

## CANDACE MCLAREN LANHAM Chief of Staff

CAROLYN A. QUATTROCKI Deputy Attorney General

## STATE OF MARYLAND OFFICE OF THE ATTORNEY GENERAL

FACSIMILE NO. 410-576-6955

WRITER'S DIRECT DIAL NO. 410-576-6395

March 7, 2024

TO: The Honorable Pamela Beidle

Chair, Finance Committee

FROM: Aravind Muthukrishnan

Assistant Attorney General, Office of the Attorney General

RE: Senate Bill 1056—Cigarettes, Other Tobacco Products, and Electronic Smoking Devices

- Revisions (Tobacco Retail Modernization Act of 2024)

The Office of the Attorney General urges this Committee to report favorably on Senate Bill 1056 – Cigarettes, Other Tobacco Products, and Electronic Smoking Devices – Revisions (Tobacco Retail Modernization Act of 2024).

Senate Bill 1056 brings much-needed improvements to Maryland's electronic smoking devices ("ESDs") law, Business Regulation Title 16.7. ESD use has exploded since Maryland enacted Title 16.7 in 2017, as an ever-increasing number of new products, many attractive to children, have flooded the market. The consequences are all too predictable: from January 2020 to December 2022, total U.S. e-cigarette unit sales increased by 46.6%, from 15.5 million to 22.7 million units, and ESDs are the second largest nicotine product category after traditional combustible cigarettes for adult users. And despite Maryland's law banning ESD sales to persons under the age of 21, ESD use for our youth is higher than it is for cigarettes: the 2021 Maryland High School Survey reports that while 3.6% of high school students smoked cigarettes, 14.7% of high school students currently used ESDs—the equivalent of more than 4 students in a class of 30.2 Because youth are particularly susceptible to developing nicotine's addictive properties, the widespread availability of e-cigarettes in Maryland risks poses a long-term danger to this vulnerable population.

<sup>&</sup>lt;sup>1</sup> CDC, F.R. Ali et al. "E-cigarette Unit Sales by Product and Flavor Type, and Top-Selling Brands, United States, 2020–2022," *Morbidity & Mortality Weekly Report*, vol. 72 no. 25, 672–77 (June 23, 2023), https://www.cdc.gov/mmwr/volumes/72/wr/pdfs/mm7225a1-H.pdf.

<sup>&</sup>lt;sup>2</sup> Maryland Dep't of Health, *Youth Risk Behavior Survey/Youth Tobacco Survey (YRBS/YTS) 2021-2022*, <a href="https://health.maryland.gov/phpa/ccdpc/Reports/Pages/State-Level-Data,-2021-2022.aspx">https://health.maryland.gov/phpa/ccdpc/Reports/Pages/State-Level-Data,-2021-2022.aspx</a>.

Senate Bill 1056 helps solve this problem by making Maryland's licensed Vape Shop Vendors the only entities authorized to sell ESDs to the public, and by requiring that ESDs are the only products that Vape Shop Vendors are allowed to sell. This will remove ESDs from retail environments, such as convenience stores, which are frequented by youth. SB 1056 makes it easier for responsible and law-abiding Vape Shop Vendors to enforce Maryland's prohibition on sales of ESDs to any person under the age of 21 by requiring that all tobacco and ESD products be located behind the counter, accessible only to employees of the Vape Shop Vendor. In addition, Senate Bill 1056 bans sales of ESDs directly from the manufacturer to consumers online or by mail, thus eliminating a loophole in Maryland law which allows teens to order ESDs from unscrupulous suppliers over the internet.

The Office of the Attorney General also believes that the Committee should consider ways to make enforcement of Senate Bill 1056 even more effective, by authorizing the Alcohol, Tobacco, and Cannabis Commission to conduct unannounced inspections of Vape Shop Vendors to ensure compliance with the law and to seize contraband products. The Attorney General also recommends that SB 1056 include a requirement that Vape Shop Vendors obtain their ESD merchandise from Maryland's licensed ESD wholesalers. This would create the same chain of distribution for ecigarettes that governs Maryland's cigarette industry and facilitate effective enforcement of Maryland law.

For the foregoing reasons, the Office of the Attorney General urges a favorable report on Senate Bill 1056.