

Maryland Legislature

Annapolis Maryland

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HB 134

SB 177

Prepared Testimony By:

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Good afternoon ladies and gentlemen of the Senate Finance Committee. My name is Rich Marianos, and I am a senior law enforcement consultant for RAI Services Company.

Let me start by telling you a little about my background. I retired from a 27-year career at the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) as Assistant Director. During my ATF career, I conducted, supervised and oversaw investigations into organized crime, counterterrorism, drug trafficking organizations and violent crime.

My ATF experience also includes the position of Special Agent in Charge of the Washington Field Division and Deputy Chief of ATF's Special Operations Division.

In addition to my consultation duties for Reynolds, I am also an Adjunct Professor at Georgetown University in Washington, D.C., where I teach courses in Political Violence and Terrorism. If you cannot tell by my background, crime prevention and security are things that I take very seriously.

As you know, there has been ridiculous legislation proposed in Maryland intended on the prohibition of flavored tobacco products, that to include the sale of menthol cigarettes. If you create a prohibition in this environment, you provided an easy to way for smugglers to travel interstate to purchase cigarettes to and cross state lines to sell, trade, and barter among the criminal market. Currently with the recent consideration by Maryland in banning the sale you will be creating a breeding ground in vulnerable communities that has increased illicit activity and increased interaction with law enforcement.

From a law enforcement perspective, your legislation will create a greater gap between police and the community, known as the Ferguson effect. Police now are forced to deal with the side-effects of these legislation than serving and protecting the community. The community will now first-hand see this as a waste of law enforcement resources—or harassment—and refuse to cooperate with investigators on real issues. More and more each day, the community will begin to lose trust in law enforcement.

A ban on the sale of menthol products but not the possession of those products will lead to increased smuggling into Maryland. This will also lead to an increase in other criminal activity. As time passes, Law enforcement doesn't have the resources to engage with an influx of criminals and the court system it simply doesn't have the resources to take on additional caseloads. At the same time, police overtime doesn't exist to pay for the additional burden. Obviously, for police to devote a larger share of resources to one particular area or problem, they must divert resources from other areas and problems.

Disparities in local ordinances can provide huge profit opportunities criminals. For example, a tractor trailer smuggling 800 cases of cigarettes (48,000 cartons) from Richmond Virginia, to Baltimore, continually grosses profits in excess of over \$1 million dollars. Smugglers coming from even further out—such as St. Louis, Missouri—have an even larger windfall when smuggling cigarettes. Factor in the potential smuggling from not only outside states but outside counties, and Maryland has created a perfect storm for criminal activities.

With the influx of commercially smuggled cigarettes from criminal entities comes a potential increase in violent crime. Those who participate in large-scale cigarette smuggling are often involved with other forms of illicit activity. Recently, the state of Rhode Island realized that the movement of illicit cigarettes into their state has resulted in an increase in violent criminals traveling to the state to sell illicit product from Virginia and other lower-tax jurisdictions. Rhode Island lawmakers have taken a firm stand against cigarette smuggling in an effort to thwart the influx of violent criminals entering the state.

And let me be clear: Those who smuggle cigarettes from other states do not attempt to age-verify those purchasing their illicit product. This will place Maryland youth in a precarious position and could jeopardize the efforts to date to prevent youth from smoking.

I strongly urge the committee to study what is occurring with regard to cross-border cigarette sales, enforcement and the operational needs of the distribution community. Reverse this ban and use this revenue to enhance the safety of the state's citizenry

I urge the members of this committee to consider the unintended consequences that a flavor ban may have on cigarette smuggling and other illicit activities and vote no on the proposed ordinance.