

**HB 2123 STAFF MEASURE SUMMARY**

**House Committee On Revenue**

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**Prepared By:** Kaitlyn Harger, Economist

**Meeting Dates:** 4/10, 4/11

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**WHAT THE MEASURE DOES:**

Adds to statute definitions of inhalant delivery system and inhalant form nicotine. Establishes taxing authority and tax rates on inhalant form nicotine and inhalant delivery systems. Applies to tobacco product distribution occurring on or after January 1, 2020. Takes effect on the 91st day following adjournment sine die.

**ISSUES DISCUSSED:**

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

Recently, the US has seen an increase in the development and use of inhalant delivery systems and inhalant forms of nicotine (i.e. e-cigarettes and vapor based products). Currently, these systems and forms of nicotine are not taxed within Oregon. According to the Public Health Law Center, as of December 15th, 2018 ten states tax inhalant forms of nicotine. This bill defines these new forms of tobacco use in statute and establishes a tax structure for this form of tobacco.