



DEPARTMENT OF HEALTH

Wes Moore, Governor · Aruna Miller, Lt. Governor · Laura Herrera Scott, M.D., M.P.H., Secretary

March 22, 2023

The Honorable Melony Griffith
Chair, Senate Finance Committee
3 East, Miller Senate Office Building
Annapolis, MD 21401-1991

RE: HB 321 (3rd) - Cigarette Restitution Fund – Payments for Sale and Marketing of Electronic Smoking Devices – Use – Letter of Support

Dear Chair Griffith and Committee Members:

The Maryland Department of Health (MDH) submits this letter of support for House Bill (HB) 321 - Cigarette Restitution Fund – Payments for Sale and Marketing of Electronic Smoking Devices – Use. HB 321 creates a separate account within the Cigarette Restitution Fund (CRF) to receive payments resulting from a settlement agreement with manufacturers related to the sale and marketing of electronic smoking devices (ESDs) for the purposes of reducing the use of tobacco products by individuals under the age of 21 years.

The MDH Center for Tobacco Prevention and Control is responsible for educating Marylanders about tobacco use, training tobacco retailers to ensure compliance with tobacco laws, and providing appropriate services to help Marylanders quit tobacco use, including ESDs. While HB 321 (3rd) does not designate a specific program to receive funds disbursed to the special CRF account, MDH is statutorily responsible for developing and implementing strategies to prevent persons under the age of 21 from accessing and using tobacco products (Health-General Article §24–307; Criminal Law Article §10–107).

A recent settlement between the ESD manufacturer, Juul Labs, and 33 states and territories, including Maryland, has resulted in payments of \$434.5 million to be made over several years. The settlement amount for Maryland is currently unknown, however, if payment is received, these funds would likely be disbursed to the new account within the CRF that HB 321 (3rd) creates. These funds would supplement General Fund appropriations already allocated annually to MDH to conduct statewide tobacco prevention and control activities (Health-General Article §13–1015). Current funding levels for tobacco use prevention and cessation programs are less than half of the recommended CDC spending of \$48 million for Maryland.¹ This funding is crucial to prevent youth tobacco use and counteract the \$126.1 million spent per year by the tobacco industry for marketing their products in Maryland.² In 2022, national data showed that

¹ Campaign for Tobacco-Free Kids, “U.S. State and Local Issues: Broken Promises to Our Children, Maryland,” 10 January 2023, Accessed 27 January 2023 at <<https://www.tobaccofreekids.org/what-we-do/us/statereport/maryland>>.

² Ibid.

14.1 percent of high school students used ESDs during the past 30 days. For the ninth consecutive year, ESDs were the most commonly used tobacco product among high school students.³

If you have any further questions, please contact Megan Peters, Acting Director of Governmental Affairs at megan.peters@maryland.gov or (410) 260-3190.

Sincerely,



Laura Herrera Scott, M.D., M.P.H.
Secretary

³ Cooper M, Park-Lee E, Ren C, Cornelius M, Jamal A, Cullen KA. Notes from the Field: E-cigarette Use Among Middle and High School Students — United States, 2022. MMWR Morb Mortal Wkly Rep 2022;71:1283–1285. DOI: <http://dx.doi.org/10.15585/mmwr.mm7140a3>