

Testimony of Lance Boucher

Division Assistant Vice President, State Public Policy American Lung Association

In Support of LD 210

An Act Making Unified Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2025, June 30, 2026 and June 30, 2027

Good afternoon, Chairs Rotundo, Gattine, Grohoski, and Cloutier and members of the Joint Standing Committee on Appropriations and Financial Affairs and the Joint Standing Committee on Taxation. My name is Lance Boucher and I am the Division Vice President, State Public Policy for the American Lung Association. I am a resident of Manchester and work out of our Augusta Office. I am here today to offer my organization's support for Section E of LD 210 "An Act Making Unified Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2025, June 30, 2026 and June 30, 2027."

The Lung Association is the nation's oldest voluntary public health organization with a mission to save lives by improving lung health and preventing lung disease. We do this through education, advocacy, and research on behalf of the 33 million Americans living with lung diseases including lung cancer and COPD – which are primarily caused by tobacco use and exposure to secondhand smoke.

If this proposal becomes law, your committee may have had as much positive impact on the health of Maine people today and in the future as any measure being considered this year by the Committee on Health and Human Services. This is not an exaggeration. Your committee by supporting a \$1 increase in the cigarette excise tax rate will have the opportunity to enact a proposal that will save lives, prevent illness and disability, and reduce health care costs. And yes, it will also raise money... approximately \$80 million over the biennium.

The Need is Clear

Nationally and in Maine since the late 1990's, we have been making tremendous progress in reducing cigarette smoking rates to all-time lows. However, this positive news has been tempered by a dramatic increase in youth e-cigarette use and tobacco product use among high school students of 16.5%. Both Maine's high school tobacco rate and adult smoking rate are higher than the national average.

Just last week, the American Lung Association released its annual State of Tobacco Report Card (summary attached) which shows that today tobacco use is a very present and real issue in Maine impacting too many, especially our most vulnerable populations. The health and financial impact to our state is substantial:

- 2,400 Mainers die due to tobacco annually and
- Tobacco costs Maine \$2.42 billion in smoking caused productivity losses and healthcare costs annually, including \$281.2 million to the Medicaid program.

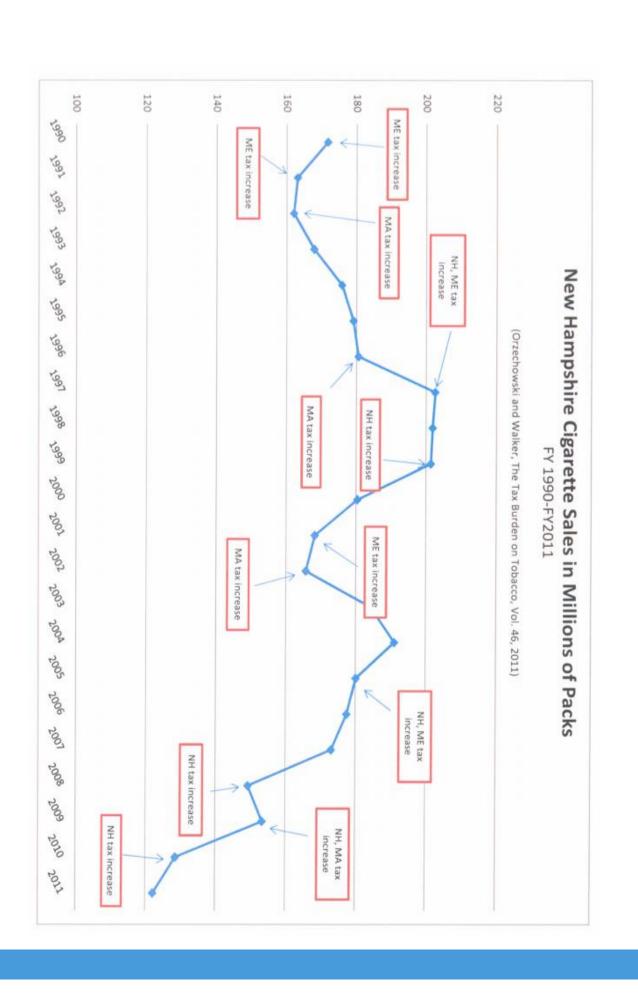
There are 4 points that I want to emphasize today;

