

Testimony re: S.24  
Vermont Senate Health and Welfare Committee  
2/24/21 Hearing

**Prepared Testimony By:**  
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Good morning Chairwoman Lyons and members of the Senate Health and Welfare Committee. My name is Rich Marianos, and I am a senior law enforcement consultant and subject matter expert on criminal tobacco trafficking.

Let me start by telling you a little about my background. I retired from a 27-year career at the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) as Assistant Director. During my ATF career, I conducted, supervised and oversaw investigations into organized crime, counterterrorism, drug trafficking organizations and violent crime.

My ATF experience also includes the position of Special Agent in Charge of the Washington Field Division and Deputy Chief of ATF's Special Operations Division.

In addition to my consultation duties for law enforcement, I am also an Adjunct Professor at Georgetown University in Washington, D.C., where I teach courses in Political Violence and Terrorism. If you cannot tell by my background, crime prevention and security are things that I take very seriously.

Creating a prohibition in a "border state" like Vermont will cause two types of activity from a transactional perspective. First, adults will travel across the border to New Hampshire and New York to purchase these products for their personal use. Second, a prohibition will provide an easy way for smugglers to travel interstate to purchase cigarettes and cross state lines to sell, trade, and barter among the criminal market.

A ban on the sale of menthol products but not the possession of those products will lead to increased smuggling into Vermont. This will also lead to an increase in other criminal activity. Illicit cigarettes are an extremely valuable commodity to criminal operations, and the proceeds from these sales go on to fund other criminal activities. Disparities between state policies can provide huge profit opportunities for criminals. For example, one tractor trailer smuggling 800 cases of cigarettes (48,000 cartons) from Virginia, to Vermont, continually grosses profits of over \$1.1 million. Factor in the

potential smuggling from not only outside the region but also neighboring states, and Vermont will incentivize criminal activities by creating an illicit market.

With the influx of commercially smuggled cigarettes from criminal entities comes a potential increase in violent crime. Those who participate in large-scale cigarette smuggling are often involved with other forms of illicit activity. Recently, the state of Rhode Island realized that the movement of illicit cigarettes into their state has resulted in an increase in violent criminals traveling to the state to sell illicit product from Virginia and other lower-tax jurisdictions. Rhode Island lawmakers have taken a firm stand against cigarette smuggling in an effort to thwart the influx of violent criminals entering the state.

And let me be clear: Those who smuggle cigarettes from other states do not age-verify those purchasing their illicit products. This could create a precarious situation as we all want to avoid our youth interacting with this type of criminal element.

Beyond my opposition to this bill, I strongly urge the committee to consider what is occurring in regard to cross-border cigarette sales, challenges regarding tobacco control enforcement in these situations, as well as other unintended consequences of such a ban.