




DATE: May 9, 2017  
TO: House Committee on Revenue  
FR: Karen Gaffney, Assistant Director   
RE: HB 2056, relating to taxation of products containing nicotine

Chairman Barnhart and members of the Committee:

Lane County is well known for its local actions related to reducing nicotine addiction. We continue to implement actions designed to keep limit youth access to tobacco products. It was amongst the first counties to license tobacco product retailers and it was the first to increase the legal purchasing age for nicotine containing products to 21 years of age. The residents of Lane County are well aware of these actions by the Board of Commissioners acting in their capacity as the Local Board of Health and continue to support their work in this arena.

We urge the Committee to hold a work session on HB 2056, insert the -2 amendment into the bill, and pass it to the floor with a DO PASS recommendation.

Here is some information from Lane County that we think should influence your decision to allow local taxation of these products:

- A 2014 Lane County Health and Human Services Department survey revealed that 76 percent of Lane County constituents surveyed support raising tobacco taxes if the revenue goes to fund tobacco prevention.
- For every 10 percent rise in the price of cigarettes, youth cigarette use drops by 6 percent, and total cigarette use drops by 4 percent. Raising the price of tobacco has been proven as one of the most effective methods of preventing youth from starting and helping people quit.
- Tobacco use costs Lane County \$143.5 million in tobacco-related medical care and \$115 million in productivity lost due to early tobacco-related deaths. Tobacco-related deaths, which include cardiovascular diseases, cancers, and respiratory diseases, account for 23 percent of all deaths in Lane County.
- In Lane County, at least \$1 million is spent every year due to preterm births, low birthweight infants, and other costs associated with delivering an infant to a woman who uses tobacco during pregnancy and is a Medicaid member.

Lane County has developed two Community Health Improvement Plans, and participated in two Community Health Needs Assessments, both required under Oregon law for Coordinated Care Organizations and community hospitals, respectively. All of these efforts include recommendations to minimize access to nicotine containing products. A local tax would support that work, and Lane County will continue to be supportive of lifting the pre-emption on local ordinances that would clearly create local programs designed to improve local health.

SUBMITTED ELECTRONICALLY