

REVENUE:

FISCAL:

SUBSEQUENT REFERRAL TO:

Action:

Vote:

Yeas:

Nays:

Exc.:

Prepared By: James LaBar, Administrator

Meeting Dates: 4/8

WHAT THE MEASURE DOES: Requires premises where person makes retail sales of tobacco products and inhalant delivery systems to be licensed by Oregon Liquor Control Commission (OLCC). Requires retailers to have a physical address to avoid unregulated mobile sales. Prohibits retailers from having the same address as a pharmacy to promote a culture that separates nicotine products from medications. Prohibits retailers from being 1000 feet from a school. Requires imposition of fees on licensees that are reasonably calculated to pay for administering provisions of Act. Prohibits certain types of retail sales of tobacco products and inhalant delivery systems, including the selling of products for free, nominal fee or reduced price and the use of coupons for tobacco products and inhalant delivery systems. Establishes Tobacco Control Fund and continuously appropriates moneys in fund to OLCC for purposes of administering provisions of Act. Becomes operative January 1, 2016. Declares emergency, effective on passage.

ISSUES DISCUSSED:

(-5 amendment) Require licensure for inhalant delivery system retailers and exempts them from the Oregon Indoor Clean Air Act for the purposes of sampling. Allows state police, sheriffs and other police officers to assist the OLCC to enforcing provisions of Act. Requires the OLCC to enter into an agreement with Oregon Health Authority for administration and enforcement of cigar bars and smoke shops. Changes operative date from January 1, 2016 to July 1, 2017 to allow OLCC time for implementation. Requires OLCC to make reports regarding the preparation of the OLCC for the duties, functions and powers provided by this Act in order to better enable the commission to exercise those duties.

(-6 amendment) Clarifies the interim between the law passing and implementation that a sampling would only be allowed if the business holds themselves out to be primarily selling inhalant delivery systems and also does not sell alcohol or tobacco. Eliminates requirement for police officers to immediately notify district attorney of county of OLCC violation of this Act. Removes provision for businesses selling inhalant delivery systems to not permit persons under 18 years of age on premises.

EFFECT OF COMMITTEE AMENDMENT:

BACKGROUND: Oregon is one of only eight states that do not require a license to sell tobacco. Licensure is a method to better understand who sell tobacco and “inhalant delivery systems” (e-cigarettes) in Oregon. One of the goals of this better understanding is to reduce sales of tobacco and e-cigarettes to minors. Additionally, inhalant delivery systems are completely unregulated in Oregon.

In order to recognize the value of e-cigarette retailers as small business, Senate Bill 417 is an opportunity to allow a sampling exemption in the Oregon Indoor Clean Air Act (OICAA) while including these stores under licensure provisions. This bill is designed to work in conjunction with HB 2546. If passed, HB2546 would make the products illegal for minors to purchase and include the products in the OICAA.

4/8/2015 10:48:00 AM *

This summary has not been adopted or officially endorsed by action of the committee.

The most significant difference between the original bill and this -5 amendment is that the -5 contemplates tobacco products and e-cigarettes whereas the original bill only pertained to tobacco products. The amendment would allow small businesses to continue to provide a service while requiring their adherence to similar licensure laws for enforcement.