

Health Department

March 21, 2017

House Committee on Revenue
900 Court St. NE - HR A
Salem, Oregon 97301

Re: HB 3178 - Inhalant-form nicotine tax

Chair Barnhart and members of the committee; I am Tricia Tillman, the Public Health Director for Multnomah County Health Department. Thank you for having me here in support of House Bill 3178 which implements a tax on inhalant-form nicotine products. This bill will bring inhalant-form nicotine products into parity with taxation on other nicotine containing products, as well as support public health by deterring youth's use.

Time is of the essence. As noted by the Surgeon General in 2016, e-cigarettes are now the most commonly used tobacco product among youth in the United States.¹ Similar to national and Oregon-specific trends, e-cigarettes are the most used tobacco product among youth in Multnomah County. While 3% of 8th graders and 7% of 11th graders smoke cigarettes, current use of e-cigarettes is double (7% and 16%, respectively).² Inhalant delivery system products are widely available with a majority of our current 737 licensed retailers selling them. Furthermore, from a tobacco retail assessment that was conducted in Multnomah County in 2014, 37% of tobacco retailers are located within 1,000 feet of a school.³

As proposed, implementing a tax on inhalant-form nicotine products at 95% of the wholesale cost, is a win for public health. Preventing consequences of nicotine use helps avoid costs that would be borne by our healthcare system, which is more essential now than ever, given our current fiscal constraints. In Multnomah County alone, \$233.9 million is spent on tobacco-related medical care and another \$187.5 million in productivity is lost due to premature tobacco-related deaths⁴.

The Surgeon General's Report, The Health Consequences of Smoking - 50 Years of Progress⁵, clearly states that making tobacco more expensive is a public health best practice to reduce youth initiation and use and to help people quit. It only makes good

¹ U.S. Department of Health and Human Services. E-Cigarette Use Among Youth and Young Adults. A Report of the Surgeon General. Atlanta, GA: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2016.

² Oregon Healthy Teens Survey, 2015

³ The Selling of Tobacco in Multnomah County, 2015

⁴ Oregon Health Authority, Multnomah County Tobacco Facts, 2014

⁵ The health consequences of smoking – 50 years of progress: a report of the Surgeon General. – Atlanta, GA. : U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2014.

sense that applying the same logic to inhalant delivery systems that raising the price via taxes will also help reduce the number of youth who ever pick them up.

It is imperative that we implement strategies that prevent youth from smoking. We strongly urge the committee to allocate a portion of any tobacco or nicotine tax revenue to the Tobacco Use Reduction Account (TURA) specifically for prevention and education activities.

HB 3178 also requires wholesalers of inhalant-form nicotine to acquire a license from the Department of Revenue in order to receive, store or deliver these nicotine products. This is an important part of the bill that will require wholesalers to meet public health and safety standards for their products.

Research suggests that nicotine use during adolescence and young adulthood may have lasting negative consequences on the developing brain.⁶ This is concerning because the vast majority of smokers begin before the age of 18.⁷

Adolescence is a pivotal time in the life course where health is concerned. This means that implementing policies that decrease youth access to nicotine containing products is critical. In 2016, the Surgeon General released a report on youth's use of e-cigarettes. Though the Surgeon General acknowledged the science on e-cigarettes is still evolving, *"we currently know enough to take action to protect our nation's young people from being harmed by these products."*⁸

Please consider that raising the price of nicotine containing products will reduce the number of youth exposing themselves to the unknown health impacts of inhalant delivery systems.

We appreciate your dedication to this very important issue and want to thank you for the opportunity to provide testimony today. I am happy to take any questions and comments you may have.

Tricia Tillman
Public Health Director
Multnomah County Health Department

⁶ The health consequences of smoking – 50 years of progress: a report of the Surgeon General. – Atlanta, GA. : U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2014.

⁷ U.S. Department of Health and Human Services. Preventing Tobacco Use Among Youth and Young Adults: A Report of the Surgeon General. Atlanta, GA: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2012.

⁸ U.S. Department of Health and Human Services. E-Cigarette Use Among Youth and Young Adults. A Report of the Surgeon General. Atlanta, GA: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2016.