



April 17, 2015

TO: The Honorable Mitch Greenlick, Chair
The Honorable Cedric Hayden, Vice Chair
The Honorable Rob Nosse, Vice Chair
House Committee on Health Care

FROM: Karen Girard, Manager
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Subject: HB 3534, Tobacco Retail Licensure

Chair Greenlick and members of the committee, I am Karen Girard, the Health Promotion and Chronic Disease Prevention Manager for the Oregon Health Authority.

I am here today to present information related to tobacco prevention and education in Oregon, the data gathered about tobacco retailers in our communities, and health effects associated with tobacco retail practices.

Oregon's Tobacco Prevention and Education Program (TPEP) is an evidence-based program that is effective. Since TPEP started in 1997, cigarette consumption in Oregon has been reduced by 50%.ⁱ The TPEP works in partnership with local public health authorities and tribes to prevent and reduce tobacco related deaths in every Oregon community.

Despite declines in tobacco use, it remains the No. 1 preventable cause of death and disease in Oregon. Tobacco is responsible for 7000 deaths in Oregon each yearⁱⁱ.

Addiction to nicotine starts in adolescence. Nine out of ten adults who smoke started smoking before turning 18. Last year, 3,300 kids in Oregon started smoking.ⁱⁱⁱ That's more than graduated from all public high schools in Medford, Bend and Pendleton combined.

Addressing tobacco retail practices is one important evidence-based strategy that the state can work on to prevent youth from using tobacco and help current users quit. We know

there is a causal relationship between the price and marketing of tobacco and youth use. A major finding from the 2012 Surgeon General Report is that, “*Advertising and promotional activities by tobacco companies have been shown to cause the onset and continuation of smoking among adolescents and young adults.*”^{iv}

Since the inception of TPEP in 1997, smoking rates for 11th graders have declined by about 80%, with current smoking prevalence at approximately 10%.^v However, youth use of other tobacco and nicotine products—e-cigarettes, large and small cigars, hookah, snuff, dip and chew—are on the rise. About 18% of 11th graders use other tobacco products (not inclusive of cigarettes).^{vi}

Higher levels of tobacco marketing at the retail space, lower tobacco prices, and greater availability of tobacco coupons and promotions are associated with product uptake among middle and high school students.^{vii} Tobacco products are cheap, readily available and easy to get, and are heavily promoted and marketed in stores where kids frequent.^{viii}

The tobacco industry has shifted their marketing from billboards and T.V. commercials to convenience stores, pharmacies and grocery stores. In fact, the tobacco industry is spending \$112 million dollars to advertise and promote their products in Oregon’s stores.^{ix,x} Tobacco products can also be displayed at young kids’ eye level (three feet or lower), right near the candy. The tobacco industry’s strategy to market to kids in Oregon’s stores is working. Seven out of ten Oregon 11th grade students recall seeing an advertisement for tobacco products on a storefront or inside a store.^{xi} This is why addressing the retail environment is proven to reducing youth tobacco use.

The use of coupon promotions, for example, makes cigarettes more affordable to Oregon’s youth and young adults. The 2012 U.S. Surgeon General report showed that, “*...the industry’s extensive use of price-reducing promotions has led to higher rates of tobacco use among young people*”^{xii} Evidence shows that coupons also encourage new smokers to smoke more often, thereby entrenching their addiction.^{xiii}

Also, where tobacco and nicotine retailers are located affects whether youth use tobacco. Youth who live or go to school in neighborhoods with more tobacco outlets or retail advertising have higher smoking rates compared to youth in neighborhoods with fewer tobacco outlets.^{xiv,xv} These kids are more likely to experiment with smoking, more likely to start smoking and more likely to remain smokers.^{xvi,xvii}

In Oregon, our local public health authorities have conducted tobacco retail assessments in a total of 1,200 tobacco retail stores and found:^{xviii}

- The average price of tobacco products ranged from \$1.04 for a single, flavored little cigar to \$4.75 for a pack of cigarettes.
- Three quarters of (76%) tobacco retailers had a price discount for at least one type of tobacco product.
- Even with excluding menthol cigarette availability, more than nine-in-ten (93%) tobacco retailers sold at least one type of flavored tobacco product.
- One-in-four (25%) tobacco retailers displayed tobacco products within 12 inches of products sold to youth like toys, candy, gum, slushy or soda machines, or ice cream.
- Nearly one-in-four (24%) retailers displayed tobacco advertising within 3 feet of the floor, at the eye level of a child.

