODE "SCHEDULE CALLBACK" DISPO]
- 8) NON-WORKING OR BAD NUMBER **→** [AUTO CODE "NON-WORKING NUMBER" DISPO]
- 9) GOVERNMENT OR BUSINESS NUMBER → [AUTO CODE "GOVERNMENT/BUSINESS" DISPO]
- 10) REFUSED → [AUTO CODE "INITIAL REFUSAL" DISPO]

Screening

- S1. RECORD GENDER OF PERSON WHO ANSWERED PHONE:
 - 1) Male
 - 2) Female
- S2. In order to save time and ensure I only ask you questions relevant to someone in your age group, could you tell me whether you are aged 50 or older, or are you under 50?
 - 1) Age 50 or older
 - 2) Under 50
 - 3) DON'T KNOW / NOT SURE
 - 4) REFUSED

Main Questions

- Q1. To begin, how concerned are you and your family about being able to afford the cost of needed prescription drugs over the next two years? Would you say you are....
 - <u>%</u> 54
 - 54 Very Concerned,
 - 25 Somewhat Concerned,
 - 14 Not Very Concerned,
 - 6 Not At All
 - 1 DON'T KNOW/NOT SURE
 - 0 REFUSED
- Q2. The state of Wyoming is considering raising the tax on cigarettes by 60 cents per pack to help pay for state programs and services including health care for children, a low-income prescription drug assistance program, Medicaid reimbursement, and tobacco abuse treatment and prevention programs. In addition, some of the revenue from a cigarette increase would go to help maintain Wyoming's cities and towns. Currently, Wyoming has a 12-cent tax on cigarettes that generates about \$5 million per year in tax revenue. A cigarette tax of 60 cents more per pack would generate an additional \$25 million in revenue to be used only for these programs and services.

Do you support or oppose Wyoming increasing the tax on cigarettes by 60 cents to help pay for and maintain these state programs and services?

- <u>%</u>
- 71 Support → [SKIP TO Q4]
- 22 Oppose
- 1 Depends [VOLUNTEERED] → [SKIP TO Q5]
- 6 DON'T KNOW / NOT SURE → [SKIP TO Q5]
- 0 REFUSED → [SKIP TO Q5]
- Q3. And would you strongly oppose or somewhat oppose increasing the tax on cigarettes by 60 cents?
 - <u>%</u>
 - To Strongly Oppose
 - 4 Somewhat Oppose
 - 1 DON'T KNOW/ NOT SURE
 - 0 REFUSED

[SKIP TO Q5]

- Q4. And would you strongly support or somewhat support increasing the tax on cigarettes by 60 cents?
 - <u>%</u>
 - 57 Strongly Support
 - 13 Somewhat Support
 - 1 DON'T KNOW/ NOT SURE
 - 0 REFUSED

- Q5. If a candidate for state office in Wyoming supported a cigarette tax increase to help pay for and maintain these state programs and services, would you be more likely to vote for that candidate, less likely to vote for them, or would it not make any difference.

 - <u>%</u>39 More Likely
 - 15 Less Likely
 - 38 Would Not Make Any Difference
 - 8 DON'T KNOW/ NOT SURE
 - 0 REFUSED
- Q6. While some people feel a 60-cent cigarette tax increase will help pay for and maintain each of these state programs, others feel the tax will hurt the state's economy? Do you agree or disagree that a 60-cent cigarette tax increase will hurt the state's economy?
 - **%**
 - 17 Agree → [SKIP TO Q8]
 - 69 Disagree
 - 1 It Depends [VOLUNTEERED] → [SKIP TO D1]
 - 12 DON'T KNOW / NOT SURE → [SKIP TO D1]
 - 0 REFUSED
- Q7. And do you strongly disagree or somewhat disagree a 60-cent cigarette tax increase will hurt the state's economy?
 - <u>%</u>
 - 44 Strongly Disagree
 - 23 Somewhat Disagree
 - 2 DON'T KNOW/ NOT SURE
 - 0 REFUSED

[SKIP TO D1]

- O8. And do you strongly agree or somewhat agree a 60-cent cigarette tax increase will hurt the state's economy?
 - <u>%</u>
 - 12 Strongly Agree
 - 5 Somewhat Agree
 - 0 DON'T KNOW/ NOT SURE
 - 0 REFUSED

Demographics

My last few questions are for classification purposes only!

D1. What is your age as of your last birthday? [RECORD IN YEARS]

- <u>%</u> 26
- 26 50-59
- 43 60-74
- 26 75+
- 0 DON'T KNOW/ NOT SURE
- 4 REFUSED
- D2. What is the highest level of education you have completed? (**READ**)
 - <u>%</u>
 - 7 Less than high school
 - 28 High school graduate or equivalent
 - 35 Some college or technical training beyond high school
 - 14 College graduate
 - 16 or, Post-graduate or professional degree?
 - 0 DON'T KNOW/ NOT SURE
 - 1 REFUSED
- D3. Which of the following best describes your current employment status? Are you currently....
 - **%**
 - Employed or Self-Employed full-time
 - 9 Employed or Self-Employed part-time
 - 57 Retired and not working
 - 1 Unemployed and looking for work
 - 3 Homemaker
 - 2 Disabled
 - 0 Student
 - 0 Or something else? [Specify:
 - 0 DON'T KNOW
 - 1 REFUSED
- D4. Now, for statistical purposes only, please stop me when I get to the category that includes your household's income before taxes in 2001. Was it... (READ)
 - <u>%</u>
 - 4 Less than \$10,000
 - 13 10,000 but less than \$20,000
 - 15 \$20,000 but less than \$30,000
 - 14 \$30,000 but less than \$40,000
 - 12 \$40,000 but less than \$50,000
 - 16 \$50,000 but less than \$75,000
 - 9 or was your income \$75,000 or more?
 - 3 DON'T KNOW
 - 15 REFUSED

| D5. | Do you | Do you currently smoke cigarettes on a regular basis? | |
|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|--|
| | <u>%</u> | N. | |
| | 11 89 | Yes | |
| | 0 | No DON'T KNOW/ NOT SURE | |
| | 1 | REFUSED | |
| | 1 | KLI OSED | |
| D6. | Where do you get MOST of your news and information about what is important to you – from television, | | |
| | radio, | newspapers, or the Internet? | |
| | <u>%</u> | | |
| | 53 | Television | |
| | | Radio | |
| | | Newspapers | |
| | 2 | Internet | |
| | 6 1 | OTHER [VOLUNTEERED] SPECIFY:] DON'T KNOW/ REFUSED | |
| | 1 | DON I KNOW/ REFUSED | |
| D7. | . Which [INSERT APPROPRIATE PHRASE BASED ON ANSWER TO D6: "television station" / "radio station" / "newspaper" / "website"] do you [INSERT APPROPRIATE PHRASE BASED ON ANSWER TO D6: "watch" / "listen to" / "read" / "visit"] most frequently? [INTERVIEWERS: GET SPECIFIC INFORMATION ABOUT SOURCE] | | |
| D8. | What is | your 5-digit zipcode? | |
| D9. | And, fi | nally, may I verify that I reached you at: () | |
| Tha | nk you | for participating! Your Opinion Counts. | |
| | | | |
| | ondent | gender: | |
| <u>%</u> | | | |
| 60 | Ma | | |
| 40 | Fer | male | |

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