



American Lung Association Testimony House Bill 1073
House Ways and Means
February 23, 2024
Favorable with Amendments

Chair Atterbeary, Vice-Chair Wilkins and Members of the Committee:

We thank you for the opportunity to provide comments on House Bill 1073 – Tobacco Tax-Cigarettes-Rate Alteration which would increase the cigarette tax in Maryland by \$0.75. The American Lung Association supports the bill with amendments. The amendment requested would be to increase the cigarette tax by \$1.50 and address the tax rates on other tobacco products to create parity among products including electronic smoking devices.

The American Lung Association is the leading organization working to save lives by improving lung health and preventing lung disease, through research, education and advocacy. The work of the American Lung Association is focused on four strategic imperatives: to defeat lung cancer; to improve the air we breathe; to reduce the burden of lung disease on individuals and their families; and to eliminate tobacco use and tobacco-related diseases.

Tobacco use remains the leading cause of preventable death in the United States, killing an estimated 480,000 Americans and [7,500 Marylanders](#) each year.¹

In data from the [2023 National Tobacco Youth Survey](#), tobacco use among high school and middle school students continue to show high levels with more than 2.8 million youth using a tobacco product. The American Lung Association is particularly alarmed by the trends of use by middle school students with the CDC report showing a significant increase in tobacco use. The report showed that tobacco use overall for middle school students increased nearly 50% from 4.5% to 6.6%. The report also shows that 2.1 million youth are still vaping, and over 25% are vaping daily which indicates a very high addiction rate.

In Maryland, close to 15% (14.7%) of high school students use an electronic smoking device. Nationally, nearly 90% of the youth survey respondents reported using flavored e-cigarettes including mint and menthol. In addition, of the youth who smoke, 40.4% smoke menthol cigarettes. Flavored tobacco products remain the primary gateway for youth addiction. The tobacco industry has continued to target youth users with marketing of flavored tobacco products which makes them appealing to youth, with many of them not realizing that these products contain nicotine. As a result, we are setting our kids up for a lifetime of addiction and losing the opportunity for the first tobacco-free generation.

One of the most effective ways to reduce tobacco use is to significantly increase the tax on all tobacco products, including e-cigarettes. Multiple studies have shown that every 10 percent increase in the price of cigarettes reduces consumption by about four percent among adults and about seven percent among youth. The tax increase currently proposed in House Bill 1073 is \$0.75 per pack of cigarettes, the Lung Association believes that more significant tax increase of \$1.50 is the only way to effectively address tobacco use in the state and encourages equalizing the tax on other tobacco products including e-

cigarettes. Insignificant or gradual increase in price of tobacco products can be easily counteracted with industry tactics such as coupons and price discounts.

As part of the effort to combat the youth e-cigarette epidemic taxing all tobacco products at a comparable rate to combustible cigarettes (79% of wholesale price) is imperative, as youth smokers are especially price conscious, therefore keeping the price of tobacco products high is one of the most effective steps we can take to prevent youth tobacco use. When the price of cigarettes goes up, youth smoking rates decline. We would encourage amendments which would equalize the tax on all tobacco products – including e-cigarettes. The Lung Association encourages states to look at evidence-based policy measures to address this epidemic, including increasing the price of these products. If there is not an equalized tax rate on all other tobacco products, current users may just switch to lower priced products versus taking the steps to quit.

In the recent release of the American Lung Association's [State of Tobacco Control](#), it was noted that the funding for Maryland's Tobacco Control and Prevention program at approximately \$22.9 million is (inclusive of approximately \$1.7 million of federal CDC funds) woefully lower than the Centers for Disease Control and Prevention's (CDC) recommended level of \$48 million, at 47.8%. The Lung Association strongly supports protecting and increasing this funding especially considering the epidemic levels of youth use of electronic smoking devices and the need to develop educational programs and outreach to prevent youth from initiating tobacco use and encourage current smokers to quit and not switch. We encourage revenue from tobacco tax increases to be used to support tobacco control and prevention efforts in the state.

Thank you for your continued commitment to the health and wellbeing of the residents of Maryland, we urge you to support House Bill 1073 with amendments to increase the cigarette tax rate by \$1.50 and create parity among the tax on all products.

Sincerely,



Aleks Casper
Director of Advocacy, Maryland
202-719-2810

¹ U.S. Department of Health and Human Services. The Health Consequences of Smoking: 50 Years of Progress. 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 2014.