

February 26, 2025

House Committee on Commerce and Consumer Protection
Oregon State Capitol
Salem, OR 97301

Re: Opposition to HB 2528

Dear Chair Sosa,

I have been active in state legislative affairs since 1980. During that time, I have observed many policies adopted in which tobacco use was both restricted and taxed, and the resulting revenues allocated to activities that have little to do with tobacco cessation.

The most recent example of this was the passage of M 108 in 2020. The fiscal statement for that measure noted:

The measure dedicates 90 percent of the revenue...to support the Oregon Health Plan and other medical assistance programs and 10 percent to tobacco use prevention and cessation programs.

This history suggests that Oregon tobacco policy is non-sensical: it claims to have a goal of zero consumption, while expanding programs financed by tobacco tax revenues.

Passage of HB 2528 is likely to make things worse. It delegates almost unlimited authority to OHA to enact regulations related to tobacco sales and consumption. Such delegation encourages agency personnel to behave in ways that are arbitrary or capricious.

After more than half-century of tobacco regulation, I think we've done enough in Oregon. Tobacco use has dropped steadily, while state regulators receive \$377 million/year in tobacco tax revenue. Additional regulations are likely to be counter-productive, by pushing sales into the underground economy where they would not be taxed.

Sincerely,



John A. Charles, Jr.
President & CEO

