

**FISCAL IMPACT OF PROPOSED LEGISLATION****Measure: SB 754**79th Oregon Legislative Assembly – 2017 Regular Session  
Legislative Fiscal Office***Only Impacts on Original or Engrossed  
Versions are Considered Official***

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**Measure Description:**

Creates offense of selling tobacco products or inhalant delivery systems to person under 21 years of age.

**Government Unit(s) Affected:**

Oregon Health Authority (OHA), Oregon Department of Department of Transportation (ODOT), Justice, District Attorneys and their Deputies, Department of Education, Department of Revenue(DOR), School Districts, Judicial Department, Oregon Liquor Control Commission (OLCC), Oregon State Police (OSP)

**Analysis:**

Senate Bill 754 increases the legal minimum age to purchase tobacco products or inhalant delivery systems from 18 to 21 years of age. The bill creates new offenses and violations. The bill requires that law enforcement officers, teachers, employers, or other individual with supervisory authority over minors must confiscate the tobacco products or inhalant delivery system if they have probable cause to believe that an individual under 21 years of age is purchasing or possessing tobacco products or an inhalant delivery system.

The enforcement activities required by this bill are anticipated to have minimal impact to state agencies including the Department of Justice, District Attorneys and their Deputies, the Oregon Judicial Department, Oregon State Police (OSP), the Department of Education, and school districts.

However, the comprehensive expenditure impact of the bill on Department of Transportation (ODOT) and the Oregon Health Authority (OHA) is indeterminate depending on its effect on tobacco tax revenues. ODOT receives tobacco tax moneys for the Elderly and Disabled Special Transportation Fund which is a source of revenue for transit districts, counties, and Indian Tribes to support transportation services to provide access to health, education, work, and social and recreational opportunities so that seniors and people with disabilities may live as independently and productively as possible. In addition, (OHA) receives tobacco tax revenues to support the Oregon Health Plan and non-Medicaid community mental health programs, as well as Public Health programs related to tobacco prevention and cessation. Note that this tobacco tax revenue is also used as match for Federal Funds. If passage of this bill results in a material decrease of tobacco tax revenues, thereby reducing Other Funds and Federal Funds moneys, these programs will see a reduction in services or General Fund resources will be needed to backfill these programs.