



HOUSE OF REPRESENTATIVES

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January 7, 2026

Testimony of Representative Anne Graham presenting

**LD 1658, An Act to Preserve and Strengthen the Fund for a Healthy Maine
Before the Joint Standing Committee on Health and Human Services**

Good afternoon, Senator Ingwersen, Representative Meyer and honorable members of the Joint Standing Committee on Health and Human Services. As you know, I am Representative Anne Graham and I am proud to represent the towns of North Yarmouth and the majority of Gray in the Maine House. I thank you for allowing me to present an amended version of **LD 1658, An Act to Preserve and Strengthen the Fund for a Healthy Maine**.

The Fund for a Healthy Maine (FHM) is an incredible success story and reflects the best qualities of Maine people. It has an innovative, interconnected and youth-focused design; responsible alignment with the purpose of the tobacco settlement; prudent recognition that prevention is always the best medicine; and 25 years of loyal and unyielding support from policymakers, stakeholder groups and Maine people.

As this committee has been aware, the FHM has been approaching a financial crossroads for several years, caused by declining tobacco settlement payments (which are based on national cigarette sales and do not include the sales of vaping products and nicotine pouches in payment calculations). While this looming structural deficit has been masked by the availability of unspent funds, those carryover funds will be exhausted in fiscal year 2027.

The Maine Legislature stepped up to protect the FHM in the continuing services budget that passed in March 2025. That action in such a challenging environment was much appreciated by Maine's public health professionals and acknowledged the value of prevention for Maine people and communities. But that was a one-time solution for an ongoing problem, so the future of the Fund remains uncertain.

We are now in a moment of opportunity. We can take one final step to assure the Fund for a Healthy Maine, and its critical public health and prevention programs, are financially stable and secure for years to come – rather than leaving Maine's long-standing prevention and public health investments vulnerable to capsize in variable political winds. LD 1658 offers a route forward.

LD 1658 creates an ongoing transfer of a portion of tobacco excise tax revenue from the General Fund to the Fund for a Healthy Maine so this special revenue account has the resources needed each year to maintain its baseline investments in public health and prevention. This straightforward solution aligns and integrates Maine's use of tobacco excise tax revenue in the General Fund with our tobacco settlement revenue in the Fund for a Healthy Maine. This is particularly appropriate as both are intended to prevent tobacco use and illness and support the health and well-being of Maine people across generations.

Maine experts and policymakers agree. Maine's 2024 Blue Ribbon Commission recommended this solution for the approaching FHM structural deficit with unanimous and bipartisan support from all participating legislators. And in March 2025, our committee's report back on LD 210 from the 132nd Legislature unanimously recommended directing a portion of General Fund revenue from tobacco taxes as the means to resolving the shortfall in the Fund for a Healthy Maine. Thank you for that support.

The foundational value and necessity of prevention and public health do not change with politicians and administrations. Rather, these are constants that must be met with stable and secure funding for well-planned investments that meet the needs and circumstances of people and communities. Creating an annual and ongoing transfer of tobacco excise tax revenue into the FHM will secure Maine's investment in prevention and position us to be strong and responsive to future health concerns.

Maine can be proud of our Fund for a Healthy Maine legacy. We have consistently used the Fund to support the health of Maine people. We can and must protect Maine's only dedicated source of funding for prevention by securing the FHM for future generations.

Thank you for your support in the past. I urge you to unanimously support LD 1658.