



January 29th, 2020

Testimony of Laura Hale
American Heart Association

Favorable SB 3 Electronic Smoking Devices, Other Tobacco Products, and Cigarettes - Taxation and Regulation

Dear Chair Guzzone, Vice-Chair Rosapepe and Members of the Budget and Taxation Committee,

Thank you for the opportunity to speak before you today. My name is Laura Hale and I am the Director of Government Relations for the American Heart Association. The American Heart Association strongly supports Senate Bill 3.

Tobacco use is the leading cause of preventable death in the United States. In Maryland alone, 7,500 adults die every year from tobacco¹. If nothing changes, 92,000 kids alive today in Maryland will ultimately die prematurely due to tobacco². But we have a chance to change these grim statistics. With this bill, Maryland steps into a brighter tobacco-free future.

The bill creates this future in two ways. First, by raising the tax on cigarettes by \$2 a pack and creating parity on all other products including e-cigarettes. The data has shown that every time there is a significant increase in the tobacco tax (meaning a tax increase greater than one dollar) the smoking rate has decreased while the revenue for the state has increased. For SB3, the Campaign for Tobacco Free Kids, Tobacconomics, and the American Cancer Society Cancer Action Network projects for the cigarette tax increase alone impacts of:

\$97.43 million in new revenue that can fund a variety of programs including those to help people quit

20.8 percent decline in youth smoking

37,200 adult smokers would quit

14,500 deaths would be prevented

\$9.88 million would be saved for Medicaid over 5 years

\$1.11 billion in health care costs would be saved over the long-term

This truly is a win-win-win for Maryland.

The second way this bill helps Maryland is by dedicating 21 Million Dollars to the tobacco control program. This investment can be used to counter the marketing put in place by the tobacco industry. Currently, the tobacco industry is addicting youth to its deadly product by investing more than 126 million

¹ <https://www.tobaccofreekids.org/problem/toll-us/maryland>

² <https://www.tobaccofreekids.org/problem/toll-us/maryland>

dollars in Maryland alone³. The industry also targets youth, the low-income population, and the African American community. The data shows that there is an increase in tobacco advertising at corner stores near schools, and even more prevalent in low income African American communities⁴. This dedicated funding will allow the Maryland Department of Health to take a stand against big tobacco to counter the messaging that is pushed at Point of Sale as well as to help smokers quit. At any given time, 70 percent of smokers want to quit, they just need the support to make that happen. With programs such as the Quitline, offering Nicotine Replacement Therapy (NRT) free of charge, and with local grants supporting high risk populations, the Maryland Department of Health's Tobacco Control Program will be able to grow their work to counteract the tobacco industry and create a healthier Maryland.

Maryland stands on the cusp to be a leader around the country with a strong tobacco control program, and a robust tobacco tax. The American Heart Association asks for your support in creating a healthier Maryland. We strongly support and ask for swift passage of SB 3.

³ <https://www.tobaccofreekids.org/problem/toll-us/maryland>

⁴ <https://www.tobaccofreekids.org/assets/factsheets/0008.pdf>