

TO: Chair Reynolds, Vice Chair Anderson,

Members of the Senate Early Childhood and Behavioral Health Committee

FR: Shawn Miller, Lobbyist, Northwest Grocery Retail Association

Mia Noren, Legislative Director, Northwest Grocery Retail Association

RE: Opposition to SB 702

March 4, 2025

Chair Reynolds, Vice Chair Anderson and members of the Senate Early Childhood and Behavioral Health 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 opposition to SB 702 which seeks to ban the sale of flavored tobacco products in Oregon.

- 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.