



**TESTIMONY BEFORE THE
HOUSE WAYS AND MEANS COMMITTEE
HOUSE BILL 732**

Electronic Smoking Devices, Other Tobacco Products, and Cigarettes – Taxation and Regulation

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For the Maryland Association of County Health Officers MACHO)**

Position: Support – February 18, 2020

The Maryland Association of County Health Officers strongly supports HB 732.
Tobacco remains the leading cause of preventable death and disability in the U.S.¹

Each year, tobacco-related diseases:

- **Cost the Maryland economy \$2.7 billion in direct medical expenses**
- **Result in \$576 million of Medicaid expenses**
- **Cost Maryland businesses \$2.2 billion in lost productivity**
- **Cost the average Maryland household \$824 in higher taxes**²

Currently, 14 states have higher average prices for cigarettes than Maryland.³

E-cigarettes are being used at an alarming rate among youth. In Maryland, there was a 73 percent increase in high school use between the 2017 and 2019 school years.⁴ **Due to lack of taxation, vaping costs teens approximately 50% less than cigarettes for a comparable amount of nicotine.**^{3,5}

- Effects of nicotine on the adolescent brain include harming attention regulation, learning, impulse control, and mood.⁶
- Adolescent nicotine addiction increases the risk for addiction to other drugs, including opioids.⁶

Increases in price are very effective in reducing smoking among lower socioeconomic populations that have been targeted for decades by the tobacco industry.⁷

Increased taxation results in **4x greater reduction in smoking among adolescents than adults.**⁸

Research shows that greater investments in comprehensive state tobacco control programs lead to quicker and greater declines in smoking rates and in smoking-related disease and death.^{9,10} **Adequately funded state tobacco programs can save 14 to 20 times the cost of implementing them.**¹¹

Therefore, MACHO encourages the Maryland General Assembly to devote \$2.4 million/year from this new revenue to MDH nicotine-cessation programs and underage sales enforcement (an average of \$100,000/jurisdiction).

Raising the tax on tobacco products, including the institution of a specific tax on e-cigarettes, will lead to a healthier and more fiscally sound Maryland for generations to come. For more information, please contact Ruth Maiorana, MACHO Executive Director at рмаioral@jhu.edu or 410-614-6891. *This communication reflects the position of MACHO.*

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2. http://www.tobaccofreekids.org/facts_issues/toll_us/maryland
3. <http://worldpopulationreview.com/states/cigarette-prices-by-state/> Accessed 1/25/2020.
4. 2018-2019 Maryland Youth Risk Behavior/Youth Tobacco Survey (YRBS/YTS), unpublished data, retrieved 23January2020
5. <https://www.juul.com/resources/JUUL-Pods-Cost-and-Pricing-Pods-Prices-for-All-Flavors>
6. U.S. Department of Health and Human Services. E-Cigarette Use Among Youth and Young Adults. A Report of the Surgeon General. Atlanta, GA: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2016. https://e-cigarettes.surgeongeneral.gov/documents/2016_SGR_Full_Report_508.pdf
7. Smoking Cessation. A Report of the Surgeon General. U.S. Dept. of HHS. 2020. p. 601. <https://www.hhs.gov/sites/default/files/2020-cessation-sgr-full-report.pdf>. Accessed 25January2020.
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9. Centers for Disease Control and Prevention. Best Practices for Comprehensive Tobacco Control Programs—2014. Atlanta: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2014. https://www.cdc.gov/tobacco/stateandcommunity/best_practices/pdfs/2014/comprehensive.pdf
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11. Chattopadhyay, S. and Pieper, D., “Does Spending More on Tobacco Control Programs Make Economic Sense? An Incremental Benefit-Cost Analysis Using Panel Data,” *Contemporary Economic Policy*, 2011.