

I'd like to begin by thanking Chairman Smith, Vice Chair Schuring, Ranking Member Driehaus and members of the House Finance Committee for allowing us the opportunity to appear before you today. It is much appreciated.

My name is Matt Dawson. I am the co-owner of Puckerfish Vape. We have three vapor stores here in Ohio. We are a small and young business, with a dozen employees currently. Hopefully, we will continue to grow. I'm sure we can all agree we would like to see the numbers of smokers in Ohio drop. It is absolutely our Mission at Puckerfish.

HB64 proposes to increase the price of e-juice comparatively to cigarettes. A 30ml bottle would increase from approximately \$20 now, to as much as \$55. Of course, as a business owner that sells these products, this alarms me, but I also come as an everyday citizen, a constituent and most importantly, an ex-smoker. I am passionate about the effectiveness of vapor products and how it has improved my life and the lives of so many others around me. What this bill will do, is absolutely impede progress that has been made, and it will slow down progress yet to come.

Smoking traditional cigarettes causes over 480,000 deaths each year in this country and millions of our citizens are addicted to nicotine. I am one of them.

My story parallels many of my own customers. I smoked for nearly 20 years, beginning in college, a combination of factors contributing to my

starting: peer pressure, status and mostly stress. In 2006, I quit smoking, after many failed attempts. For once, I was successful. That success lasted four years. My father's passing, a rough divorce, raising three children on my own... well, the stress of it all led me back to cigarettes. I'm not proud of it.

When I attempted to quit again in 2011, it seemed more difficult than ever. That was, until I discovered vaping, or rather, electronic cigarettes. I got my need for nicotine satisfied in a manner which greatly simulated a cigarette. Nicotine, through this food-grade vapor, was delivered directly into my system – to the point, where it even felt like the drag of a cigarette. The bonus? I'm getting no buildup of tar from my electronic cigarette. I'm also not inhaling thousands of additional carcinogens found only in traditional cigarettes.

I vape... but I absolutely quit smoking.

Nicotine, in and of itself, is very much like caffeine. They are both stimulant drugs and highly addictive. Both are classified as secondary stimulant drugs, because unlike drugs such as amphetamines and cocaine, they don't affect the central nervous system, but rather the sympathetic nervous system. Unlike stimulants that are abused for recreational purposes, caffeine and nicotine generally produce an increased energy level; not intoxication.

The main difference between the two is that while caffeine can be delivered in a relatively safe manner, until recently, nicotine could not.

Tar builds in the lungs from combustible cigarettes. There are also thousands upon thousands of carcinogens found in them.

Other than the nicotine, vapor products contain US food-grade ingredients. Things we put in our body every day. For the base liquid: propylene glycol and vegetable glycerin. These two liquids are used in hundreds of thousands of food and medicinal products – things we consume every day, such as asthma inhalers, children’s Tylenol, frozen foods and even ice cream. The only other ingredients in e-juice are food extracts and flavorings, and pharmaceutical grade nicotine.

I would like to note that Nicotine gum, which is also used as a smoking cessation and nicotine replacement tool, contains more ingredients than e-juice. Nicorette Quickmist, an oral spray also used as a cessation tool, contains Propylene Glycol, Anhydrous Ethanol, Trometamol, Poloxamer 407, Glycerol, Sodium Hydrogen Carbonate, Levomenthol, Mint Flavour, Cooling Flavour, Sucralose, Acesulfame Potassium, Hydrochloric Acid, Purified Water. To my knowledge, neither Nicorette gum, nor Nicorette Quickmist is taxed in any way like what is proposed in this bill on e-juice.

One of my best friend’s mothers quit smoking with nicotine gum nearly two decades ago. To this day, she still chews nicotine gum. It is absolutely a safer method of delivering nicotine to her system than smoking. I feel that way about vaping. I know it has extended and improved my life. I’m watching it do the same for others every day. I can breathe better, smell better, and taste better.

However, had the cost of vaping been equivalent to cigarettes, I may never have made the switch.

There are two PRIMARY reasons to quit smoking:

- 1) Health – we all know it causes health issues and shortens life expectancy.
- 2) Money – because of the high tax on cigarettes right now, stopping smoking simply saves a lot of money.

Regardless of these two very valid and common-sense reasons to quit, it doesn't make it easy... or even possible, for some people. There are good people who battle to their dying day making attempts at quitting and simply could not. Addiction is a very powerful thing. In some studies, nicotine has been shown to be more addictive than heroin.

This is where I would like to make the point about money. It doesn't matter HOW MUCH something costs, if it is addictive in nature, people will buy it. Our courts are filled with very poor people facing jail time for possession of very expensive street drugs. Pricing an addictive substance to a point where it seems like every rational person would quit, doesn't work. Instead, it simply takes advantage of them. It also, by proxy, opens up a black market. In New York, an astonishing percentage of cigarette sales move through the black market. Estimated more than half.

From what I understand, much of the tax dollars generated from traditional tobacco sales was to be allotted only for smoking cessation

and education programs and through that effort, smoking rates in Ohio dropped to all-time low of 20%.

Unfortunately, in 2010, the Supreme Court ruled that these funds could be used for other programs. Programs that benefit all people, smokers and non-smokers alike. In Ohio in 2012, nearly three-quarters of a billion dollars were generated, much of the money going to programs completely unrelated to anti-smoking programs, including jobs programs. Since that ruling, smoking rates have risen, back up to over 23%. Could it be a correlation?

As I mentioned earlier, I started smoking and smoking heavily in college. Had vaping been available to me, I am confident I would have chosen it over smoking, ESPECIALLY considering the cost. But if this tax goes through, it would actually make vaping MORE expensive than smoking, especially for some vaping enthusiasts.

If the cost for e-juice is comparable to cigarettes, I think it will definitely slow down or reverse the numbers of people who have quit smoking through vaping. In my opinion, and putting it plainly, this bill is dangerous.

Removing people's financial incentive to quit smoking - by removing affordable access to what is arguably the best nicotine replacement tool on the market - will certainly condemn some of those people to that terrible death statistic mentioned earlier, because they would continue smoking, rather than making a viable change to vapor

products. In my opinion, this tax would absolutely be responsible for delaying the lowering of the number of smokers in this state.

It sends a message that we respect other nicotine replacement delivery systems - such as the nicotine patch, the spray or gum - but we don't respect this one because it kind of *looks* like smoking. That would be shameful.

Thank you Mr. Chairman and members of the committee, I'd be happy to answer any questions you may have.