

## HOUSE COMMITTEE ON REVENUE

April 18, 2019  
8:30 AM

Hearing Room A

**MEMBERS PRESENT:** Rep. Nancy Nathanson, Chair  
Rep. Lynn Findley, Vice-Chair  
Rep. Pam Marsh, Vice-Chair  
Rep. Diego Hernandez  
Rep. E. Werner Reschke  
Rep. Greg Smith  
Rep. Barbara Smith Warner

**MEMBER(S) EXCUSED:** Rep. Diego Hernandez (for votes on HB 2127 and HB 2664)

**STAFF PRESENT:** Chris Allanach, Legislative Revenue Officer  
Dae Baek, Sr. Economist  
Jaime McGovern, Economist  
Kyle Easton, Economist  
Kait Harger, Economist  
Austin Anderson, Committee Assistant

**EXHIBITS:** Exhibits from this meeting are available [here](#)

**MEASURES/ISSUES:** Public Hearing: HB 2587 A  
Informational Meeting: Tobacco Taxes  
Work Sessions: HB 2127 and HB 2664

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**00:00:06** Meeting Called to Order by Chair Nathanson  
**00:00:44** Chair Nathanson Opens Public Hearing on HB 2587 A  
**00:00:51** Jaime McGovern, Economist, LRO  
**00:00:53** EXHIBIT 1 : HB 2587 A - Preliminary SMS  
**00:01:27** Mark Meek, State Representative, HD 40  
**00:06:50** Rep. Reschke  
**00:07:25** Mark Meek, State Representative, HD 40  
**00:09:07** Vice-Chair Findley  
**00:09:41** Mark Meek, State Representative, HD 40  
**00:10:49** Vice-Chair Findley  
**00:11:05** Mark Meek, State Representative, HD 40  
**00:11:37** Chair Nathanson  
**00:11:49** John Mullin, American Association of Retired Persons (AARP)  
**00:16:33** Vice-Chair Marsh  
**00:16:46** Mark Meek, State Representative, HD 40  
**00:17:47** Chair Nathanson Closes Public Hearing on HB 2587 A  
**00:17:53** Chair Nathanson Opens Informational Meeting on Tobacco Taxes  
**00:18:27** Dae Baek, Sr. Economist, LRO

**00:18:32** EXHIBIT 2 : Approach to Cigarette Tax Change Analysis (2019)(HREV) - LRO

**00:29:46** Rep. Smith

**00:30:16** Dae Baek, Sr. Economist, LRO

**00:31:04** Rep. Smith

**00:31:34** Chair Nathanson

**00:32:05** Dae Baek, Sr. Economist, LRO

**00:34:10** Chair Nathanson

**00:34:32** Dae Baek, Sr. Economist, LRO

**00:34:37** EXHIBIT 3 : County Sales (2018)(HREV)

**00:38:24** Chair Nathanson

**00:38:48** Rep. Hernandez

**00:39:09** Dae Baek, Sr. Economist, LRO

**00:40:25** Rep. Smith

**00:42:20** Rep. Reschke

**00:43:14** Dae Baek, Sr. Economist, LRO

**00:43:35** Vice-Chair Marsh

**00:44:18** Dae Baek, Sr. Economist, LRO

**00:46:36** Vice-Chair Marsh

**00:46:44** Dae Baek, Sr. Economist, LRO

**00:46:45** Chair Nathanson

**00:47:10** Rep. Hernandez

**00:47:23** Dae Baek, Sr. Economist, LRO

**00:48:03** Chair Nathanson

**00:48:40** Eric Fruits, President & Chief Economist, Economics International Corporation

**00:52:40** Chair Nathanson

**00:52:48** Vice-Chair Findley

**00:53:08** Eric Fruits, President & Chief Economist, Economics International Corporation

**00:53:35** Vice-Chair Findley

**00:53:46** Eric Fruits, President & Chief Economist, Economics International Corporation

**00:55:17** Rep. Reschke

**00:55:55** Eric Fruits, President & Chief Economist, Economics International Corporation

**00:55:58** EXHIBIT 4 : Cigarette Sales in Oregon Venn Diagram

**00:57:29** Rep. Smith Warner

**00:58:38** Eric Fruits, President & Chief Economist, Economics International Corporation

**01:00:27** Chair Nathanson

**01:00:44** Daniel Morris, Doctor of Public Health & Board Member, Tobacco Free Coalition of Oregon (TOFCO), Upstream Public Health, and Multnomah county Public Health Advisory Board.

**01:00:56** EXHIBIT 5 : Daniel Morris Testimony on Cross Border Sales

**01:07:25** Rep. Hernandez Exits the Meeting

**01:09:40** Chair Nathanson  
**01:10:10** Chair Nathanson Closes Informational Meeting on Tobacco Taxes  
**01:10:12** Chair Nathanson Opens Work Session on HB 2127  
**01:10:27** Kyle Easton, Economist, LRO  
**01:10:29** EXHIBIT 6 : HB 2127 -2 Preliminary SMS  
**01:10:32** EXHIBIT 7 : HB 2127 -2 Amendment  
**01:11:05** MOTION: Vice-Chair Findley moves the -2 Amendment into HB 2127  
**01:11:12** Chair Nathanson  
**01:11:18** VOTE: 6-0-1-0  
**01:11:19** MOTION CARRIES  
**01:11:30** MOTION: Vice-Chair Marsh moves HB 2127 as Amended to the Floor with a Do Pass Recommendation  
  
**01:11:37** Chair Nathanson  
**01:11:43** VOTE: 6-0-1-0  
**01:11:44** MOTION CARRIES  
**01:12:06** Chair Nathanson Closes Work Session on HB 2127  
**01:12:12** Chair Nathanson Opens Work Session on HB 2664  
**01:12:17** Kyle Easton, Economist, LRO  
**01:12:18** EXHIBIT 8 : HB 2664 -1 Preliminary SMS  
**01:12:20** EXHIBIT 9 : HB 2664 -1 Amendment  
**01:13:24** MOTION: Vice-Chair Findley moves the -1 Amendment into HB 2664  
**01:13:30** Chair Nathanson  
**01:13:37** VOTE: 6-0-1-0  
**01:13:38** MOTION CARRIES  
**01:13:44** MOTION: Vice-Chair Marsh moves HB 2664 as Amended to the Floor and that the bill be referred to the Joint Committee on Tax Expenditures  
  
**01:13:54** Chair Nathanson  
**01:14:08** Rep. Smith Warner  
**01:14:16** Vice-Chair Marsh  
**01:14:21** VOTE: 6-0-1-0  
**01:14:22** MOTION CARRIES  
**01:14:38** Chair Nathanson Closes Work Session on HB 2664  
**01:14:42** CARRIER: Representative Marsh, for HB 2127  
**01:14:50** Meeting Adjourned by Chair Nathanson