

## S.443B (Hoylman-Sigal)/A.141A (Rosenthal)

STAFF CONTACT : Mario Vazquez | Assistant Director, Government Affairs | 518.694.4461

BILL wh S.443B (Hoylman-Sigal)/A.141A (Rosenthal) to Th SUBJECT Banning Flavored Oral Nicotine Pouches Th DATE April 07, 2025

OPPOSE

The Business Council strongly opposes A.141A (Rosenthal)/S.443B (Hoylman-Sigal), which would ban flavored oral nicotine pouches. While the sponsors of this bill are well intentioned, this legislation will negatively impact New York's economy and create a barrier to those who are attempting to quit smoking, creating a greater public health concern.

The passage of a flavor ban on nicotine pouches could result in a loss of \$44.2 million in economic output, a loss of \$2.4 million in State & local taxes, and a loss of \$131 million in gross receipts. The State cannot lose any revenue in a time where funding from the federal government could become limited, and all revenue streams become crucial to keeping state services funded.

This legislation also creates a barrier to those who seek to begin the journey of quitting smoking. Smoke-free products (SFPs) can prove to be vital as they allow current smokers to move away from combustible cigarettes to alternatives such as nicotine pouches that deliver nicotine to the user without the toxic chemicals found in cigarettes. In 2023 the Center for Disease Control found that 90% of adult smokers continued to smoke, this number can be reduced with continued access to SFPs, including certain flavored products, which are recognized as a better alternative for adult smokers than continued smoking. The FDA has authorized these less harmful products for adult consumers, most recently <u>approving the marketing of 20 flavors of nicotine pouches by Zyn</u>.

A concern of the sponsors is the use of flavored nicotine pouches in young people. These concerns are unwarranted as use of tobacco products has been decreasing over the years. According to the annual <u>National Youth Tobacco Survey</u> that is managed by the FDA, in 2024 the survey found that the overall use of tobacco products by middle and high school students in the U.S. had dropped nearly 2 percentage points compared to 2023. Finding historic lows in the use of both cigarettes (1.4%) and e-cigarettes (5.9%). The survey found that only 1.8% of middle school and high school students reported using nicotine pouches. Additionally, producers of nicotine pouches such as Zyn have mechanisms in place to ensure that advertisement does not reach any age group below 21. Such as refusing to partner with any social media influencers, restricting advertisement to platforms with strict age controls, and only featuring individuals that are 35 years of age or older.

Furthermore, a flavor ban can lead to an illicit market for these nicotine pouches. As an example, Massachusetts banned all flavored tobacco and nicotine products in 2019 and the <u>2024 report from the Massachusetts Illicit Tobacco Task Force (ITTF)</u> showed that this

ban had failed to deter the use of flavored products. The flavor ban in Massachusetts instead created an illicit market for these products as shown by the increased seizure of tobacco products. Flavor bans will push adult users to these illicit markets, which are unregulated and could pose dangerous health risks to the user. These markets are the ones that often target children to become users and pose greater threat than a regulated market as we currently have.

Flavor bans such as these, while very well intended, often have adverse impacts that create a greater problem for public health. We understand the concerns of the use of tobacco and nicotine products, especially when it comes to young people, however, we must create policies that are actually effective in protecting these demographics. Policies such as rigorous age verification at point of sale and raising the legal minimum age of sale from 18 to 21 years of age.

For these reasons The Business Council strongly opposes A.141A (Rosenthal)/S.443B (Hoylman-Sigal).