

# House Bill 2550

Sponsored by Representative JENSON

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Directs Oregon Liquor Control Commission to issue limited number of smoking licenses to allow smoking in taverns that meet certain conditions.

Provides that smoking license fees be used for Healthy Oregon Act.

## A BILL FOR AN ACT

1  
2 Relating to smoking in taverns; creating new provisions; amending ORS 433.845 and 433.850 and  
3 section 8, chapter 697, Oregon Laws 2007; and providing for revenue raising that requires ap-  
4 proval by a three-fifths majority.

5 **Be It Enacted by the People of the State of Oregon:**

6 **SECTION 1. (1) A person may smoke or carry a lighted smoking instrument in a tavern**  
7 **that has a smoking license issued by the Oregon Liquor Control Commission as provided in**  
8 **this section.**

9 **(2) The commission shall issue a smoking license to a tavern that:**

10 **(a) Is licensed under ORS 471.175; and**

11 **(b) Applies for and pays the fee for a smoking license under this section.**

12 **(3) The commission shall issue smoking licenses in the order applications are received**  
13 **by the commission, based on postmarks, until the number of licenses issued equals 25 per-**  
14 **cent of the total number of taverns licensed under ORS 471.175.**

15 **(4) The fee for a smoking license is \$2,500. A smoking license is valid for two years from**  
16 **the date of issuance.**

17 **(5) The commission shall adopt rules establishing the form of license and application and**  
18 **procedures for renewal of smoking licenses.**

19 **(6) Fees collected by the commission under this section shall be deposited in the Oregon**  
20 **Health Fund established under section 8, chapter 697, Oregon Laws 2007, for use in carrying**  
21 **out the Healthy Oregon Act.**

22 **SECTION 2. ORS 433.845, as amended by section 3, chapter 602, Oregon Laws 2007, is amended**  
23 **to read:**

24 433.845. (1) A person may not smoke or carry any lighted smoking instrument in a public place  
25 or place of employment except in areas designated as smoking areas pursuant to ORS 433.850 **and**  
26 **except as provided in section 1 of this 2009 Act.**

27 **(2) Except as provided in section 1 of this 2009 Act,** a person may not smoke or carry any  
28 lighted smoking instrument within 10 feet of the following parts of public places or places of em-  
29 ployment:

30 (a) Entrances;

31 (b) Exits;

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.  
New sections are in **boldfaced** type.

1 (c) Windows that open; and

2 (d) Ventilation intakes that serve an enclosed area.

3 (3) A person may not smoke or carry any lighted smoking instrument in a room during the time  
4 that jurors are required to use the room.

5 **SECTION 3.** ORS 433.850, as amended by section 4, chapter 602, Oregon Laws 2007, is amended  
6 to read:

7 433.850. (1) An employer shall provide a place of employment that is free of tobacco smoke for  
8 all employees.

9 (2) Notwithstanding subsection (1) of this section:

10 (a) The owner or person in charge of a hotel or motel may designate up to 25 percent of the  
11 sleeping rooms of the hotel or motel as rooms in which smoking is permitted.

12 (b) Smoking of noncommercial tobacco products for ceremonial purposes is permitted in spaces  
13 designated for traditional ceremonies in accordance with the American Indian Religious Freedom  
14 Act, 42 U.S.C. 1996.

15 (c) Smoking is permitted in a smoke shop.

16 (d) Smoking is permitted in a cigar bar that generated on-site retail sales of cigars of at least  
17 \$5,000 for the calendar year ending December 31, 2006.

18 (e) **Smoking is permitted in a tavern issued a smoking license under section 1 of this 2009  
19 Act.**

20 (3) An employer, except in those places described in subsection (2) of this section, shall post  
21 signs that provide notice of the provisions of ORS 433.835 to 433.875.

22 **SECTION 4.** Section 8, chapter 697, Oregon Laws 2007, is amended to read:

23 **Sec. 8.** (1) The Oregon Health Fund is established separate and distinct from the General Fund.  
24 Interest earned from the investment of moneys in the Oregon Health Fund shall be credited to the  
25 fund. The Oregon Health Fund may include:

26 (a) Employer and employee health care contributions.

27 (b) Individual health care premium contributions.

28 (c) Federal funds from Title XIX or XXI of the Social Security Act, and state matching funds,  
29 that are made available to the fund, excluding Title XIX funds for long term care supports, services  
30 and administration, and reimbursements for graduate medical education costs pursuant to 42 U.S.C.  
31 1395ww(h) and disproportionate share adjustments made pursuant to 42 U.S.C. 1396a(a)(13)(A)(iv).

32 (d) Contributions from the United States Government and its agencies for which the state is  
33 eligible provided for purposes that are consistent with the goals of the Oregon Health Fund pro-  
34 gram.

35 (e) Moneys appropriated to the Oregon Health Fund Board by the Legislative Assembly for  
36 carrying out the provisions of the Healthy Oregon Act.

37 (f) Interest earnings from the investment of moneys in the fund.

38 (g) Gifts, grants or contributions from any source, whether public or private, for the purpose of  
39 carrying out the provisions of the Healthy Oregon Act.

40 **(h) Fees from smoking licenses issued under section 1 of this 2009 Act.**

41 (2)(a) All moneys in the Oregon Health Fund are continuously appropriated to the Oregon  
42 Health Fund Board to carry out the provisions of the Healthy Oregon Act.

43 (b) The Oregon Health Fund shall be segregated into subaccounts as required by federal law.  
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