

Kyle Feldman  
National Convenience Distributors  
LD 377

Committee on Education and Cultural Affairs,

Thank you for the opportunity to speak today to oppose the tobacco and nicotine taxes proposed in LD377/SP0133. My name is Kyle Feldman, President of National Convenience Distributors (NCD), and supply hundreds of retail locations in Maine with food, sundries, and tobacco products.

I have a unique perspective as my company also services stores in New York where the state raised their cigarette excise taxes by \$1/pack in 9/1/2023. After doing so, our business declined 29%\* versus the previous 6 months leading up to the tax. Without question, if these aggressive taxes are adopted, adult consumers will change their purchase behaviors and buy their preferred product where they can find it cheaper...out of state or on the black market. This will be detrimental to the 1,480 retailers in the state that rely on tobacco products that generate 30.8% of all in-store sales.\*\*

In addition to a cigarette excise tax, this bill also increases all other tobacco categories by 50% including reduced risk products like e-vapor and nicotine pouches. These are products that adult cigarette smokers have, for years, been switching down to what the FDA calls, the "continuum of risk." And it should be noted that the state took a tax increase on nicotine pouches of 43% of cost in 2024.

I urge you not to move forward with such a massive tax increase that will shift consumer purchase behaviors out of state or to the black market, negatively impact retail businesses in the state, and could have a negative impact on public health. Please do not move forward with LD377/SP0133. Thank you for your time.

Sincerely,  
Kyle Feldman  
National Convenience Distributors

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MSA data 1/31/2025 Pre / Post = 5 months before SET effective date & 5 months post SET effective date (month)

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