



Testimony of Allyson Perron Drag, Vice President of Government Relation, Eastern Region, American Heart Association for portions 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"

Senator Rotundo, Representative Gattine and members of the Appropriations and Financial Affairs Committee, the American Heart Association is the nation's oldest and largest voluntary organization dedicated to fighting heart disease and stroke, whose mission is to be a relentless force for a world of longer, healthier lives. The American Heart Association is offering testimony on portions of the Governor's biennial budget proposal related to cardiovascular disease.

In 1998, Maine was one of 46 states that settled a lawsuit with tobacco companies for the illness and death caused by tobacco use. Maine's governor and legislature recognized and honored the intent of the settlement dollars and the toll of tobacco on so many Mainers by creating the Fund for Healthy Maine (FHM). The FHM was carefully designed to receive Maine's annual tobacco settlement payments and invest in helping smokers quit, preventing addiction and other chronic illnesses, promoting good health, lowering health costs, and giving Maine children and adults every opportunity to live healthy, productive lives. For decades, the FHM has served as a primary source of funding for public health and prevention programs in Maine. We can all see the positive impacts in our communities. But settlement payments have been declining in recent years, causing a looming structural deficit in the FHM. Maine's public health needs have not diminished, but payments are based on national cigarette sales. Vaping products, pouches, and other nicotine products now heavily marketed by tobacco companies were not included in the 1998 settlement.

It's very good news that the Governor's budget proposal does not make cuts to FHM programs. This acknowledgment of the importance of prevention, and its proven return on investment, is much appreciated among Maine's public health and medical professionals. The Governor's budget moves \$22.1M in FHM baseline allocations for programs and positions to the General Fund. This restructuring would disconnect Maine's tobacco prevention and treatment program from its natural funding source and it would convert the tobacco settlement to being used almost exclusively for MaineCare, rather than multiple interconnected and youth-focused prevention initiatives, as intended by the legislature and successfully exhibited over decades in communities across the state. There is added risk and no practical benefit to moving FHM programs to the General Fund. FHM prevention programs that have been investing in healthy kids and communities for decades could be lost if competing for taxpayer dollars. It's important to keep the Fund intact and keep it focused on prevention.

By moving a percentage of Maine's overall tobacco excise tax revenue into the FHM each year, prevention programs will not need to be moved to the General Fund. Doing so will secure Maine's investment in prevention and position us to be strong and responsive to future health concerns. There is no fiscal impact to keeping the Fund intact because the budget is already balanced. Rather than moving tobacco and other prevention programs out of the Fund, infusing the FHM with an annual stream of tobacco excise tax revenue will further strengthen the alignment of revenue sources and uses. We have consistently used the FHM to support the health of Maine people while most other states have

let the opportunity of the tobacco settlement slip through their fingers. We can and must protect Maine's only dedicated source of funding for prevention by securing the FHM for future generations.

We urge the Maine Legislature to take this simple, no-cost step. Investing in healthy kids and communities is something we can all get behind. Please keep the Fund for a Healthy Maine intact and used as it was intended. We appreciate your time and consideration of our comments. I would be happy to answer any questions about this testimony.

Sincerely,
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