



WMDA/CAR Service Station and Automotive Repair Association

Chair: C.T. Wilson, Vice Chair Brian Crosby, and Members of Economic Matters Committee

RE: SB1056 Cigarettes, Other Tobacco Products, and Electronic Smoking Devices – Revisions

Position: Oppose

I send this on behalf of my WMDA members who are convenience stores and service stations. My members currently have tobacco and OTP licenses. This bill, as written, denies them the right to sell Electronic Smoking Devices (ESD). Vape shops would be sole providers in Maryland.

There are 6,500 Retail tobacco/OTP license retailer in Maryland. Mostly small business that Check I.D. and collet taxes. SB1056 will not only hurt retailers and the state of Maryland (estimated loss of \$20 million in tax revenue) but will not accomplish its goals of a deterrent for underage use.

WMDA urges you to consider the following amendments To SB1056:

- On Page 10, Line 1, strike “an electronic smoking devices”
- On Page 10, Line 3, strike “EXCLUSIVELY”
- On Page 11, Line 23, strike “\$300” and substitute “\$400”
- On Page 12, Line 1, strike “\$275” and substitute “\$375”

These changes would allow retailers to sell ESD products and avert a \$20 million dollar loss in state revenue. This would also give the state an additional \$650,000 for underage education, which we know works.

Our retailers Check ID and do business on an open stage while collecting taxes. SB1056 would drive adult customers, and underage buyers to illicit markets, dark rooms and across state lines.

Please consider amendments or give SB1056 an unfavorable report

Any questions can be addressed to Kirk McCauley, 301-775-0221 or kmccauley@wmda.net