

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
82nd Oregon Legislative Assembly
2023 Regular Session
Legislative Revenue Office

Bill Number:	HB 2128 - 4
Revenue Area:	Tobacco Tax
Economist:	Dae Baek
Date:	03/10/2023

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

Measure Description:

Replaces an escrow deposit system required of tobacco product manufacturers who are nonparticipating manufacturers for purposes of the Master Settlement Agreement with the requirement of direct payments to the state.

Revenue Impact:

The purpose of this statement is to facilitate the movement of the measure between committees.

Impact Explanation:

SB 792 (1999) required any manufacturer selling tobacco products to consumers in Oregon to either become a participating manufacturer (PM) and meet its financial obligations under the Master Settlement Agreement or to stay as a non-participating manufacturer (NPM) and place specified amounts into a qualified escrow account. This measure replaces the escrow deposit system with a direct payment to the state. The direct payments are to be used for expenses of the Oregon Health Plan.

This measure has a subsequent referral to the Joint Committee on Ways and Means. Further analysis will be done when the measure reaches the committee.

Creates, Extends, or Expands Tax Expenditure: Yes No

Further Analysis Required