

Dear Chairman Carpenter, Vice Chair Kessler and members of the House Federal and State Affairs Committee,

My name is Scott Zaremba, and I am here today on behalf of CheckersXtra to ask for your support of HB2801, an e-vapor product directory in HB2801. We are in the convenience store business in Lawrence. We have been in business for more than 30 years. We are a small family-owned business.

This bill would create an e-vapor product directory that would help us, a tobacco retailer, identify the illegal vapor products flooding the market. Currently, the market lacks any transparency, and it can be close to impossible to distinguish between legal and illegal products.

I would like to shed light on some of the e-vapor products that we know to be illegal. Many of those products are coming from China-based companies with ties to the China National Tobacco Company, which I'll refer to as CNTC. For the record, this is all information we have compiled from various news articles, and I will be happy to share our sources.

According to the Associated Press, China-based manufacturers operating under license by the CNTC are responsible for brands such as **Elf Bar, Esco Bar, Lost Mary, Puff Bar**, and many more. These brands are, according to the FDA and CDC's National Youth Tobacco Survey (NYTS), the most popular with our kids. These products are not just popular with youths: the CDC estimates that over 50% of the e-vapor market in the U.S. is made up of flavored disposables.

Furthermore, most of the products these companies ship to the U.S. are prohibited from being sold within China. Why should we ignore when Chinese e-vapor manufacturers illegally ship and sell these unregulated products in the U.S., when their own country won't allow them to be sold to their citizens? We must do better at protecting our own people and our youth.

For those claiming that e-vapor directories are targeted at small businesses: The CNTC is by far the world's **LARGEST** cigarette manufacturer. To put this into perspective:

- CNTC produces a staggering 2.4 trillion cigarettes annually, surpassing the U.S. market of 200 billion cigarettes.
- CNTC is 10 times larger than the U.S. market alone.
- Also, CNTC is a major revenue generator for the Chinese government.
- Recent reports indicate that CNTC contributed a substantial \$213 billion in tax and profits to the Chinese Communist Party

In December, U.S. authorities publicly announced a massive seizure of illegal Chinese e-vapor products including many of the brands cited in the National Youth Tobacco Survey. The makers of Elf Bar and other foreign-made e-cigarettes have exported products to the U.S. worth hundreds of millions of dollars while repeatedly dodging customs, avoiding taxes, and import fees, according to public records and court documents reviewed by The Associated Press.

Again, why would we allow products knowingly avoiding the law, products which aren't even allowed to be sold in their own country, and products our youth are using to continue to be sold in the U.S.?

We as Kansan's can be a leader in prohibiting the Chinese Community Party's attempt to addict our youth to e-vapor products.

In conclusion, this bill would establish an e-vapor directory for the state of Kansas and would provide a clear list of products which are legal to sell.

A state e-vapor directory will provide clarity to all retailers and wholesalers that many of the illicit products being shipped into our country by the CNTC are, in fact, illegal. This bill would protect our retailers, distributors, citizens, and our youth.

Please support HB 2801 and I thank you for giving me the opportunity to speak today.