Currently, Oregon is one of nine states that does not require tobacco retailers to hold a license. HB 3534 requires a license for tobacco retailers and includes multiple provisions that are proven to prevent youth tobacco initiation and use. These retailers:

- Could not accept coupons
- Could not be allowed within 1,000 feet of a school
- Could not offer free sampling of tobacco products

These components of a license are evidence-based, have been tested in other communities across the country,^{xxix} and would reduce youth exposure to tobacco and nicotine products.

Retail licensure also creates a straight-forward method for tracking businesses that sell tobacco products and inhalant delivery systems. The sale of tobacco products are already illegal to children under 18, however, 17% of Oregon 11th graders who used tobacco reported obtaining it from a store or gas station in 2013.^{xx} Furthermore, 21% of tobacco retailers in Oregon illegally sold to minors based on information from the federally funded Synar program.^{xxi} This bill will greatly help enforce youth access laws.

Laws that prohibit sales to minors are important, but alone, will not keep kids from using tobacco and nicotine products.^{xxii} We know that to prevent youth initiation of tobacco products, we must take a comprehensive approach that includes reducing youth exposure to products that are cheap, readily available, and easy to find.

This bill sets in motion evidence-based tobacco retail policies that will reduce the number of Oregon children and young adults that become addicted to nicotine.

The Public Health Division appreciates this committee addressing tobacco retail licensure. Thank you for the opportunity to testify today. I am happy to answer any questions you may have.

ⁱ Orzechowski and Walker (2014). The Tax Burden on Tobacco Historical Compilation Volume 49, 2014. Arlington, Virginia. http://www.taxadmin.org/fta/tobacco/papers/tax_burden_2014.pdf. Accessed April 3, 2015.

ⁱⁱ Oregon Vital Statistics. Oregon Vital Statistics Annual Report: Volume 2. Chapter 6: Mortality. Oregon Vital Statistics Webpage. <https://public.health.oregon.gov/BirthDeathCertificates/VitalStatistics/annualreports/13v2/Documents/table619.pdf>. Accessed April 3, 2015.

ⁱⁱⁱ Campaign for Tobacco-Free Kids (CTFK). The Toll of Tobacco in Oregon. Campaign for Tobacco-Free Kids Webpage. http://www.tobaccofreekids.org/facts_issues/toll_us/oregon. Updated January 8, 2015. Accessed April 3, 2015.

^{iv} U.S. Department of Health and Human Services. Office of the Surgeon General. Preventing Tobacco Use Among Youth and Young Adults: A Report of the Surgeon General (2012) (Page 8).

<http://www.surgeongeneral.gov/library/reports/preventing-youth-tobacco-use/full-report.pdf>. Accessed April 3, 2015.

^v Oregon Healthy Teens (OHT) Survey, 2013. Oregon Health Authority. Chronic Disease Data. Youth Data. Tobacco use and related topics. Oregon Health Authority Webpage.

https://public.health.oregon.gov/DiseasesConditions/ChronicDisease/DataReports/Documents/datatables/ORAnnualOHT_Tobacco.pdf. Accessed April 3, 2015.

^{vi} Oregon Healthy Teens (OHT) Survey, 2013. Oregon Health Authority. Chronic Disease Data. Youth Data. Tobacco use and related topics. Oregon Health Authority Webpage.

https://public.health.oregon.gov/DiseasesConditions/ChronicDisease/DataReports/Documents/datatables/ORAnnualOHT_Tobacco.pdf. Accessed April 3, 2015.

^{vii} Slater SJ, Chaloupka FJ, Wakefield M, Johnston LD, O'Malley PM. The impact of retail cigarette marketing practices on youth smoking uptake. Arch Pediat Adol Med. May 2007;161(5):440-445.

<http://archpedi.jamanetwork.com/article.aspx?articleid=570320>.

^{viii} 70% of adolescents shop in convenience stores at least once a week. U.S. Department of Health and Human Services. Office of the Surgeon General. Preventing Tobacco Use Among Youth and Young Adults: A Report of the Surgeon General (2012). http://www.cdc.gov/tobacco/data_statistics/sgr/2012/consumer_booklet/pdfs/consumer.pdf. Accessed April 3, 2015.

