

Justin Danberry



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Dear Representatives:

I'm a small business owner in Fargo, ND that specializes in selling nicotine vapor related products. I read through SB 2189 and I oppose this bill for a number of reasons. Our community has just been through a very tough time with this pandemic and it seems tough times could be here for the foreseeable future with news of these new covid strains. Many people are struggling right now with just trying to pay their bills and keep food on the table. I personally don't believe now is a good time to be trying to add increased taxation onto not only struggling small businesses like mine but also the thousands of consumers of these products across the state. This tax would be very detrimental to not only my small businesses like mine, but to the thousands of customers we have that depend on these products to keep them off of cigarettes.

This bill doesn't seem to specify what exactly would be taxed. I'm sure most of you are very unfamiliar with this product category. The basic components of "e-cig" products are some form of power source (battery/mod), a tank or pod that either accepts coils or has them built in, and lastly the e-liquid that contains the actual nicotine. My understanding of this bill, and I could be very wrong, is that this tax would be forced onto every one of those listed components. I don't believe that makes any sense. If an excise tax is going to be imposed I believe it should only be on the actual product containing nicotine, which in this product category is only the e-liquid itself.

The last issue I have with this proposed tax is the percentage. Taxing these products the same as a traditional cigarette product is, in my opinion, regressive in the goals of helping people quit smoking. We know, with studies done by the Royal College of Physicians, and statements made by our own FDA, that these products are not anywhere near as harmful as traditional cigarettes and provide a great pathway for current smokers to transition off deadly combustible cigarettes.

Many steps have been taken to curb youth use and to see those numbers continue to decline. That's a great thing and is a shared common goal. Another shared common goal I believe we all have is to see current cigarette smokers get away from deadly combustible cigarettes. What I don't want to see is this wonderful tool for current and former smokers be highly taxed and deter them from trying to make the transition away from cigarettes to a much less harmful product.

In closing I would just like to say thank you for taking the time to read my testimony and if any of you have any questions for me or would be interested in learning more about this product category I've included my phone number and email. I'm not entirely opposed to a tax on these products. I'm opposed to the amount of tax, the timing of the tax, and the broad range of products this tax could affect that have absolutely no nicotine in them whatsoever.

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