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SUPPORT SB 130

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Dear House Taxation Committee

Please support SB130.

I have been forced to open a store across state lines at great financial burden on my family that I wouldn't have done if this tax was not so excessive. It is my preference to have my stores in Kansas, as it is my home and I want to be a strong business owner for the state. However, the excessive nature of this tax and the fact it is the highest in the nation, while all surrounding state have no such tax (Missouri, Colorado, Oklahoma, Nebraska), makes me have no choice but to place future stores out of the state.

Also, I have put my 3 Kansas store expansion business plan on hold. My consumers' sentiments are that they will NOT pay the tax and either order all things online, shop across the border, or go back to smoking. There is the very realistic possibility that I'd close my Kansas flagship store completely, laying off four people and moving my family to Oklahoma or Missouri to a much more business and tax friendly state.

More importantly, I am not alone. I know of and have heard of other shops already closing or moving all as a consequence of this tax, its amount and how it has been put in place.

I also own and operate Always There Home Care, LLC out of Independence, Kansas based in Montgomery County which is located on the border with Oklahoma.

Through my 20+ years in the medical equipment business I see the impact of smoking has on my patients. I had 17 oxygen patients who still smoked while they were on my oxygen machines, which caused a huge liability risk and premium increases every year. So when my wife, C,J was able to successfully quit her 27-year, pack and a half a day smoking habit 4 years ago without the traditional side effects of smoking by vaping my thoughts immediately turned to my oxygen patients and I invested in just very low- key starter kits and we were able to successfully get all 17 of my oxygen patients off of smoking while they were on my machine and then transition them to quitting smoking entirely, many whom have of quit vaping as well.

Based on that success, and demand of people that want to quit smoking, CJ and I opened One Stop Vape Shop in Independence and it has grown substantially and we have been able to help hundreds of people in our community stop smoking completely!

This \$0.20/ml tax is poised to wipe-out most if not all of the success that not only my company, but companies all across the state that have had getting their customers off of smoking and that would be a shame.

I believe there is substantial unintended consequences that has not been thought out. Specifically, in my case being that Montgomery County shares a border with Oklahoma we've had to go thru substantial cost and open another location across the state lines in just to be able to serve my existing customer base. The majority of our customers will not pay the \$0.20 ml tax. They will cross state lines and buy online and then the state will lose not only the tax but also existing sales tax.

Being on the border of Oklahoma and Missouri, vapor stores are hearing radio commercials and print ads specifically targeting Kansans to come across the border where they do not have to pay the tax and it's working. Sales are significantly lower just from January 1st to current. Many vape shops across the state have closed in the last quarter of 2016 and into the beginning of 2017. Montgomery County had three stores, two in Coffeyville and myself in Independence and I am the last one standing as Excel Vapors closed December 30th specifically because of this tax! Go Natural Vapor City moved across the state lines into South Coffeyville, Oklahoma shortly after the tax was announced and has built his customer base back on a simple mile drive across state line into South Coffeyville, OK and avoided the tax completely.

With the \$0.20 milliliter tax, you would pay an additional \$24 in tax a whopping 140% tax of the bottle size. So, you can understand hopefully that consumers in Kansas are not going to react well to that at great of an expense. So I faced a moral dilemma to keep my customer base from going back to smoking I had to make the gut-wrenching decision to open a separate shop in Oklahoma and great personal expense and delay or completely scrap my business plan of opening 4 additional stores in SEK. You're going to have many people go back to smoking and some suggest that's what the state wants due to funding from the Master Tobacco settlement? It is proven fact that vaping has reduced the number of smokers in our state and statistically nationwide in adults and teenagers smoking is at an All-Time low. We've been able to accomplish as an industry what smoking cessation programs and others have failed to do, we're getting people to quit smoking, that should be a win-win and it should be celebrated and instead we're being forced to extinction.

If I must close my Independence store within the next 6 months because of this tax I will lose a substantial investment, the state will lose my existing sales tax revenue, they lose my property tax, income tax etc because if I have to close this store to move and operate out of Oklahoma then there's no sense for my family and I stay here either and I'm a lifelong Kansan and that pains me to say that, but that's the reality. In addition to that, my full and part-time employees will be out of a job or move to OK with me. I've been proud to be a Kansan, and I'd like my stores to stay here.

Help me do all this and support SB130.