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March 24, 2026

The Honorable Louis P. DiPalma, Chair
Senate Committee on Finance
State House
82 Smith St.
Providence, RI 02903

RE: S 3131– An Act Relating to Taxation – Cigarette, Other Tobacco Products, and Electronic Nicotine-Delivery System Products

Dear Chair DiPalma:

Please accept this letter opposing S 3131, legislation that would provide a reduced tax rate for newly defined alternative nicotine products by capping the tax rate at \$2.00/container. The most used product that meets the new definition would be popular nicotine pouches. According to the Centers for Disease Control and Prevention (CDC) and the US Surgeon General,^{1,2} increasing the price of tobacco products through strategies such as tax increases and parity is one of the most effective methods to prevent or reduce tobacco product use and promote cessation. The Rhode Island Department of Health (RIDOH) believes capping/reducing tax for nicotine pouches would not be aligned with Rhode Island’s tax parity progress.

Rhode Island offers free, effective, and confidential help for adults and youth interested in quitting or reducing tobacco/nicotine use.³ According to the World Health Organization (WHO)’s [2025 Position on Tobacco Control and Harm Reduction](#), “tobacco and nicotine companies are misappropriating the public health concept of harm reduction while mass marketing harmful products like e-cigarettes and nicotine pouches to the public at large. They claim these products pose lower health risks than conventional cigarettes and can be part of a ‘harm reduction’ approach to tobacco control. These products frequently include...e-cigarettes, nicotine pouches, heated tobacco products (HTPs) and smokeless tobacco products.”⁴

On January 16, 2025, the US Food and Drug Administration (FDA) announced marketing authorization of 20 flavored Zyn nicotine pouch products owned by Phillip Morris International/Swedish Match USA, who applied for the authorization.⁵ Nicotine pouches contain powder made of nicotine, flavorings, and other ingredients. The powder dissolves in the mouth, and nicotine is absorbed through the gums and lining of the mouth. No tobacco product is safe, including nicotine pouches.⁶

¹ Centers for Disease Control and Prevention. [STATE System Excise Tax Fact Sheet](#). September 2024.

² U.S. Department of Health and Human Services. [The Health Consequences of Smoking: 50 Years of Progress. A Report of the Surgeon General](#). Atlanta, GA: HHS, Centers for Disease Control and Prevention. Office on Smoking and Health. 2014.

³ Rhode Island Department of Health. [Rhode Island Nicotine Helpline](#). February 2025.

⁴ World Health Organization. [WHO position on Tobacco Control and Harm Reduction](#). November 2025.

⁵ U.S. Food & Drug Administration. [FDA Authorizes Marketing of 20 ZYN Nicotine Pouch Products after Extensive Scientific Review](#). January 2025.

⁶ Centers for Disease Control and Prevention. [Nicotine Pouches](#). January 2025.

Nicotine pouch sales in the United States are rapidly increasing, particularly since 2023. In the United States in 2024,⁷ nicotine pouches were the second most-used tobacco product among youth, behind e-cigarettes. **In Rhode Island from 2023 to 2025, total nicotine pouch dollar sales increased 330.8%, from \$522.9 thousand to \$2.3 million. Most nicotine pouches sold are flavored.** As of August 2025, mint flavor accounts for 65.1% of sales, followed by other flavors at 24.1%, and clear/other cooling flavors at 5.5%. Rhode Island has observed pouch sales increase at a rate higher than nationwide averages, according to the CDC Foundation. Rhode Island passed legislation effective October 1, 2025, which included nicotine pouches as other tobacco products for taxation purposes, therefore helping achieve tax parity, a tobacco control best practice. Massachusetts has current legislation under review similar to the new Rhode Island law.

Initial promising public health information from the CDC Foundation indicates that Rhode Island is observing a decrease in consumer purchases since the legislation took effect October 1.⁸ The proposed legislation with the \$2.00 cap on a standard tin of 15 nicotine pouches would approximately reduce the new October 1, 2025 tax by over 50%.

