



**Before the
Rhode Island House and Senate Finance Committees
Providence, RI 02903**

**In The Matter of H. 5770 and S. 0417 “An Act Relating to Taxation --
Cigarette and Other Tobacco Products Tax”
Comments of the American Consumer Institute**

The American Consumer Institute is an independent 501(c)(3) education and research organization. Its mission is to identify, analyze, and protect the interests of consumers in selected legislative and rulemaking proceedings in information technology, health care, insurance, and other matters.

Both H. 5770 and S. 0417, “An Act Relating to Taxation Cigarette and Other Tobacco Products Tax,” would reduce taxes by 75 percent for tobacco products designated as Modified Risk Tobacco Products (MRTPs) by the U.S. Department of Health and Human Services. This alteration reflects the differential health risks associated with MRTPs, such as vapes, as compared to cigarettes and other ignited tobacco products and promotes public health by removing barriers for smokers to transition to less harmful alternatives.

MRTPs have been shown to be far less harmful than traditional cigarettes. For example, The Royal College of Physicians in England has found vaping to be 95 percent less harmful than cigarettes.¹ Moreover, MRTPs like e-cigarettes have been shown to play a crucial role in smoking cessation efforts among adults.²

By reducing taxes on MRTPs, the state can make these safer alternatives more accessible and appealing, thereby supporting individuals on their journey to quit smoking, increasing the quality of life of Rhode Islanders. Currently, \$640 million is spent annually in Rhode Island on

¹ “Promote e-cigarettes widely as substitute for smoking says new RCP report,” Royal College of Physicians, December 5, 2016, <https://www.rcp.ac.uk/news-and-media/news-and-opinion/promote-e-cigarettes-widely-as-substitute-for-smoking-says-new-rcp-report>.

² “Using e-cigarettes to stop smoking,” U.K. National Health Service, reviewed October 10, 2022, <https://www.nhs.uk/live-well/quit-smoking/using-e-cigarettes-to-stop-smoking/>.

smoking related healthcare, however by making it less expensive for smokers to transition away from cigarettes has the potential to reduce these costs for Rhode Islanders.³

In conclusion, H. 5770 and S. 0417 offer a pragmatic approach to tobacco harm reduction by leveraging fiscal policy to incentivize the use of less harmful products that facilitate quitting cigarettes. This bill is a step in improving public health and reducing the economic impact of tobacco-related illnesses in Rhode Island.

Respectfully,

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³ Justin Leventhal, "Transition from Tobacco to Vaping: The Health Impacts by State," The American Consumer Institute, March 7, 2024, <https://www.theamericanconsumer.org/2024/03/vaping-study/>.