



**MANHATTAN  
CHAMBER OF  
COMMERCE**

**WRITTEN COMMENTS TO THE NEW YORK CITY COUNCIL COMMITTEE ON HEALTH**

**HEARING ON A LEGISLATIVE PACKAGE AIMED AT  
REDUCING TOBACCO USE IN NYC**

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The Manhattan Chamber of Commerce is an organization that drives broad economic prosperity by helping businesses succeed in New York. We do this by facilitating connections, providing resources and advocating for them in pertinent public policy and economic development discussions.

We agree that the goal of continuing to reduce tobacco use among underage consumers, and adults, is a laudable one. But we harbor concerns about the unintended consequences of some of the bills under consideration today.

The city's small grocers, bodegas and retailers who sell tobacco have been central to the successes over the years in bringing rates of smoking down. Retailer compliance rates to prevent underage tobacco sales in New York have risen to the point that the city now has one of the lowest retailer violation rates in the nation – eight percent in FY2012. And youth smoking rates have decreased, as one of the findings in Int. 1547 explains: "Smoking prevalence among NYC public high students also declined substantially from 17.6% in 2001 to 5.8% in 2015."

Our fear is that some measures being heard today are overly punitive for the very retailers who have served as constructive partners in reducing tobacco use. Specific concerns are outlined below.

- **Int. 1547 – License Cap**

This ordinance aims to eliminate half of the tobacco retailers in NYC. A store owner selling his or her business will potentially lose thousands of dollars in value and a substantial portion of their life savings if the new owners are not able to retain a lawful tobacco license.

- **Int. 1544A – New Excise Taxes, Price Floors & Package Sizes**  
This ordinance raises the minimum price for cigarettes from \$10.50/pack to \$13.00/pack and implements new minimum price requirements for moist snuff tobacco (\$8/package) and cigars (\$2/cigar – min. of \$8/pack). Tobacco products in NYC are already taxed and priced among the highest in the nation. This environment has created a booming black market that more than doubled between 2006 and 2011. This new measure will further push cigarette sales to the black market, depriving lawful stores of sales and the city and state of tax revenue.
- **Int. 1462 – Display Ban**  
The bill would prohibit the display of tobacco products and “non-tobacco smoking products” such as non-tobacco shisha, or their packaging, until the moment of sale. This poses a logistical burden for many small retailers and newsstand operators, many of which have very little room to store tobacco products out of sight. The fines for noncompliance are also particularly steep.
- **Int. 1131 – Pharmacy Ban**  
This bill seeks to eliminate the sale of tobacco in stores also containing pharmacies. If a store desires to do this on its own, as CVS did, that is within their right. But it is intrusive government overreach and a disturbing precedent to dictate what legal products are consistent with their “mission.”

Retailers want to remain strategic partners with the city as it works to further reduce smoking rates. However it cannot be at the expense of their ability to survive as a business. We strongly urge you to reject these measures and protect small businesses.