

James Atkins Owner 10 Pleasant Street East Barre, VT 05649

Dear Chair Wood, Vice Chair Brumsted, Ranking Member Donahue, and esteemed members of the Vermont House Committee on Human Services,

My name is James Atkins, and I am the owner of Hibbert and McGee Wholesale. I write to you today with profound concerns regarding S.18, seeking your understanding on the potential adverse impacts and urging your reconsideration.

I would like to express my disappointment in not being granted the opportunity to testify two weeks ago despite my request. As the owner of a wholesale business, it is disheartening to note that, to my knowledge, no retail or wholesale business owner in Vermont has had the chance to address the Human Services Committee directly on this matter. Given this limitation, I am compelled to convey my apprehensions through this letter.

Recently, I authored an OpEd in the Barre Montpelier Times Argus, encapsulating many of my concerns.

The financial ramifications of S.18 cannot be overstated. In 2023, Hibbert and McGee contributed over \$10 million in tobacco taxes to the state of Vermont. Despite constituting only 12% of the state's cigarette market, the economic impact of such a measure would be substantial. This is separate and apart from the MSA funds and sales tax that retailers and tobacco manufacturers submit to the state on the very same products.

While acknowledging the state's commendable efforts in reducing youth tobacco usage, I find it perplexing that this bill targets tobacco products with lower usage rates, such as menthol cigarettes and wintergreen dip. Moreover, the apparent oversight of the significant prevalence of alcohol and marijuana use among Vermont's youth raises questions about the bill's focus.

The statistics reveal that <u>24.6% of high school students in Vermont report drinking alcohol</u>, and 19.9% use marijuana. Those companies don't even try to hide youth appeal, yet you choose to place a target squarely on tobacco. At the same retail stores who sell flavored tobacco that is not appealing to kids you can find <u>Hard Mountain Dew</u> or Monster Energy's <u>The Beast</u>. Down the street at Green State Dispensary you can find <u>Sour Cherry THC gummies</u>. Even worse, per their website you can "satisfy your sweet tooth" with <u>Rainbow Belts Live Rosin THC Vape cartridges</u>.

Yet, S.18 singles out products like menthol cigarettes (5.4% usage) and wintergreen dip (2.8% usage). To note, it's illegal for anyone under 21 to purchase all the products listed above yet 4x the number of students choose to use alcohol and marijuana over cigarettes. This raises a critical question about the bill's priorities in addressing youth-related issues.

My Vermont based family-owned business, established in 1956, faces an unprecedented threat from within the state house. Unlike national competitors, we cannot seek refuge in New Hampshire or Pennsylvania to offset the potential revenue loss caused by S.18. The 48 Vermonters employed by Hibbert and McGee face uncertainty if this bill is passed.

In the spirit of protecting Vermont's youth, I propose a shift from prohibition to comprehensive solutions involving education, increased penalties, and community resources. Representative Black aptly noted that smokers have endured enough shaming, urging us to seek alternative solutions.

I implore you to reconsider and reject S.18, opting instead for solutions that preserve Vermont's small businesses while addressing youth usage of adult-oriented products comprehensively. Thank you for your thoughtful consideration of my perspectives.

Sincerely,

James Atkins Owner Hibbert and McGee