^{ix} Federal Trade Commission. Federal Trade Commission Cigarette Report for 2012. Federal Trade Commission Webpage. https://www.ftc.gov/system/files/documents/reports/federal-trade-commission-cigarette-report-2012/150327-2012cigaretterpt.pdf?utm_source=Counter+Tobacco+Connect+subscribers&utm_campaign=ebf51178fe-PhotoVoice_Activity&utm_medium=email&utm_term=0_0773497b9a-ebf51178fe-88730345. Issued 2015. Accessed April 3, 2015. Note: Oregon-specific marketing expenditures were estimated using national expenditure data and allocating it to Oregon based on the number of cigarette packs sold in Oregon as a percentage of total nationwide sales.

^x Federal Trade Commission. Federal Trade Commission Smokeless Tobacco Report for 2012. Federal Trade Commission Webpage. https://www.ftc.gov/system/files/documents/reports/federal-trade-commission-smokeless-tobacco-report-2012/150327-2012smokelesstobaccorpt.pdf?utm_source=Counter+Tobacco+Connect+subscribers&utm_campaign=ebf51178fe-PhotoVoice_Activity&utm_medium=email&utm_term=0_0773497b9a-ebf51178fe-88730345. Issued 2015. Accessed April 3, 2015. Note: Oregon-specific marketing expenditures were estimated using national expenditure data and allocating it to Oregon based on the number of cigarette packs sold in Oregon as a percentage of total nationwide sales.

^{xi} Oregon Healthy Teens (OHT) Survey, 2013. Oregon Health Authority. Chronic Disease Data. Youth Data. Tobacco use and related topics. Oregon Health Authority Webpage. https://public.health.oregon.gov/DiseasesConditions/ChronicDisease/DataReports/Documents/datatables/ORAnnualOHT_Tobacco.pdf. Accessed April 3, 2015.

^{xiii} U.S. Department of Health and Human Services. Office of the Surgeon General. Preventing Tobacco Use Among Youth and Young Adults: A Report of the Surgeon General (2012) (Page 530). <http://www.surgeongeneral.gov/library/reports/preventing-youth-tobacco-use/full-report.pdf>. Accessed April 3, 2015.

^{xiii} U.S. Department of Health and Human Services. Office of the Surgeon General. Preventing Tobacco Use Among Young People: A Report of the Surgeon General (1994) (). http://www.cdc.gov/tobacco/data_statistics/sgr/1994/index.htm. Accessed April 3, 2015.

^{xiv} Henrisken L, Feigherty EC, Schleicher NC, et al. Is Adolescent Smoking Related to the Density and Proximity of Tobacco Outlets and Retail Cigarette Advertising Near Schools? *Prev Med*. 2008;47(2):10-4. <http://www.ncbi.nlm.nih.gov/pubmed/?term=Is+Adolescent+Smoking+Related+to+the+Density+and+Proximity+of+Tobacco+Outlets+and+Retail+Cigarette+Advertising+Near+Schools%3F>

^{xv} Novak SP, Reardon SF, Raudenbush SW, et al. Retail tobacco outlet density and youth cigarette smoking: a propensity-modeling approach. *Am J Public Health*. 2006;96(4):670-676. <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC1470554/>

^{xvi} McCarthy WJ, Mistry R, Lu Y. Density of Tobacco Retailers Near Schools: Effects on Tobacco use Among Students. *Am J Public Health*. 2009;99(11):2006-13. <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC2759807/>.

^{xvii} Johns M, Sacks R, Rane M, Kansagra SM. Exposure to tobacco retail outlets and smoking initiation among New York City adolescents. *J Urban Health*. 2013;90(6):1091-1101. <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC3853172/>

^{xviii} Methods for statewide aggregate analysis of county tobacco retail assessment data are available upon request.

^{xix} Center for Public Health Systems Science. Point-of-Sale Strategies: A Tobacco Control Guide. St. Louis: Center for Public Health Systems Science, George Warren Brown School of Social Work at Washington University in St. Louis and the Tobacco Control Legal Consortium; 2014.

http://cphss.wustl.edu/Products/Documents/CPHSS_TCLC_2014_PointofSaleStrategies1.pdf. Accessed April 3, 2015.

^{xx} Oregon Healthy Teens (OHT) Survey, 2013. Oregon Health Authority. Chronic Disease Data. Youth Data. Tobacco use and related topics. Oregon Health Authority Webpage.

https://public.health.oregon.gov/DiseasesConditions/ChronicDisease/DataReports/Documents/datatables/ORAnnualOHT_Tobacco.pdf. Accessed April 3, 2015.

^{xxi} Addictions and Mental Health Division. Synar Program.