- Raising the tobacco tax by \$1.00 will have an immediate and dramatic impact on reducing Maine's smoking rate. This is not a theory. We have solid Maine data to back this claim up. The last time Maine raised the tobacco tax it resulted in thousands of people quitting and many more kids not starting to smoke. The proposal before you would result in a 7% decline in the youth smoking rate and prompt more than 3,000 adult smokers to quit.
- Raising Maine's tobacco tax will NOT result in significant cross-border sales to New Hampshire. This argument has been brought up every time that a tobacco tax has been proposed. The graph attached to my testimony tells the story very clearly. Whenever Maine has raised its cigarette excise tax over the last 30 years New Hampshire's per capita sales either are flat or actually decline. Most of our population do not live on the New Hampshire border. The loss of sales to New Hampshire is an attractive argument by those opposing an increase in Maine's tobacco tax. But it just doesn't happen.
- Keeping the price of tobacco products high is one of the most effective steps we can take to prevent youth tobacco use. Again, the objective scientific studies have been done. When the price of cigarettes goes up, youth smoking rates decline. Increasing the price of tobacco products is an effective prevention tool to stop youth initiation of tobacco.
- Maine's cigarette excise tax is too low. From a public health perspective, Maine should strive to have one of the highest tobacco excise taxes in the nation. And at one time we did however, it has been 20 years since we last raised our cigarette

tax. Now at \$2.00 a pack we have the second lowest cigarette tax in New England followed only by New Hampshire at \$1.78. In fact, Rhode Island's tax is \$4.50, Connecticut is \$4.35, Vermont is \$3.08 and Massachusetts is \$3.51. This proposal will put us closer to our neighboring states.

Lastly, tobacco tax increases do not work in a vacuum and it is important as the budget process unfolds to continue to fully fund Maine's tobacco control efforts at the U.S. Center for Disease Control's recommendation of \$15.9 million for a well-funded program following best practice guidelines. Investment in the tobacco control program is critical to ensure that we have the resources to support current smokers in making a quit attempt and to prevent Maine youth from ever starting to use tobacco products.

The American Lung Association encourages your unanimous support of Language Part "E" in LD 210. Thank you.





Maine Report Card



The American Lung Association's 23rd annual "State of Tobacco Control" report evaluates states and the federal government's actions to eliminate the nation's leading cause of preventable death—tobacco use—and to save lives with proven-effective and urgently needed tobacco control laws and policies. The report provides a blueprint for states and the federal government to follow to prevent and reduce tobacco use. To learn more, go to Lung.org/sotc.

Tobacco Prevention and Control Program Funding: **Tobacco Taxes:**

Smokefree Air:

Access to Cessation
Services:

Flavored Tobacco
Products:











(È) State Goals:

- 1. Increase the tax on cigarettes by at least \$2.00 per pack using revenue to preserve full funding of Maine's tobacco prevention and control program and align program spending with the recommendations of the U.S. Centers for Disease Control and Prevention (CDC) Best Practices;
- 2. End the sale of tobacco products in pharmacies; and
- 3. Enact legislation prohibiting the sale of menthol cigarettes and all flavored tobacco products statewide.

Recent Tobacco Industry Aggressive Actions

The tobacco industry has been taking more aggressive actions to protect its profits recently, including:

- Convincing former President Biden to not move forward with ending the sale of menthol cigarettes and flavored cigar;
- Selling illegal products with flavors that appeal to kids and designed kid-friendly products to look like smartphones or have video games;
- Take action and sign a petition urging Congress to provide more funding to FDA to help combat illegal e-cigarettes: Lung.quorum.us/ campaign/SOTC25ProtectOurKids

(i) State Facts:

Health Care Costs Due to Smoking:	\$811,120,557
Adult Smoking Rate:	14.0%
Adult Tobacco Use Rate:	19.1%
High School Smoking Rate:	5.6%
High School Tobacco Use Rate:	16.5%
Smoking Attributable Deaths:	2,390

Lung.org/sotc

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Maine State Highlights:





Tobacco use remains the leading cause of preventable death and disease in the United States and in Maine. To address this enormous toll, the American Lung Association calls for the following

actions to be taken by Maine's elected officials:

- Increase the tax on cigarettes by at least \$2.00
 per pack using revenue to preserve full funding
 of Maine's tobacco prevention and control
 program and align program spending with the
 recommendations of the U.S. Centers for Disease
 Control and Prevention (CDC) Best Practices;
- End the sale of tobacco products in pharmacies; and
- Enact legislation prohibiting the sale of menthol cigarettes and all flavored tobacco products statewide.

The 2024 Maine legislative session resulted in mixed success for tobacco prevention policies. Unfortunately, two top tobacco prevention priorities of the Lung Association did not see enactment during the 2024 legislative session. The Maine House of Representatives failed to pass legislation ending the sale of menthol cigarettes and all flavored tobacco products that passed in the Maine Senate. The failure of the House to advance the bill was disappointing as the proposal is popular with Maine voters with nearly two-thirds of Mainers supporting the measure.

Although the legislature failed to enact a statewide measure, progress continued on the local level with the city of Hallowell joining six other Maine municipalities that have passed comprehensive ordinances ending the sale of menthol and flavored tobacco products. Additionally, the legislature failed to advance the bill to end the sale of tobacco products in pharmacies which previously passed both chambers of the legislature and was carried over to 2024 for final funding and enactment.

Lung Association and partner advocacy activities did yield some success in 2024. Given the evolution and rising popularity of non-combustible tobacco products it was discovered that pouch products such as Zyn and Rogue which used synthetic nicotine were not able to be taxed at the same rate as other tobacco products. In 2019, the Maine Legislature equalized the tax rate of all products and in 2024 we built upon that law to ensure synthetic nicotine products were included. Despite significant tobacco industry efforts to exempt these products from taxation, the measure

became law in April of 2024.

