



February 17th, 2025

Testimony of Laura Hale
American Heart Association

Favorable HB 870 Tobacco Product Manufacturers - Escrow Act - Alterations

Dear Chair Pena-Melnyk, Vice Chair Cullison, and Honorable Members of the Health and Government Operations Committee,

Thank you for the opportunity to speak before the committee today. The American Heart Association extends its support HB 870 Tobacco Product Manufacturers - Escrow Act – Alterations.

When many of the cigarette manufactures settled with the Master Settlement agreement, there will still some manufactures (non-participating manufacturers) who did not settle. They have been putting money into these escrow accounts as they can still be sued for the same bad practices that those that settled were sued under. These non-participating manufacturers still get these dollars back and have been using this to lower the price of their cigarettes. The non-participating manufacturers sell the cheapest cigarettes on the market, hooking new generations of tobacco users and costing the state untold amounts of money in healthcare costs. It is time to get some of this back.

The money that these non-participating manufacturers put aside should be given to the Department of Health to help smokers quit and never start using. By doing so, we will stop the cycle that allows the non-participating manufacturers to lower the cost of their products and have needed new investment in the Tobacco Control Program. In addition, by raising the cost of the cheapest cigarettes we will help smokers quit and never start.

The American Heart Association urges a favorable report on HB 870 to support the health of all Marylanders.