

**FISCAL IMPACT OF PROPOSED LEGISLATION**

80th Oregon Legislative Assembly – 2019 Regular Session  
Legislative Fiscal Office

**Measure: HB 2270 - A <CORRECTED>**

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

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**Measure Description:**

Increases tax on distribution of cigarettes.

**Government Unit(s) Affected:**

Secretary of State (SOS)

The measure would refer for the approval of Oregon voters a proposed statutory change to increase the cigarette distribution tax, impose a cigarette floor tax, lift the cap on the cigar tax, and impose a new tax on inhalant delivery systems.

Because the measure is referred to voters at the next regular general election, the fiscal impact to the Secretary of State's office is the state's portion of incremental costs incurred for an already-funded election. The Secretary of State prepares and distributes the voters' pamphlet and collects a filing fee for each argument submitted in support or opposition of a ballot measure. Typically, these filing fees cover slightly more than one-half of the cost of producing and mailing the voters' pamphlet. The remaining costs are paid by the General Fund. At this time, the fiscal impact to the Secretary of State's office is indeterminate because the cost of producing and distributing the voters' pamphlet is determined by the total number of initiatives and legislative referrals on the ballot, and by the number of arguments submitted in support or opposition of these ballot measures, and this information will not be known until after election filing deadlines. The Legislative Fiscal Office (LFO) assumes that the Secretary will seek General Fund support from the Emergency Board or Legislative Assembly if the actual voters' pamphlet costs exceed currently budgeted election expenditures.

Under procedures established in ORS 250.125 and 250.127, a financial impact committee is created for each state measure submitted to the ballot through the initiative and referendum processes. For this reason, LFO does not include an estimate of the fiscal impact that would result if this measure were to be adopted by a vote of the people.