

## **Serving Maryland in Montgomery County Since 2014**

# Vapor Worldwide 15906 Shady Grove Road Gaithersburg, MD 20877

My name is Eric Frit, I am the owner of Vapor Worldwide in Gaithersburg; we have been serving Maryland adults since 2014 in the same location. Our store, like the other exclusively vapor stores in the state (@200 stores or more), serve only adults over 21 years old. We ID every customer and do not allow anyone under 21 even in the door of our establishments. We also charge and pay the correct 20% vapor sales tax to the state, and we have an e-cig retailer license.

The best way to stop underage vaping, which is on a sharp decline by any responsible measure in the state of MD, is to enforce your existing laws, licensing and taxes on existing vendors. Today MD has 100s of businesses that are not charging the correct vapor taxes, robbing the state and they are not e-cig licensed. Mark Wright, ATCC Agent in Charge, in his emails attached below, you can see that the ATCC Commission is already aware of at least 50 potential stores in violation. [Email attached below Dated December 12, 2024 6:03AM]

These are the stores that sell to children, Tobacco cigarettes and vapes, and there is no enforcement of our existing laws and regulations on these businesses by the state of MD.

Why don't we enforce our existing laws and stop the bad operators who are not only robbing the state but selling to our children? I have had email conversations with Senator Kramer's office and been referred to the ATCC, who is supposed to take action on the bad actors. Since December 2024, nothing has been done to enforce the laws, licensing requirements and taxes on existing businesses, which the state is aware of their bad practices and these bad actors. We have provided receipts and photos to the Comptroller's office of MD, the ATTC and to the a few senators' offices directly. No one has taken any action to protect the children or collect the taxes due or even see if these businesses have e-cig licenses. Where is the enforcement? If will shut down the bad actors and get the tax revenue the state sorely needs, desperately needs.

We do not need any more vapor legislation. We need to enforce the rules that are already on the books in MD and stop wasting time and money on unneeded legislation. If we shut down the bad actors, we protect kids and we get desperately needed revenue.

The rest of my written testimony is to show that the state is aware of these bad actors, as you can see by my email exchanges copied below. They have so many complaints they don't have a plan. Well let me help, if you have 200 stores to check and two people on staff that know what to do; they can visit up to 5 shops a day and have this solved in under 3 months.

Every day we don't enforce the existing laws leads to more lost tax revenue and more kids buying vapes and real cigarettes from these bad actors that the state has been made aware of and still has taken no action to protect our children.

We don't work for or promote Big Tobacco, we despise them, and I have been on a personal mission in MD to save 1000s of lives from the grips of tobacco smoking over the last 11 years. I have helped save adult lives without selling them to children. Saving people from tobacco use with vaping is real and documented by science.

Please see the attached email exchange and please notice the dates and there has been no action since. Please help us generate millions in tax dollars, stop people from tobacco smoking and not sell to children like we have done for 11 years running in Gaithersburg.

#### **Emails with ATCC and Senator Kramer office BELOW:**

Sent: Wednesday, December 4, 2024 1:32 PM

To: Kramer, Ben Senator < <a href="mailto:Ben.Kramer@senate.state.md.us">Ben.Kramer@senate.state.md.us</a>>

Subject: Illegal vapes for sale. My Dollar & Plus Gaither Road Gaithersburg 20877

#### Hello Senator Kramer and staff,

I have been a vapor store owner in Gaithersburg for 10 years now. We have had zero violations in that time, we are participating, active members of the Maryland Vapor Alliance, and we support ending youth vaping in the county and the state. Although we haven't supported all the tax decisions around vaping; we do comply with the laws in the state of MD, and we pay the correct tax amounts to the state and County.

However, there are stores popping up all over your district and the state that are selling vapes without proper licensing, without Checking ID Cards, and without paying the MC Vapor wholesale taxes and without charging and collecting the new 20% MD Vapor Sales Tax. Moreover, this store is called My Dollar & Plus. They are selling tobacco and vapor products and I do not even see a MD Trader License displayed that they are a registered E-Cig Vendor or a registered business at all in the state?