The American Lung Association in Maine will continue to work with our coalition partners - the Maine Public Health Association, the American Heart Association, the American Cancer Society Cancer Action Network, Campaign for Tobacco Free Kids and others to advance tobacco control and prevention policies and defend our successful programs and smokefree policies against rollbacks. As the legislature begins its work in 2025, the Lung Association will continue to grow our coalition to educate policymakers, business leaders and the media of the importance of the Lung Association's goals to reduce tobacco use and protect public health.

Maine State Facts	
Health Care Cost Due to Smoking:	\$811,120,557
Adult Smoking Rate:	14%
Adult Tobacco Use Rate:	19.1%
High School Smoking Rate:	5.6%
High School Tobacco Use Rate:	16.5%
Middle School Smoking Rate:	2%
Smoking Attributable Deaths:	2,390

Adult smoking and tobacco use data come from CDC's 2023 Behavioral Risk Factor Surveillance System; adult tobacco use includes cigarettes, smokeless tobacco and e-cigarettes. High school smoking and tobacco use and middle school smoking data come from the 2023 Maine Integrated Youth Health Survey.

Health impact information is taken from the Smoking Attributable Mortality, Morbidity and Economic Costs (SAMMEC) software. Smoking attributable deaths reflect average annual estimates for the period 2005-2009 and are calculated for persons aged 35 years and older. Smoking-attributable healthcare expenditures are based on 2004 smoking-attributable fractions and 2009 personal healthcare expenditure data. Deaths and expenditures should not be compared by state.

Maine Report Card



Ш Z	Tobacco Prevention and Control Program Funding:	A
_	FY2025 State Funding for Tobacco Control Programs:	\$15,905,577
⋖	FY2025 Federal Funding for State Tobacco Control Programs:	\$1,169,002*
Σ	FY2025 Total Funding for State Tobacco Control Programs:	\$17,074,579
	CDC Best Practices State Spending Recommendation:	\$15,900,000
	Percentage of CDC Recommended Level:	107.4%

^{*} Includes tobacco prevention and cessation funding provided to states from the Centers for Disease Control and Prevention.



Thumbs up for Maine for funding its tobacco control program at or above the CDC-recommended level this fiscal year.

Smokefree Air:



\$170,800,000

OVERVIEW OF STATE SMOKING RESTRICTIONS

Government work sites: **Prohibited**

State Tobacco-Related Revenue:

Private work sites: Prohibited

Schools: Prohibited

Child care facilities: Prohibited

Restaurants: Prohibited

Bars: **Prohibited**

Casinos/Gaming Establishments: Restricted (tribal establishments not subject to state law)

Retail stores: Prohibited

E-Cigarettes Included: **Prohibited in public places, but not in all workplaces**

Preemption/Local Opt-Out: No

Citation: ME REV. STAT. ANN. tit. 22, §§ 1541 to 1545 (2021), 1547 (2007), 1580-A (2009) & CODE of ME RULES 10-144, Ch. 249 (2006).

Tobacco Taxes:



CIGARETTE TAX:

Tax Rate per pack of 20: \$2.00

OTHER TOBACCO PRODUCT TAXES:

Tax on Little Cigars: Equalized: Yes; Weight-Based: No

Tax on Large Cigars: Equalized: Yes; Weight-Based: No

Tax on Smokeless Tobacco: Equalized: Yes; Weight-Based: Yes

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Tax on Pipe/RYO Tobacco: Equalized: Yes; Weight-Based: No

Tax on E-cigarettes: Equalized: Yes; Weight-Based: No

For more information on tobacco taxes, go to: www.lung.org/slati

Access to Cessation Services:



OVERVIEW OF STATE CESSATION COVERAGE

STATE MEDICAID PROGRAM:

Medicaid Medications: All 7 medications are covered

Medicaid Counseling: All 3 types of counseling are covered

Medicaid Barriers to Coverage: Minimal barriers exist to access care

Medicaid Expansion: Yes

STATE EMPLOYEE HEALTH PLAN(S):

Medications: All 7 medications are covered

Counseling: Some counseling is covered

Barriers to Coverage: Minimal barriers exist to access care

STATE QUITLINE:

Investment per Smoker: \$36.90; the median investment per smoker is \$2.26

OTHER CESSATION PROVISIONS:

Private Insurance Mandate: Yes

Tobacco Surcharge: No prohibition or limitation on tobacco surcharges

Citation: See <u>Maine Tobacco Cessation Coverage page</u> for coverage details.



Thumbs up for Maine for providing comprehensive coverage for all tobacco cessation medications and types of counseling with minimal barriers to Medicaid enrollees.

Flavored Tobacco Products:



Restrictions on Flavored Tobacco Products: **Some flavored** cigars prohibited



Thumbs down for Maine for failing to pass legislation to end the sale of flavored tobacco products statewide.