



**TO: Chair Sosa
Members of the House Commerce and Consumer Protection Committee**

**FR: Shawn Miller, Lobbyist, Northwest Grocery Retail Association
Mia Noren, Legislative Director, Northwest Grocery Retail Association**

RE: Opposition to HB 2528

February 27, 2025

Chair Sosa, Vice Chairs Chaichi and Osborne and members of the House Commerce and Consumer Protection Committee,

As background, the Northwest Grocery Retail Association (NWGRA) serves as the leading advocate for the grocery retail and supplier industry in the Pacific Northwest, representing Oregon, Washington, and Idaho. Collectively NWGRA members employ more than 44,000 people at more than 409 locations across Oregon. As responsible business operators, our members are committed to providing legal products to adult consumers while upholding strict age-verification protocols to prevent underage sales.

We write today to express our concerns with HB 2528, which seeks to give the Oregon Health Authority (OHA) broad rule-making authority to ban the sale of flavored tobacco products or any product that OHA deems "to protect the public health and safety of the residents of this State."

On page 3 of HB 2528 Lines 5-7:

"The authority may adopt rules to regulate the wholesale or retail sale of tobacco products or inhalant delivery systems in this state to protect the public health and safety of the residents of this state."

The above rule authority gives too much discretion to OHA on issues that are clearly in the purview of the legislature to decide. While we understand the underlying policy intention of curbing tobacco use, we believe this bill will not produce the results as intended and will instead shift sales to an unregulated market. We urge you to consider the following:

- Oregon already ranks as the ninth-highest state for illicit tobacco sales. According to the Tax Foundation, nearly **25% of all cigarettes consumed in Oregon are smuggled** from other states, meaning no IDs are checked, and no sales tax is collected. We believe this legislation would unfortunately exacerbate the problem. Rather than eliminating demand, it will shift sales away from regulated, tax-collecting businesses and drive them into unregulated markets.
- Bans in other states have proven that this policy approach is not an effective solution to addressing youth access and tobacco use. In California, Massachusetts, and Washington, D.C., youth access of flavored tobacco products actually increased post-ban, and the illicit market for vapes in California is now larger than the legal market. In Massachusetts, over 100% of sales simply moved to neighboring states where consumers can legally purchase these products.



- Twenty-three states have rejected similar flavor bans, while only three have passed them. We would encourage targeting illegal sales directly and increase enforcement.

Our grocery stores play a vital role in ensuring that age-restricted products are sold responsibly, with comprehensive training programs and compliance measures in place. We respectfully request the opportunity to work with you on additional solutions to meet the intended policy goals.