SB 1577 -1, -4, -5, -6, -8, -9 STAFF MEASURE SUMMARY

Senate Committee On Health Care

Prepared By:Brian Nieubuurt, LPRO AnalystMeeting Dates:2/6, 2/11

WHAT THE MEASURE DOES:

Prohibits distribution, sale, or allowance of sale of inhalant delivery system products. Defines "characterizing flavor," "flavored inhalant delivery system product," and "inhalant delivery system." Authorizes the Oregon Health Authority to impose a civil monetary penalty of up to \$5,000. Takes effect of 91st day following adjournment sine die.

REVENUE:May have revenue impact, but no statement yet issued.FISCAL:May have fiscal impact, but no statement yet issued.

ISSUES DISCUSSED:

- Prevalence and impact of lung injuries
- Potential impact on small businesses

EFFECT OF AMENDMENT:

-1 Prohibits retail sale of tobacco products or inhalant delivery systems unless premises is licensed. Defines "premises" and specifies exceptions. Defines qualifications the Department of Revenue (Department) must consider in issuing retail licensure. Requires posting of proof of licensure. Defines circumstances in which the Department may revoke, suspend, or refuse to renew or issue a retail license. Defines civil penalties applicable to persons who engage in retail sale without licensure. Allows seizure of contraband tobacco products by the Department or law enforcement agencies. Requires the Department and Oregon Health Authority to adopt rules. Permits local public health authorities with retail standards for the sale of tobacco products and inhalant delivery systems on operative date of Act to continue to enforce those standards.

-4 Clarifies definitions of "characterizing flavor;" "flavored inhalant delivery system product;" and "inhalant delivery system." Removes requirement that Oregon Health Authority rules for inspection be consistent with federal laws and regulations.

-5 Clarifies that sale or distribution of flavored inhalant delivery system products shall be limited to establishments in which entry is prohibited to persons under 21 years of age.

-6 Clarifies definition "characterizing flavor;" "flavored inhalant delivery system product;" and "inhalant delivery system."

-8 Adds definition of "cannabis" Updates definition of "characterizing flavor" to include cannabis and terpenes or terpenoids derived from cannabis. Requires the Oregon Health Authority, State Department of Agriculture, and the Oregon Liquor Control Commission to adopt rules regarding the labeling of inhalant delivery systems that contain cannabis and specifies requirements.

-9 Prohibits retail sale of tobacco products or inhalant delivery systems unless premises is licensed. Defines "premises" and specifies exceptions. Defines qualifications the Department of Revenue (Department) must consider in issuing retail licensure. Requires posting of proof of licensure. Defines circumstances in which the Department may revoke, suspend, or refuse to renew or issue a retail license. Defines civil penalties applicable to persons who engage in retail sale without licensure. Allows seizure of contraband tobacco products by the Department or law enforcement agencies. Requires the Department and Oregon Health Authority to adopt rules. Permits local public health authorities with retail standards for the sale of tobacco products and inhalant delivery systems on operative date of Act to continue to enforce those standards. Permits **cities**, **local governing bodies**, or local public health authorities with retail standards for the sale of tobacco products and inhalant delivery systems on operative date of Act to continue to enforce those standards.

BACKGROUND:

According to the Centers for Disease Control, as of January 21, 2020, a total of 2,711 hospitalized e-cigarette, or vaping, product use-associated lung injury cases or deaths have been reported. This total includes 60 deaths, two of which were in Oregon.

