



Testimony in Opposition to LD 1550: “[An Act To End the Sale of Flavored Tobacco Products](#)”

Senator Claxton, Representative Meyer, and the distinguished members of the Committee on Health and Human Services, my name is Nick Murray and I serve as policy analyst for Maine Policy Institute, a nonpartisan, non-profit organization that advocates for individual liberty and economic freedom in Maine. Thank you for the opportunity to testify on LD 1550.

A ban on certain tobacco products will do very little to affect overall demand or use rates in Maine, but it will redirect valuable tax revenues to New Hampshire, as Massachusetts’ ban has. Maine is doing more than most other states in the country to reduce youth initiation and promote adult cessation. The American Lung Association gives Maine an A-grade, one of only 3 states in the entire country, for its \$15 million funding of tobacco control programs.¹ Funding education and cessation is how we teach our youth, not a failed 1920s-era policy like prohibition.

Last June, Massachusetts implemented its ban on flavored tobacco products, passed in 2019. The state’s Department of Revenue projected that, even with a new 75% tax on e-cigarettes in the bill, the move would cost Massachusetts \$93 million over the fiscal year.² The state has lost more than \$10 million per month, on pace to forgo more than \$120 million in tobacco taxes this fiscal year. After bringing in \$557 million last year, Massachusetts is on pace to lose 20% of the tax revenue expected from tobacco sales.³

Did 20% of smokers and tobacco users quit once the ban was implemented? No; smoking didn’t disappear. As sin taxes are notoriously regressive, we suggest this committee look at reducing tobacco tax rates so that low-income Mainers do not bear the brunt of misguided policy. Massachusetts tobacco users just switched to a different, unflavored product, or they drove over the border to find their preferred flavored product. The proof is in the data.

The New England Convenience Store and Energy Marketers Association (NECSEMA) has been tracking the regional market, noting that between June and December, compared to the same period in 2019, total cigarette sales in New Hampshire jumped 46%, menthol cigarette sales grew by 90% and sales of mint/wintergreen

¹ [Maine | State of Tobacco Control](#) | Lung.org

² [Flavored Tobacco Ban Expected to Cost Massachusetts Millions](#) | Governing.com

³ [Annual Report of Multi-Agency Illegal Tobacco Task Force](#) | Mass.gov

smokeless tobacco more than doubled.⁴ Cigarette sales in Massachusetts are down nearly 24%, as total convenience store sales fell 10%.

In Rhode Island, total cigarette sales increased 20%, menthols were up 29% and mint/wintergreen smokeless tobacco sales were up 59%. In New Hampshire, those stores saw their overall sales nearly double, a clear sign that consumers are simply reacting to the recent policy changes, not changing their personal behavior.

Mainers have simply driven over the border into New Hampshire for years to find better prices on all sorts of goods. If Maine bans most-to-all tobacco products, the state will continue to drive out on economic activity and ship tax revenue to our neighbor.

Please internalize this important lesson on the effects of cross-state policy differences, and deem LD 1550 “Ought Not To Pass” and. Thank you for your time and consideration.

⁴ [New England Convenience Store & Energy Marketers Association Press Release, January 5, 2021](#)