

**SUBCOMMITTEE RECOMMENDATION**

**SB 1577**

**Relating to public health**

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SB 1577 prohibits retailers from selling tobacco products or inhalant delivery systems without a license from the Department of Revenue. The bill also requires the Oregon Health Authority to establish fees to enforce existing public health and safety laws related to these products and to ensure retailers are inspected at least once per year. In place of regulation by OHA, local public health authorities are allowed to enforce the public health and safety standards established in state law and local ordinance. These licensing and regulatory provisions become operative on January 1, 2021.

The estimated fiscal impact in 2019-21 is approximately \$1.2 million Other Funds and 17 positions (6.27 FTE). This represents the estimated fee revenue and positions necessary for DOR and OHA to carry out their respective licensing and enforcement responsibilities.

The recommended amendment prohibits local communities from adopting an ordinance that prevents a retailer from selling tobacco products or inhalant delivery systems at the same location as a pharmacy unless such ordinance is already in place on or before the effective date of the bill. The amendment also establishes the expenditure limitation to support the bill's fiscal impact and specifies that any civil penalties collected by DOR and OHA are deposited to the General Fund.

The Human Services Subcommittee recommends SB 1577 be amended by the -A13 amendment and be reported out do pass, as amended.