



2021 HB 1403

House Finance and Taxation Committee

Representative Craig Headland, Chairman

February 9, 2021

Chairman Headland and members of the House Finance and Taxation Committee, I am Tim Blasl, President of the North Dakota Hospital Association (NDHA). I am here to testify in support of House Bill 1403. I ask that you give this bill a **Do Pass** recommendation.

Hospitals support this bill because raising tobacco taxes is one of the most effective ways to reduce tobacco use and prevent kids from beginning a deadly addiction. Tobacco use remains a leading risk factor for conditions that lead to heart disease, cancer, lung disease, kidney disease and many other health complications.

Tobacco tax increases are proven to reduce smoking, save lives, and prevent tobacco-related disease. Every ten percent increase in the price of cigarettes reduces consumption by about four percent among adults and about seven percent among youth. This bill will increase the tax on cigarettes from 17 mills to 72 mills on each cigarette sold in the state. Such a tobacco tax increase is a win-win-win. It encourages smokers to quit, prevents kids from beginning while reducing healthcare costs.

Significantly increasing tobacco tax is one of the most effective ways to reduce tobacco use, especially among youth. Doing so can eliminate the death and disease caused by tobacco use. NDHA strongly supports this effort to increase the tax on cigarettes to keep kids from starting to smoke, help adults to quit, and provide funding for much-needed health programs.

Please give the bill a Do Pass recommendation. I would be happy to respond to any questions you may have. Thank you.

Respectfully Submitted,

Tim Blasl, President
North Dakota Hospital Association