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Chairs Barnhart and Greenlick, and Members of the Committee:

Thank you for the opportunity to submit written testimony in support creating a strong electronic cigarette taxation policy in Oregon. The Oregon Nurses Association is proud to represent over 14,000 nurses in Oregon. Oregon's nurses make up the largest segment of Oregon's health care work force, and work in nearly every health care setting imaginable, from large hospitals to small local clinics, from corrections to school based health centers, and community-based public health.

ONA has a long history of working to promote public health through tobacco prevention and cessation efforts. In recent years, this work has expanded to more broad nicotine prevention and cessation efforts as a result of the increased popularity of electronic cigarettes. According to the World Health Organization, since 2005, the e-cigarette industry has grown from one manufacturer in China to an estimated US \$3 billion global business with 466 brands, and over 7,000 flavors, a market in which the tobacco industry is taking a greater stake.

Contrary to popular belief, e-cigarettes are *not* emission free. Many questions remain regarding the long-term impact on individuals and the population health. As such, public health entities, like Oregon Public Health Division and the Center for Disease Control recommend regulating electronic cigarettes the same way traditional cigarettes are regulated.

The Oregon Legislature took an important first step towards this goal during the 2015 Legislative Session with the passage of HB 2546. Because of your leadership, Oregon now treats e-cigarettes like traditional cigarettes and prohibits the sale of electronic cigarettes to minors, the use of these products for minors, and has included electronic cigarettes in Oregon's indoor clean air act.

Other important recommend regulations include FDA oversight, prohibiting the sale of flavored nicotine solutions, restricting product advertisements, and prohibiting the use of unproven health benefit or cessation claims, and setting the price high enough to ensure children cannot afford the products.

Taxation is a vital piece of tobacco and nicotine prevention, especially youth prevention, as young Oregonians are especially price sensitive. Adequate taxation helps to reduce smoking and saves lives, while also raising revenue that can be used to fund vital health care services and cessation and prevention programs.

Nicotine is an addictive gateway drug, and recent studies have demonstrated that youth who use electronic cigarettes are considerably more likely to start smoking traditional cigarettes within a year, compared to their peers who do not smoke electronic cigarettes. Use of nicotine is shown to be harmful to an individual's brain development, heart, and arteries. Although Oregon's nurses and other health care providers have demonstrated that they are committed to stressing the importance of smoking cessation—both traditional and e-cigarettes, the most important work we can do around tobacco and nicotine prevention is preventing non tobacco and nicotine users from taking up tobacco

or nicotine in the first place, especially our children. Creating a tax on electronic cigarettes will help to dissuade young Oregonians from using these addictive products and becoming lifelong users.

This session we worked with Representative Barnhart to introduce HB 4062 which would have taxed Inhalant Delivery Systems at 50 percent point of sale. Due to the unregulated nature of this product at the federal level and the fact that there are small manufacturers throughout Oregon, a point of sale tax seemed like the easiest from a tax efficiency perspective.

ONA believes that more work needs to be done to address this issue and we ask the House Revenue Committee to appoint a workgroup to continue to refine the proposal put forward this session for introduction to the 2017 session.

As direct care providers for many Oregonians who suffer from chronic illness as a result of the use of tobacco and nicotine, and patients struggling to quit smoking, Oregon's nurses urge your support of a strong electronic cigarette taxation policy.