Thank you for the opportunity to comment on the proposed legislation. Coordinated prevention, education, cessation/quit resource programming, tobacco product and access restrictions, and tax parity are effective, public health-aligned, evidence-based approaches for reducing tobacco and nicotine use. RIDOH is committed to continuing to work with the General Assembly and Governor in advancing the significant progress made in reducing the adverse health outcomes associated with tobacco and nicotine access and use in Rhode Island.

Sincerely,



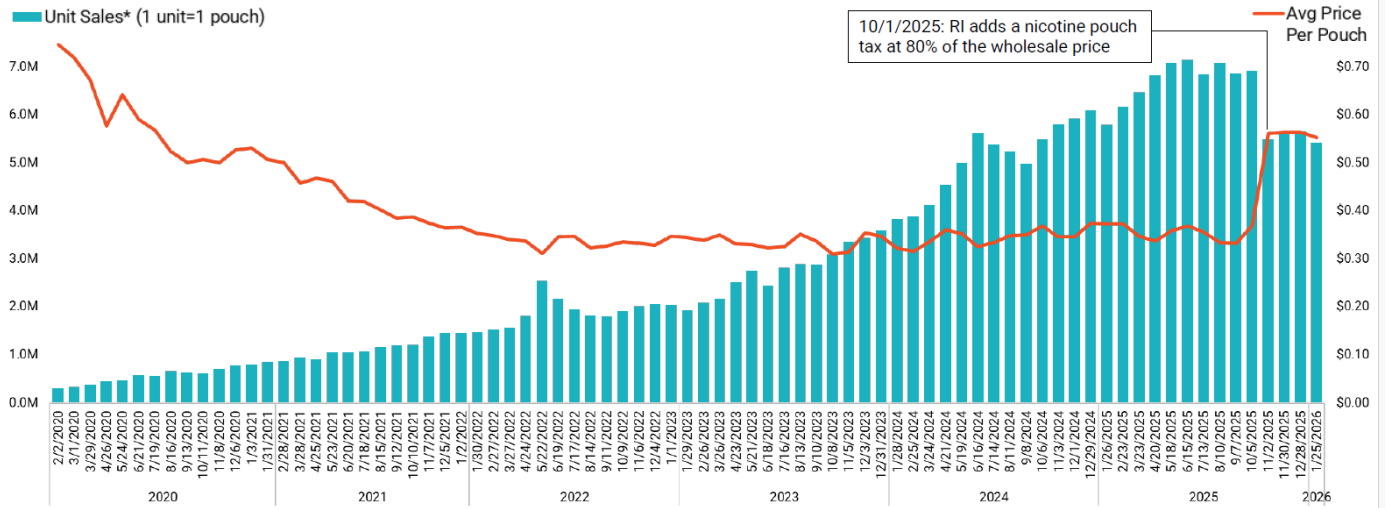
Jerome M. Larkin, MD
Director

CC: The Honorable Members of the Senate Committee on Finance
Kristen Silvia, Director of Legislation and Deputy Chief of Staff
Patricia Resende, Director of Senate Policy

⁷ CDC Foundation. [Monitoring Sales: Nicotine Pouch Trends](#). October 2025.

⁸ CDC Foundation. Rhode Island: Nicotine Pouch Unit Sales and Average Price. 2026.

Rhode Island: Nicotine Pouch Unit Sales and Average Price



Unit sales of nicotine pouches decreased from 6.9 million during the four weeks ending 9/7/2025 to 5.5 million during the four weeks ending 11/2/2025 (-19.8%).

The average unit price of one nicotine pouch increased from \$0.33 during the four weeks ending 9/7/2025 to \$0.56 during the four weeks ending 11/2/2025 (+68.7%).

*Sales data do not reflect sales from vape shops or online retailers; dates represent end of 4-week periods. Retail sales data are based on custom research by the CDC Foundation using Circana retail POS (Multi-Outlet and Convenience). Financial support was provided by Bloomberg Philanthropies through a grant to the CDC Foundation. According to Circana, new product coding is managed to consistently meet or exceed releasing products that cover a minimum of 95.5% of total dollar sales at any given time. To account for the remaining share, Circana applies projection algorithms that ensure the released data are representative of both total U.S. and state-level sales.