I have attached a receipt from 12-3-2024 from their store which is located at 9035 Gaither Road Gaithersburg, MD 20877. You can see they did not charge the proper vapor sales tax. It says they checked ID, but they did not. Finally, we saw THC Delta9 products that are only sold in dispensaries in MD. They have a Cookies brand that is from California and is labeled for MEDICAL USE ONLY, for the state of California. We purchased these products ourselves from their store yesterday, that is how we know they are selling illegal THC products as well as not playing by the same rules that I played by for ten years.

Please do any enforcement of licensing requirements and Tax evasion by small businesses in the county and state. As a point of reference, on May 3, 2024, the MD Alcohol & Tobacco Commission came to our store for an unplanned inspection of our tobacco & THC products. We were given a stamp of Full Compliance including THC-Hemp products at the surprise inspection.

Finally, please see the attached incorrect receipt from My Dollar & Plus and as always, you and your staff are welcome to come see how a vapor store can be open for ten years in your district and not sell to children ever. Stop by and see us anytime, and I truly appreciate your efforts to stop small businesses from selling vapes and illicit THC products to our children . Please call me anytime to discuss, I truly am a Marylander for life (homeowner in MC for 35 years, 2 kids thru MC High Schools, Employer of 6 in MC) and I need your help as the person that represents Gaithersburg, we really need everyone to play by the same rules or the black market just flourishes and kids get vapes from stores like these and then we all lose everything, our kids and our tax dollars. See attached thank you again for your help.

Eric Frit
Vapor Worldwide
15906 Shady Grove Rd
Gaithersburg, MD 20877

Hi Eric,

Thank you for reaching out. Jeff Kelly, my Executive Director, forwarded me your email, and I wanted to personally follow up with you.

As we've looked into this matter, it's become clear that the issue is broader than initially anticipated—potentially state-wide. To address this, the ATCC has assigned a supervising agent, Michelle Bolden, along with two field agents, forming what we're calling the "Vape Team." Their task is to identify Vape businesses operating outside of lawful standards.

This week, the Vape Team met with another vape shop vendor to better understand business operations, identify methods used to avoid proper tax rates, and recognize indicators of tax non-compliance.

Our plan moving forward is to visit all vape shop vendors and retailer locations to assess compliance with legal requirements, including the collection of sales taxes. Businesses found in violation will face appropriate actions, which may include criminal charges, audits by the Comptroller, or both.

To that end, the team is finalizing an operations plan set to begin implementation on January 2. Given the scale of the issue—over 50 potentially non-compliant locations identified so far—we believe this proactive, systematic approach is more effective than responding to complaints on a case-by-case basis.

NOTE TO READER: This plan was sent to begin January 2, it is February 25<sup>th</sup>, no ACTION has been taken or known to the public.

If you have any additional information or insights, I'd appreciate you sharing them as we move forward.

I tagged Michelle Bolden in this email. Feel free to reach out to her anytime.

I'm also sending your concerns about the unlicensed THC sales to our Cannabis Unit to follow up on.

Best Regards,

Mark

Jeffrey A. Kelly

**Executive Director** 



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### Alcohol, Tobacco, and Cannabis Commission

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# Alcohol, Tobacco, and Cannabis Commission

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SB0918 is an unnecessary and VERY destructive piece of legislation that will NOT achieve its intended outcome, instead it will create a very dangerous BLACK MARKET overnight and will cost the State of Maryland BILLIONS of dollars that could otherwise be spent on other priority budget items and pay for real programs to educate teens about tobacco, vaping and alcohol and deadly fentanyl.

I strongly request that the Committee issue an UNFAVORABLE report on SB0918 to save Maryland businesses and Maryland Adult lives.

Please stop by our store announced or unannounced. Come see all the adults that benefit from vaping, usually temporarily, until they quit tobacco smoking and vaping for good. Learn why flavors matter to adults and how we can easily save the children from vaping not through banning but instead education, facts, common sense, and science and get vapes out of convenient stores NOW.

Continued Success,

Eric Frit Vapor Worldwide Gaithersburg, MD Since 2014