

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

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

*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