



**2025 SESSION
POSITION PAPER**

BILL: HB 870 – Tobacco Product Manufacturers – Escrow Act – Alterations

COMMITTEE: House – Health and Government Operations Committee

POSITION: Letter of Support

BILL ANALYSIS: Requires, beginning in 2026 and then yearly, a certain tobacco manufacturer to pay a specified equity fee instead of depositing funds in an escrow account and other related actions that related to the certificate under the Attorney General.

POSITION RATIONALE: The Maryland Association of County Health Officers (MACHO) supports HB 870 which aims to reduce tobacco and vape use among teens and adults.

HB 870 is important legislation that aims to even the playing field across all tobacco manufacturers that sell products in Maryland. HB 870 will require all tobacco manufacturers to make direct contributions through the Master Settlement Agreement. Payments collected through the Master Settlement Agreement will then be available to fund tobacco and vaping prevention programs and offset the costs of tobacco-related medical treatments paid by Medicaid. Given the current financial pressures on public health prevention programs and the State's Medicaid system, ensuring that all tobacco manufacturers contribute to offset the harms of their products is critically important.

MACHO supports the technical amendment that will allow funds under this bill to be used for teen tobacco and vaping prevention programs, among other public health efforts.

Tobacco manufacturers impacted by HB 870 sell some of the least expensive products on the market, making them particularly appealing to underage smokers. MACHO thanks Del. Rosenberg for sponsoring this important piece of legislation to ensure that all tobacco manufacturers are held accountable for the adverse effects of their products.

For these reasons, MACHO strongly encourages support for this key public health legislation and submits this Letter of Support for HB 870 for the committee's consideration. For more information, please contact Ruth Maiorana, Executive Director, MACHO, at rmaiora1@jhu.edu or 410-937-1433.

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