Modern Oral Nicotine and Tobacco Harm Reduction

Since the Food and Drug Administration (FDA) was tasked with regulating tobacco products in 2009, a host of safer nicotine alternatives to combustible cigarettes have entered the market. The FDA has sought to incorporate these products as part of a harm reduction strategy where smokers who are unwilling or unable to quit cigarettes through traditional methods can switch to safer forms of nicotine consumption. There are more than 30 million smokers in the United States. Almost 500,000 Americans die of smoking-related diseases each year. Smokers also disproportionately come from lower socio-economic backgrounds.

The FDA recognizes a “continuum of risk” when it comes to nicotine products, with cigarettes being the most dangerous and products such as e-cigarettes and oral nicotine being far less dangerous. To be sold in the U.S., these nicotine products must submit an application to the FDA and be found to provide a net benefit to public health. Several such products have already been authorized by the FDA, including e-cigarettes, snus, and heated tobacco products. Oral nicotine or nicotine pouches have gained increasing popularity among smokers wishing to switch to a safer form of nicotine. Nicotine pouches are small bags of non-tobacco-derived nicotine that the user places between the gum and lip. As there is no inhalation of tobacco smoke, nicotine pouches represent a dramatically safer alternative to combustible cigarettes.

Taxation Considerations

● Smokers who switch to nicotine pouches are dramatically reducing their risk of smoking-related disease, relieving the state’s healthcare system of future treatment for these conditions.
● Increasing taxes on nicotine pouches discourages smokers from switching to a less dangerous alternative. An optimal harm reduction strategy should ensure nicotine product users don’t face additional costs, so smokers have both a health and financial incentive to switch.
● Because smokers seeking to switch from cigarettes to nicotine pouches are disproportionately from low-income backgrounds, taxes on nicotine pouches are regressive in nature.

Flavor Restriction Considerations

● All nicotine pouches on the market are sold in flavors other than tobacco. Flavors are a key element in satisfying adult smokers. Research has shown that banning flavors in reduced-risk nicotine products, such as nicotine pouches, leads to increases in cigarette sales. A ban on non-tobacco flavored nicotine pouches is tantamount to a ban on the entire product category.
● Fortunately, youth interest in nicotine pouches is minimal, with just 1.4 percent of youth having tried a nicotine pouch in the past 30 days.

Takeaway: To maximize the benefits to public health, legislators should refrain from policies that decrease the appeal of nicotine pouches to adult smokers, either through price increases or flavor restrictions.

Guy Bentley, director of consumer freedom (guy.bentley@reason.org)
Michelle Minton, senior fellow (michelle.minton@reason.org)