



April 23, 2017

Chairman Mitch Greenlick
Members of the Oregon House Health Care Committee
Oregon State Capitol
900 Court Street NE
Salem, OR 97301

RE: Senate Bill 754 (Minimum Legal Age of 21 to Purchase Tobacco and E-Cigarettes)

Dear Chairman Greenlick and Members of the House Health Care Committee:

As the Executive Director of the National Association of Tobacco Outlets (NATO), a national retail trade association, and on behalf of the many Oregon retail stores that are members of NATO, I am writing to submit comments regarding the impact of Senate Bill 754 which raises the legal age to purchase tobacco products from 18 years old to 21 years old.

Higher Legal Age to Purchase Bills Have Been Defeated or Died in 10 States

During the 2017 state legislative sessions, ten bills to raise the legal age to purchase tobacco products have either been defeated outright or died. The bills include the following:

Arizona (HB 2335)	Iowa (SB 5)
Arkansas (HB 1711)	Mississippi (HB 87)
Connecticut (HB 6491/SB 448)	New Mexico (SB 319)
Idaho (SB 1106)	North Dakota (HB 1312)
Illinois (BH 3208)	Utah (HB 406)

Negative Fiscal Impact of Senate Bill 754 to State of Oregon and Retailers

The “Revenue Impact” statement for Senate Bill 754 as issued by the Legislative Revenue Office shows that the State of Oregon will lose \$1.76 million in cigarette and tobacco excise taxes in the 2017-2019 biennium, \$3.9 million in the 2019-2021 biennium, and \$5.48 million in the 2021-2023 biennium (see accompanying copy of Revenue Impact Statement). According to the Revenue Impact statement, the reduced excise tax collections would result in budget reductions for the Oregon Health Plan, the General Fund, OHA Mental Health, TURA, cities and counties, and DOT Elderly Transportation. Also, the reduced excise tax revenue means that family-owned retail businesses will incur significant sales reductions that cannot be made up by selling other products. A major unintended consequence of a decline in sales is the inability to pay employees competitive wages or expand business operations.

Extinguishing Personal Choice Rights of 18, 19 and 20 Year-Old Adults

Every current Oregon state legislator is older than 21 years old, which means that each member of the state legislature was able to personally exercise a right to determine for themselves when they were 18, 19 and 20 years old whether they would purchase and use legal tobacco products. However, Senate Bill 754 would take that personal right away from these adults by raising the legal age to buy and use tobacco products to 21. It is only fair to allow current young adults to exercise the same right to decide whether to buy and use tobacco products that each current Oregon legislator made at the adult ages of 18, 19 and 20.

Age-Based Prohibition and Discrimination and Lack of Evidence That Age 21 Laws Work

Senate Bill 754 would usher in a new kind of age-based prohibition by not allowing adults who are 18, 19 or 20 years old to exercise their right to choose what legal products to purchase. Since only two states have enacted an age 21 requirement to purchase tobacco products, no empirical study has been conducted on whether raising the legal age actually reduces tobacco use. Without empirical evidence to support the supposition that fewer adults will use tobacco products if Senate Bill 754 were passed, voting for Senate Bill 754 would be premature. In addition, Senate Bill 754 is discriminatory by singling out a particular group of adults for disparate treatment when it comes to the decision to buy and use legal tobacco products. Such discriminatory action is not proper.

For these reasons, and on behalf of all NATO's member retailers in Oregon, I urge you to oppose Senate Bill 754. Thank you for your time and consideration.

Sincerely,

Thomas A. Briant

NATO Executive Director