

LONG ISLAND GASOLINE RETAILERS' ASSOCIATION INC

631-755-5550 LIGRA.COM

To Assemblyman

Re: Opposition to A.141-A / S.443-B - An act to amend the public health law, in relation to regulating the sale of oral nicotine pouches.

Retailers across New York State — including thousands of neighborhood businesses, many of them family owned and operated —**strongly opposes A.141-A** (Rosenthal)/S.443-B (Hoylman-Sigal).

Small business retailers in New York sell several age-restricted products, in addition to tobacco and nicotine products, and take the responsibility of ensuring that no such products end up in the hands of underage users very seriously. While the intention of reducing underage consumption is important, this legislation risks creating unintended consequences that would harm responsible business owners, do nothing to increase enforcement of bad actors, and drive tax revenue out of the state.

New York already ranks first in the nation for illicit tobacco trafficking due to high taxes and existing product bans. In 2020, a similar ban was put into law for vapor products. The result was an explosion of these products being sold indiscriminately on the illicit market. Even today, these products are widespread and remain the number one choice for young people despite being banned for years. Prohibition does not work, especially when the state enacts laws with little interest in enforcing them. What prohibition accomplishes is penalizing regulated, law-abiding businesses and giving a fat pay day to unscrupulous actors with little interest in obeying the law.

In 2023, the legislature correctly rejected a proposal by Governor Hochul to ban menthol flavored products for these exact reasons. Why would we turn around and take the exact opposite position for products that are less harmful than cigarettes?

Banning yet another product without increasing enforcement of already-banned products will only strengthen the hand of illegal distributors who have continued to thrive, despite the 2020 ban on flavored vapor products. Rather than curbing demand, this legislation risks pushing lawful consumers into an unregulated and untaxed illicit market—undermining public health oversight while depriving the state of significant tax revenue. Additionally, it will harm responsible small business owners who rely on the lawful sale of nicotine pouches and benefit from the additional foot traffic they generate. Many of these consumers also purchase gas, snacks, beverages, and other items, providing critical supplemental revenue to local businesses already struggling with inflation and increasing regulatory burdens.

This bill creates an inconsistent double standard between flavored vapor products and flavored oral nicotine pouches by allowing only flavored vapor products that have received



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U.S. Food and Drug Administration (FDA) authorization through the Premarket Tobacco Product Application (PMTA) and scientific review to be exempt from the prohibition, while denying the same exemption to flavored oral nicotine pouches that have also undergone and received FDA authorization. This inconsistency not only undermines the integrity of the federal regulatory process but also disregards the growing number of adult smokers who are turning to nicotine pouches as a noncombustible, smoke-free alternative to help them quit traditional cigarettes. In recent years, millions of adults have adopted oral nicotine products to successfully transition away from combustible tobacco. Denying access to FDA-authorized flavored oral nicotine pouches while exempting similarly authorized vapor products creates an uneven regulatory playing field and limits options for adults seeking safer alternatives.

Additionally, this legislation will not prevent adults from accessing these products, it will simply take the revenue away from law-abiding, regulated businesses. New Yorkers who currently purchase flavored nicotine pouches in convenience stores will continue to have a myriad of options to access these products: neighboring states, sovereign tribal territories, and retailers who skirt the law. These products will continue to be readily available to customers statewide, just with fewer safeguards, and while harming small New York businesses. This cross-border commerce is not hypothetical; it is already happening with traditional tobacco products and will only increase with the passage of this legislation. The loss of millions in tax revenue will adversely affect essential state services at a time when the federal government is beginning to cut critical health services.

While the desire to reduce youth access to flavored nicotine products is important and shared by many stakeholders, A.141-A/S.443-B will ultimately do more harm than good. It will grow New York's already rampant illicit market, drive commerce and tax revenue out of state, and reduce access to harm reduction tools for adult smokers. A more balanced approach—focused on enforcement, education, and responsible retail access—is the path forward.

For these reasons, we respectfully oppose A.141-A/S.443-B and urge lawmakers to vote No on this legislation.

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