

HB 1282

Recognition of Feminine Hygiene Products as Necessary Medical Products and to Provide A Sales Tax Exemption

House Finance and Taxation Committee

Testimony of Representative Gretchen Dobervich

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Good Morning Chairman Headland and Members of the House Finance and Taxation Committee. I come before you this morning with the opportunity to expand tax relief efforts across all income brackets in North Dakota and recognize a medically necessary product. House Bill 1282 designates feminine hygiene products, limited to tampons and sanitary napkins also called pads, as state sales tax exempt medically necessary products.

Each month from around age 12 until she is in her mid to late 50's, human females' ovaries release the hormones estrogen and progesterone each month to build up the lining of their uterus in anticipation of a fertilized ovum or egg to attach to it and begin developing into an embryo. If no fertilized ovum attaches, the lining of the uterus breaks down and the woman bleeds it out vaginally over the course of four to seven days. This process is not a choice and one that there is little control over.

So that they may continue to attend school and work, and complete activities of daily living, women utilize tampons, a cotton device inserted in the vagina to absorb uterine lining secretions or a pad worn in their underwear to absorb uterine lining secretions. In some instances, both maybe used. On average a woman uses 3-5 of these products per day, over the course of four to seven days for 12 months a year, except for during a pregnancy and once they have completed menopause. It averages out to around 360 products per year for a total of \$84 per year per woman and \$5.88 in state sales tax.

While these are products used almost exclusively by women, they are not a tax only women pay, the tax on feminine hygiene products is a tax families pay. The chart I handed out to you represents a North Dakota family of five. All family expenses are paid out of a joint household checking account. Three of the household members use the products, two do not. Over the course of 28 years, beginning the year the couple married, until the year the wife stopped menstruating, this family paid taxes on the product although not everyone used them, at the highest point of usage by the family, three of five members were using them, but the household joint checking account was used for the products and the taxes on them.

Pads are not used solely for menstruation. They are used for postpartum bleeding after the delivery of a baby, bleeding after vaginal surgeries and light urinary incontinence, all medically necessary use. Currently, adult incontinence products are recognized as medically necessary and are not a taxable item in North Dakota. Tampons and pads should be categorized as

medically necessary products because they are used to manage the absorption of uterine secretions, postpartum bleeding, post-surgical bleeding and adult urinary incontinence.

Is this a carve out, yes, one for which precedence has been set with the tax exemption of similar products. There are many carve outs in North Dakota's tax code. Flight simulators for example are tax exempt. While I fly a lot and want to be on a plane flown by a well trained pilot, are 300,684 flight simulators purchased for necessary use by North Dakota families? No, but 300,684 North Dakotans need tampons and pads every month.

If North Dakota were to recognize the medical necessity of tampons and pads and exclude them from state sales tax they would be joining 30 other states, plus the five states in doing one little thing that would impact North Dakota families across all tax brackets to directly provide tax relief. Combined with the variety of other tax relief proposals this Legislative Session House Bill 1282 fits nicely in the efforts to keep a few more dollars in North Dakotans pockets.

That concludes my testimony Mr. Chairman and I stand for any questions.

States who do not currently tax feminine hygiene products:

Alaska	Colorado	Maryland	New Jersey	Vermont
Delaware	Connecticut	Massachusetts	New Mexico	Virginia
Montana	Florida	Michigan	New York	Washington
New Hampshire	Illinois	Minnesota	Ohio	District of Columbia
Oregon	Louisiana	Nebraska	Pennsylvania	
California	Maine	Nevada	Rhode Island	