



**RETAIL
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MAINE**
Voice of Maine Retail

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February 9, 2022

Senator Ned Claxton, Chair
Representative Michele Meyer, Chair
Members of the Health and Human Services Committee

RE: Testimony in OPPOSITION to LD 1693, An Act to Advance Health Equity, Improve the Well-being of All Maine People and Create a Health Trust

Dear Senator Claxton, Representative Meyer and members of the Health and Human Services Committee:

My name is Curtis Picard and I am the President and CEO of the Retail Association of Maine. I am a resident of Topsham. We have more than 350 members statewide and represent retailers of all sizes. Maine's retailers employ more than 80,000 Mainers. I am here today in opposition to LD 1693, specifically the flavored tobacco ban and the tobacco tax increase, Parts D & E in the bill.

We certainly support tobacco education and cessation efforts. Indeed, LD 1868, LD 1523 and LD 1423 share similar goals on that front, and the committee should look at those bills and how they work in concert with and in conflict with LD 1693.

We urge the committee to oppose the flavored tobacco ban and the tobacco tax increase. The ban will simply shift sales away from licensed retailers to unauthorized avenues including black market and counterfeit operations. Bans like this do not stop purchases. They simply encourage people who want to legally purchase these products to seek them from other sources. In fact, when Massachusetts attempted a similar strategy, sales in New Hampshire jumped 60%.

Maine's retailers do an excellent job preventing the sale of products to underage people. Through staff training, and tools like the We Card program, the No Butts program, retailers take their role seriously and compliance data backs it up.

On the tobacco tax increase, the increase will also encourage legal consumers to purchase their products in New Hampshire or online. In fact, the US CDC did a study which showed that none of the online vendors complied with federal tax reporting laws, and many vendors advertised selling cigarettes "tax free." Internet cigarette vendors often sell from Indian reservations, low-

tax jurisdictions, or overseas duty-free zones. As a result, only a small portion of the taxes have been collected, which makes the online prices much lower than those for in-store sales.

We urge the committee to oppose Parts D & E of the bill if you choose to move forward with LD 1693.

Thank you for the consideration of our comments.

Curtis Picard, CAE
President and CEO