



Oppose New Sales Taxes on Protecting Public Health and Property

New taxes on the pest management industry is an economic hindrance to protecting public health and property. The pest management industry should be exempt from the regressive service tax that would depress our invaluable services. Our elected officials should be creating more opportunities, not less, to keep dangerous and deadly pests out of North Carolinian's homes and businesses

Protecting Public Health

Public health officials attribute the quality of life we have today to three things: better pharmaceuticals and vaccines, better sanitation and **better pest control**. The proposed service tax would significantly raise the cost of protecting against the following dangerous and deadly pests:

- *Mosquitoes* – Diseases transmitted primarily by mosquitoes include the West Nile Virus, Chikungunya and Dengue with no known vaccine. Also transmitted by mosquitoes is the Zika Virus which can lead to severe illness and has been associated with microcephaly in babies. The species that can carry the Zika Virus are already prevalent in North Carolina.
- *Ticks* - Lyme disease is transmitted primarily by ticks. According to the Centers for Disease Control 100's of cases have been reported over the last several years in North Carolina. Five counties in North Carolina are listed as endemic for Lyme disease (Alleghany, Guilford, Haywood, Wake and Wilkes)
- *Stinging Insects* - According to the American College of Allergy, Asthma, and Immunology, more than two million Americans are allergic to stinging insects, more than 500,000 enter hospital emergency rooms every year suffering from insect stings, and between 40-150 people a year die as a result of these stings.
- *Rodents* - Rats bite more than 45,000 people each year. Rats can cause fires by chewing wires and transmit disease organisms such as rat bite fever, salmonella, trichinosis, murine typhus, the plague, and leptospirosis.
- *Cockroaches* - Suppression and eradication is vital to health care facilities, homes, and sites where food is prepared or served. Cockroaches contaminate food and spread filth by walking through contaminated areas. They commonly carry disease causing organisms like staphylococci, streptococcus, coli-form, molds, salmonella, yeasts, and clostridia.

Protecting Property

The most sacred investment for Americans is the place they call home. People work hard to afford their properties. Termites Cause an estimated \$5 billion in damage to structures in the United States each year, affecting more than 600,000 homes. The cost of repairs for termite damage varies from minor infestations to extensive, and in some extreme cases leading to the demolition of entire homes because of termite damage. Termites are ubiquitous in North Carolina and services performed by the pest management industry lead to significant “capital improvements” not just “repairs and maintenance.”

Protecting North Carolina Businesses

Businesses throughout North Carolina rely on the pest management industry to protect their products and services to maintain continued revenue through safe products and reliable reputations.

- *North Carolina Food Industry* – Is worth \$70 billion in total economic output and supports over 250,000 jobs. Pest management professionals are vital in keeping rodents and cockroaches from contaminating our food which is essential to our state. Food processing plants, distribution centers, grocery stores and restaurants all rely on pest management services to ensure a safe product. The proposed tax would raise food costs throughout the state.
- *Hotel/Hospitality* - In 2013, 99.6 percent of pest management professionals received bed bug complaints. A study showed on average, a single report of bed bugs in traveler reviews lowers the value of a hotel room by \$38 and \$23 per room per night for business and leisure travelers respectively. Increasing the cost of bed bug treatments isn't a recipe for economic growth as it will most likely result in higher lodging prices for North Carolinians and potentially reduce the amount of travel to hotels in our state.

The Pest Management Industry is an Economic Engine

The pest management industry is an invaluable economic engine in the state of North Carolina, with over 7,000 registered technicians and thousands of management and support staff working daily. The pest management industry in North Carolina is creating jobs and continuing to grow at a rapid pace. The Bureau of Labor Statistics projects a 20 percent increase in job growth for the professional pest management industry from 2012 to 2022, but the proposed sales tax would certainly be an immediate impediment to continued job growth and opportunities. Hardest hit would be local small and family owned business with 5 employees or less. These small businesses represent over 75% of the pest management industry in North Carolina and the compliance costs could not be easily absorbed without obstructing growth, innovation and quality services.

The pest management industry strongly encourages you to oppose any final budget that taxes pest management services that protect public health and property!