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Testimony of Julia MacDonald, Maine Government Relations Director, American Cancer Society Cancer Action Network

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"

Monday, February 3, 2025

Senator Rotundo, Representative Gattine, and honorable members of the Committee on Appropriations and Financial Affairs and Sen. Grohoski, Rep. Cloutier and members of the Committee on Taxation, my name is Julia MacDonald, and I am the Maine Government Relations Director for the American Cancer Society Cancer Action Network (ACS CAN). ACS CAN is the nonprofit, nonpartisan advocacy affiliate of the American Cancer Society. We advocate for evidence-based public policies to reduce the cancer burden for everyone. As the nation's leading advocate for legislative solutions that are helping to defeat cancer, ACS CAN ensures that cancer patients, survivors, and their families have a voice in public policy matters at all levels of government.

On behalf of ACS CAN, I would like to thank you for this opportunity to submit the following testimony in strong support of a \$1.00 per pack increase in the cigarette tax. As Maine works to identify funding strategies to reduce the budget deficit ACS CAN calls on you to increase the state cigarette tax by \$1.00 per pack with a parallel tax on all other tobacco products in order to provide a substantial source of revenue for the state while reducing tobacco use and tobacco-related health care costs.

Significantly increasing tobacco taxes and investing in tobacco prevention and cessation programs saves lives, reduces health care costs and generates revenue. In fact, it is one of the most effective ways to prevent youth from starting to use tobacco and encourage those already addicted to quit. Maine has the highest adult smoking rate of any New England state and the second highest high school smoking rate. Smoking harms nearly every organ in the body and increases the risk for many types of cancer, heart attack, stroke, COPD, emphysema, chronic bronchitis, and other diseases. In 2025, it is estimated that approximately 2,400 Mainers will die from smoking related illness. Cigarette smoke and secondhand smoke contribute to 1 out 5 deaths in the United States including 30% of all cancer deaths and 81% of lung cancer deaths.

Further, we have decades of data showing us that tobacco taxes work. This date includes the U. S. Surgeon General Report, <u>The Health Consequences of Smoking – 50 years of Progress</u> which concluded that increases in the price of tobacco products, including those resulting from excise tax increases, prevent initiation of tobacco use, promote cessation, and reduce the prevalence and intensity of tobacco use among youth and adults. This conclusion reaffirms findings from previous Surgeon General's reports on tobacco use that raising the price of

¹ Campaign for Tobacco-Free Kids. The Toll of Tobacco in Maine. Updated August 2024. https://www.tobaccofreekids.org/problem/toll-us/maine

³ Campaign for Tobacco-Free Kids. The Toll of Tobacco in Maine. Updated August 2024. https://www.tobaccofreekids.org/problem/toll-us/maine

⁴ American Cancer Society. Cancer Facts and Figures 2025. Atlanta, Georgia. 2025.

⁵ U.S Department of Health and Human Services (HHS). The Health Consequences of Smoking – 50 Years of Progress: A Report of the Surgeon General. Atlanta, GA. U. S. Department of Health and Human Services, Centers for Disease Control and Prevention and Health Promotion, Office of Smoking and Health; 2014. Available at http://www.surgeongeneral.gov/library/reports/50-years-of-progress/exec-summary.pdf.

tobacco is one of the most effective tobacco prevention and control strategies, and that increasing the price of cigarettes and tobacco products decreases the prevalence of tobacco use, particularly among youth and young adults.

A cigarette tax increase of \$1.00 per pack will result in a significant price increase, providing a strong antidote to the aggressive marketing tactics being employed by tobacco companies. In Maine, Big Tobacco spends and estimated 48.4 million each year to market their deadly and addictive products. Tobacco advertising has evolved with most advertising focused on pricing and retail promotions. In 2021 the two largest spending categories for cigarette marketing were retail and wholesale price discounts. Anything less than the tax increase proposed in the budget can be easily offset by tobacco companies using these same types of coupons, discounts and price manipulations that are designed to keep people addicted despite a tobacco tax increase. For that reason, it is critical to protect the state's interest in both health and revenue and not appease the tobacco industry with a tax increase of a lesser amount.

More than two-thirds (68%) of people who currently smoke indicate they would still like to quit. The Strengthening prevention and cessation resources in the state is particularly important to reducing tobaccorelated health disparities so that all Mainers have access to resources to help them successfully quit tobacco, or avoid starting tobacco use altogether, regardless of income or other social determinants. Investing a portion of the tax revenue in tobacco control can also further amplify the economic benefits of the tax. For every \$1 spent on comprehensive tobacco control programs, states receive up to \$55 in savings from averted tobacco-related health care costs. 8

In closing, from the cancer control perspective, the status quo that perpetuates preventable tobacco-related death and disease is unacceptable. The relatively low price of tobacco products makes it too easy for youth to afford to start smoking and continue smoking, and current tobacco tax rates do little to defray the enormous societal cost smoking has on the economy, with the smoking-caused health care costs and productivity losses. If we are serious about reducing the toll of preventable cancer and chronic disease in our state, a high-impact tobacco tax increase such as this will help us achieve that life-saving mission.

We urge you to support this important tax increase to benefit the health of all Mainers.

⁶ Campaign for Tobacco-Free Kids. The Toll of Tobacco in Maine. Updated August 2024. https://www.tobaccofreekids.org/problem/toll-us/maine

⁷ U.S. Centers for Disease Control and Prevention. Quitting smoking among adults – United States 2000-2015. Morbidity and Mortality Weekly Report, January 6, 2017: 65(52); 1457–1464.

⁸ U.S. Centers for Disease Control and Prevention. Quitting smoking among adults – United States 2000-2015. Morbidity and Mortality Weekly Report, January 6, 2017: 65(52); 1457–1464.