

Tobacco -  
Conrad -  
Amendments  
- SW

**February 9, 1998**  
**Conrad Tobacco Bill**  
**Attachment to §304**

According to §304, a manufacturer whose products are "not used by at least 0.5 percent of the total number of children determined to have used such tobacco products for the year involved" is not subject to a penalty for failing to meet a reduction target. This language implies that all firms whose products are used by up to 99.5% of all children who used such tobacco products are not subject to a penalty. Perhaps the bill means to say that firms whose products are used by less than 0.5% of children who used such tobacco products would not be subject to a penalty.

Let's assume that the bill means that firms whose products are used by less than 0.5% of children who used such tobacco products would not be subject to a penalty. There may be problems associated with measuring tobacco prevalence rates at a level of 0.5% of all children who used the tobacco product in question. For example, let's say we are seeking to measure prevalence rates for firms that produce cigarettes. If the overall prevalence estimate of children who use cigarettes is 20%, a firm would need to have an overall prevalence rate of less than 0.1% (the product of 0.5% and 20%) in order to be exempt from the penalty. Assuming a survey sample size of 25,000, an overall prevalence estimate of 0.1% would be based on a sample size of 25. Generally, statisticians are uncomfortable using estimates based on less than a sample size of 50.

Even firms that have prevalence rates above 0.5% of all children who used the tobacco product in question may be subject to measurement problems because of small sample sizes. For example, assuming a survey sample size of 25,000, the baseline prevalence estimate of a cigarette firm with a 1% share of the total number of children who use cigarettes would be based on a sample size of 250 (1% of 25,000). This sample size is large enough for a fairly reliable point estimate. However, by the year 2007, the bill would require the Secretary to estimate a 45% reduction in the baseline. This point estimate would be based on a sample size of 137 (0.55% of 25,000), which is a fairly small sample size.

Section 133

fiscal year 1997 should be either fiscal year 1998 or 1999

Section 301

line 7: number of should be "proportion of"

Section 302

line 13: Not later than 1 year... should be "Not later than 2 years ..."

Section 303

line 8 and following: language can stand but should understand it may be statistically stronger to use multi-year running averages (here and throughout this section) to determine reduction and this should be discussed later as part of ongoing technical assistance

Section 304

line 18: \$.10 cents should be clarified that it means 10 cents, and not .1 cent; this is a question throughout this section

paragraph (e) Prohibition on Single-Pack sales, line 21: Not later than 1 year should be "Not later than 2 years..." so as to be consistent with survey timetable

paragraph (f) Required Generic Packaging, line 9 and 10: Not later than 1 year should be "Not later than 2 years..." so as to be consistent with survey timetable

Title VI

Section 601

Line 5 and 6 should be: The Secretary shall establish a program to encourage and promote...

Section 603

Lines 9 and 10 should be: The Secretary shall conduct surveillance and evaluation activities....

Both of the previous comments are to give the Secretary added flexibility and discretion in implementing these sections

Section 611

paragraph (c) (1) and (2): language on "highest smoking rates" may require new surveys; consider deleting it

Throughout bill the word "incidence" needs to be reviewed; in epidemiology, the correct term is "prevalence"

Section 624

Line 10: Strike "World Health Organization"

There should be flexibility to fund these programs through a number of organizations

## Sec. 622. NATIONAL TOBACCO CESSATION PROGRAM

(a) **ESTABLISHMENT.**-- There is established a program to be known as the "National Tobacco Cessation Program." The Secretary is authorized to make grants to, and enter into contracts and cooperative agreements with public and private entities for the purpose of expanding the availability and utilization of cessation services.

(b) **USE OF FUNDS.**--- Funds made available under subsection (a) may only be used for the planning, establishment or administration of tobacco use cessation programs approved in accordance with subsection (c).

(c) **CESSATION PROGRAM.** -- Programs receiving assistance under subsection (a) shall provide a range and quality of services consistent with the most current cessation service guidance issued by the Agency for Health Care Policy Research. In addition, using the best available scientific information, the Secretary shall promulgate such additional guidelines as are necessary to assure the quality, accessibility and cost effectiveness of services receiving funds under this section.

(d) **FUNDING.** -- There shall be made available to carry out this section an amount equal to 30 percent of the amounts made available under section 101(d)(2)(C) for a fiscal year.

Inflation adjustment. Title I, sec. 102, p. 23 line 14. "(A) the **percentage increase in the medical consumer price index ...**"

Youth surcharge baseline. Title III, sec. 302, p. 2 line 3. Insert sentence specifying overall baseline level: "**The baseline level of tobacco product use (referred to in this title as the 'baseline level') is the percentage of individuals under 18 years of age determined to have used the tobacco product in the first annual performance survey for 1998.**"

Youth usage reduction. Title III, sec. 303, p. 4 line 5. "required percentage reduction **from the baseline level** in the percentage underage use ..."

Youth penalties. Title III, sec. 304, p. 6 line 18 and p. 7 lines 6, 8, 10, and 12. Penalties should be stated in cents as "10 cents", not "\$.10 cents"

Actual percentage reduction. Title III, sec. 304, p. 8 line 9. Insert "multiplied by 100" to convert fractional percent to integer percent for comparison to the reduction target.