

**75TH OREGON LEGISLATIVE ASSEMBLY
STAFF MEASURE SUMMARY
HOUSE REVENUE COMMITTEE**

**MEASURE: HB 2616
CARRIER: Rep. Kahl**

**REVENUE: No Revenue Impact
FISCAL: Minimal Fiscal Impact**

Action: Do Pass
Vote: 6-4-0
Yeas: Bailey, Gelser, Kahl, Read, Riley, Barnhart
Nays: Bentz, Berger, Bruun, Sprenger
Exc.: 0
Prepared By: Dae Baek, Economist
Meeting Dates: 3/4, 6/12

WHAT THE BILL DOES: Removes prohibition against local government imposition of taxes on cigarettes and tobacco products. Applies to cigarettes and tobacco products distributed after the effective date of this 2009 Act. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Budget shortfall in counties
- Public health perspectives on smoking
- Economic cost related to smoking
- Administration, enforcement and compliance
- Local control

EFFECT OF COMMITTEE AMENDMENTS: None

BACKGROUND: Currently cigarette taxes imposed by ORS 323.005 to 323.482 and tobacco product taxes imposed by ORS 323.505 are in lieu of all other state, county or municipal taxes on sale or use of cigarettes and tobacco products. This bill eliminates these pre-emption clauses.