

Consumer Choice Center Testimony: HB 5770

Dear Chairman and Members of the Rhode Island House Finance Committee,

As an independent consumer advocacy group that supports innovation and lifestyle freedom, we appreciate this committee's attention and consideration of HB 5770.

Significantly reducing the sales tax on heated tobacco products (HTPs) while maintaining a tax on combustible cigarettes heads Rhode Island in the right direction. Implementing this bill helps acknowledge the reduced risk of HTPs over combustible tobacco and would help financially incentivize consumers to move away from traditional cigarettes, effectively improving public health and in turn reducing the state government's financial burden associated with smoking-related healthcare costs.

The U.S. Food and Drug Administration has already recognized HTP's reduced risk and [granted](#) some products authorization to be sold as modified risk tobacco products (MRTPs) due to the evidence demonstrating that these products:

- heat tobacco to the point of vaporization but do not burn it
- significantly reduce the production of harmful and potentially harmful chemicals
- Studies have shown that switching completely from conventional cigarettes to HTPs significantly reduces exposure to harmful or potentially harmful chemicals

Implementing policies like HB 5770 that embrace innovative nicotine alternatives like HTPs, e-cigarettes, nicotine pouches, or others over combustible tobacco products could help pave the way for Rhode Island to become the public health leader for other states to follow.

The negative economic [impacts](#) of combustible cigarettes in Rhode Island are also worth looking into. The annual health care costs in the state directly caused by smoking is more than \$744 million, with over \$230 billion of that in Medicaid expenses alone. This is resulting in a tax burden of \$1,134 per household, but if adults who currently smoke combustible cigarettes are financially incentivized to switch to less harmful alternatives like HTPs, then not only would this help reduce the tax burden on households, but it would also save lives.

By implementing a lower tax rate on heated tobacco products, this bill not only promotes consumer choice but also provides a financial incentive for those who smoke to transition to less harmful alternatives. This risk-based taxation model offers a far more rational and equitable approach and as the financial toll of combustible tobacco remains steep in Rhode Island, this could significantly reduce those burdens while improving public health.

For example, similar to HB 5770, Sweden [kept taxes low](#) on nicotine alternatives, while also allowing a full range of flavors for adult consumers. As a result, Sweden has [reduced](#) its smoking rates two times faster than any other country in the European Union and smoking rates have declined by 55% in the last decade. Additionally, smoking-related deaths are 22% lower in

Sweden than the European Union average and cancer incidence is 41% lower than in the rest of Europe, with total deaths from cancer being 38% lower. These types of policies have put Sweden on track to become the [first smoke-free country](#).

We respectfully encourage you to adopt HB 5770 and continue to pave the way for more evidence-based policies to prevail.

Thank you for your time and consideration on this matter.

Respectfully,

Elizabeth Hicks
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