



Mission: To improve public health in Maryland through education and advocacy

Vision: Healthy Marylanders living in Healthy Communities

HB 732 – Electronic Smoking Devices, Other Tobacco Products, and Cigarettes - Taxation and Regulation

Hearing Date: 2/18/2020

Committee: Ways and Means

Position: SUPPORT

Thank you to Delegates Kaiser and Washington and the rest of the Ways and Means committee for hearing our testimony today on this important legislation and a special thank you to Delegates Luedtke and Peña-Melnyk for introducing HB732.

Every year tobacco kills more people in this country than all of those who die from all the illegal drugs, alcohol, car crashes, fires, homicides, and suicides *combined*. Each year in the state of Maryland alone, tobacco kills more than 7,500 smokers and hundreds more nonsmokers who die from secondhand smoke. It costs our state \$2.7 billion annually to treat the sick and dying victims of tobacco, many of whom are poor and underserved. Another \$2.2 billion is lost due to tobacco-related losses in productivity. Tobacco is not only the most deadly and addictive drug that we know, it actually kills more than most of the other products that we tax and regulate *put together*.

Maryland has lower rates of smoking for adults than the national average (13.9% vs 17.1%), however; 8.2% of high school students reported smoking, while the national average was 8.8%, a much smaller divergence. We are also doing poorly for our youth in terms of chewing tobacco (6.2% vs 5.5% report use in the past 30 days), little cigars or cigarillos (9.0% vs 8.0%), and electronic nicotine delivery products (ENDs) (13.3% vs 13.2%). This is important as the majority of adults who are addicted to tobacco products started prior to the age of 18. Last year hailed an incredible win for all Marylanders with the increase in purchase age of tobacco products to 21. This is an effective measure to delaying initiation of smoking until a later age and subsequently reducing the likelihood of lifetime addiction. But this is not the end of the story.

Public health interventions to improve health are most effective when they are multi-pronged and multi-leveled and address issues such as advertising, availability, and access. Tobacco taxes are one of the most effective approaches in reducing rates of smoking, which subsequently reduces lifetime addiction rates and health and social economic costs. Taxes increase the real cost of tobacco products—young people are extremely cost-sensitive, and increases in prices lowers their ability to obtain the products. Taxes are not just effective for a youth population, but decreases in use and increases in quit attempts are seen in young adults, too.

Policies such as a tobacco tax not only cost little to implement and enforce, but they have greatly reduced mortality and morbidity, significantly increased worker productivity, and have added billions of dollars to the public coffers for other investments in health. Tax increases on tobacco produce very consistent results; every time the taxes on tobacco go up, more money flows into state coffers and fewer people smoke.

The Centers for Disease Control and Prevention (CDC) have created spending targets for tobacco use prevention in states. Maryland spent \$10.5 million in state funds for tobacco prevention in 2019, achieving only 21.8% of the CDC's recommended target (\$48 million). This is in the face of an estimated \$525 million collected from tobacco settlement revenue and taxes. Additionally, this number hardly offsets the estimated costs to the healthcare system alone of \$2.7 billion. Finally, DC's tobacco taxes are

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\$4.50 a pack, the highest in the country, and this presents an opportunity to aim for parity. Tax policy is one of the most powerful tools we have used to protect Marylanders from tobacco over the last few decades.

The Maryland Public Health Association (MdPHA) is a nonprofit, statewide organization of public health professionals dedicated to improving the lives of all Marylanders through education efforts and advocacy of public policies consistent with our vision of healthy Marylanders living in healthy communities. MdPHA is the state affiliate of the American Public Health Association, a nearly 150-year-old professional organization with more than 20,000 members dedicated to improving population health and reducing the health disparities that plague our state and our nation.