MEMORANDUM

DATE: May 21, 2019

TO: Honorable Nancy Nathanson, Chair

House Committee on Revenue

FROM: Aaron Knott, Legislative Director

SUBJECT: HB 3436 – Regulating Internet Sales to Minors

This testimony is presented in support of House Bill 3436.

Background

Inhalant delivery systems are devices that heat a liquid into an aerosol that the user inhales. The liquid usually contains nicotine and flavoring. In addition to nicotine, these devices contain potentially harmful ingredients that could adversely impact the user's health and lead to lifelong addiction. One of the most popular inhalant delivery systems, e-cigarettes, entered the U.S. marketplace around 2007. Since 2014, they have been the most commonly used tobacco product among youth.

According to the FDA, from 2017 to 2018, e-cigarette use by high school students increased 78 percent, from 11.7 to 20.8 percent, accounting for more than 3 million American high school students using e-cigarettes in 2018. Internet sales of e-cigarettes and tobacco products have made it increasingly possible for these products to come into the hands of underage users.

Concept

HB 3436 would help prevent underage users from gaining easy access to cigars and inhalant delivery systems by requiring several levels of age verification at the point of sale. Specifically, the bill requires online retailers to verify that the Oregon consumers purchasing their product are at least 21 years of age by performing age verification through a third party service that matches consumer information to public records. It also requires that purchasers provide photo identification and that the method of payment be issued to the person buying the restricted products.

The Oregon Health Authority (OHA) currently has some authority to regulate inhalant delivery systems, and HB 3436 would give OHA additional tools to ensure that online retailers of these products are verifying the ages of their consumers. The Attorney General supports all efforts to reduce the accessibility of these harmful products to Oregon's youth.