

MedChi

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TO: The Honorable Guy Guzzone, Chair
Members, Senate Budget and Taxation Committee
The Honorable Cory V. McCray

FROM: Pamela Metz Kasemeyer
J. Steven Wise
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DATE: January 29, 2020

RE: **SUPPORT** – Senate Bill 3 – *Electronic Smoking Devices, Other Tobacco Products, and Cigarettes – Taxation and Regulation*

On behalf of the Maryland State Medical Society (MedChi) and the Maryland Chapter of the American Academy of Pediatrics, we **support** Senate Bill 3.

Senate Bill 3 increases the tax rate on cigarettes, other tobacco products (OTP) and electronic smoking devices (ESD), and removes the prohibition on local governments imposing a tax on tobacco and electronic smoking devices. It also notably requires the Governor to include at least \$21 million in annual funding for the Tobacco Use Prevention and Cessation Program which administers programs and provides funding for initiatives that focus on reducing the use of tobacco products and the burden of tobacco-related morbidity and mortality in the State. The Program's funding includes grants to local jurisdictions for similar initiatives.

There is conclusive evidence to support the assertion that increasing the tax on tobacco and other tobacco products is directly attributable to a decrease in consumption. Since 1999, Maryland has gradually raised its tax on cigarettes to the current \$2.00 per pack, and the results have been striking. The increase in the cigarette tax will continue to cause a decrease in smoking and also provide additional revenue for increased efforts to curb tobacco use. Similarly, increasing taxes on OTPs and ESDs will also lead to a decline in consumption which is particularly important given that OTPs and ESDs are particularly popular with young people. The proposed tax increase will begin to impact use in the same manner as the tax on cigarettes. Furthermore, the commitment of the revenues to tobacco cessation programs and providing revenues for the State to fund other health care purposes is consistent with the objectives of the tax. It is both smart public health policy and fiscal policy. A favorable report is strongly urged. It is a win for public health, our youth, and for the State.

For more information call:

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