



## O.K. Distributing Co., Inc.

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Dear Chairman Headland and Members of the Committee,

My name is Kelly Kaiser. I am from Williston and the owner of O.K. Distributing Co. We are a cigarette and tobacco wholesaler that has served Northwest North Dakota for 70 years. I employ 28 people in Williston and am the 3<sup>rd</sup> generation owner of this company. I am writing to express my strong **OPPOSITION** to House Bill 1570. While I understand the intent behind this legislation, this bill would significantly alter the tobacco market in North Dakota, and not necessarily for the better. The consequences of such a dramatic tax increase may be unpredictable, and the results may surprise all of us.

One of the biggest concerns with HB 1570 is that it creates an unfair playing field for North Dakota retailers. With tax-free options just minutes away from Williston, many consumers will naturally shift their purchases to tribal outlets where state taxes do not apply. As a result, while some revenue may be generated, it will likely fall far short of expectations, as a portion of sales will move to businesses that are not subject to these taxes.

Additionally, this bill would open the door for individuals to transport tobacco from non-taxed businesses to private individuals and other retailers, further eroding the intended revenue gains. Instead of strengthening state resources, it will simply shift where tobacco products are purchased while harming local retailers—many of them small, family-owned businesses—suffer.

Furthermore, increasing taxes on tobacco and electronic nicotine delivery systems (ENDS) could have unintended consequences, including discouraging adult smokers from seeking less harmful alternatives. Rather than relying on tax hikes that could negatively impact businesses and consumers, I urge lawmakers to consider other approaches, such as education and cessation programs, to address public health concerns.

In conclusion, HB 1570 is not the right approach for addressing tobacco use and public health in North Dakota. I urge you to give a **“DO NOT PASS” recommendation on HB 1570** and seek alternative measures that balance public health goals with economic and consumer freedoms. Thank you for your time and consideration.

Respectfully,

Kelly Kaiser  
Williston, ND