

Submitter: Cody Payne  
On Behalf Of: Bright Side Distributing  
Committee: Senate Committee On Finance and Revenue  
Measure, Appointment or Topic: SB702

Chair Meek, Vice Chair McLane, and Members of the Committee,

Thank you for the opportunity to submit testimony in strong opposition to SB 702. As a responsible distributor and proud small business owner in Oregon's District 20, I am deeply concerned about the unfair, impractical, and economically damaging implications of this proposed legislation.

SB 702 would create an uneven playing field by allowing 282 state-controlled liquor stores to sell flavored nicotine products while prohibiting traditional convenience stores and smoke shops — like the majority of my retail customers — from doing the same. This is not only fundamentally unfair, but it also undermines the livelihoods of countless independent retailers across Oregon who have worked hard to comply with regulations and serve our communities responsibly.

Adding to the inequity, fewer than half of the state-run liquor stores are even licensed to sell tobacco or nicotine products. Yet, SB 702 appears to carve out a special exemption that benefits these state-controlled outlets, effectively shielding government-run operations while punishing small, private businesses. This feels like the state is protecting itself at our expense — and that is unacceptable.

The ripple effects on Oregon retailers will be substantial. Losing flavored product sales doesn't just hurt our bottom line — it drives consumers away from stores entirely. These customers, now forced to travel greater distances to find a liquor store, will buy fewer items overall, impacting general sales, foot traffic, and community engagement in every neighborhood we serve.

But the harm doesn't stop at retail. SB 702 would also cut jobs not just for our stores, but for wholesalers and distributors that deliver goods — many of whom are union workers. These are hardworking individuals who rely on the stability of the supply chain to support their families. By restricting flavored nicotine sales, the legislation would disrupt this ecosystem, leading to job losses and economic instability across multiple sectors.

Additionally, SB 702 risks fueling the growth of the illicit market. When legal avenues for purchasing flavored nicotine products are restricted, consumers often turn to unregulated sources. This not only undermines public health and safety but also deprives the state of valuable tax revenue. Oregon cannot afford to let this happen, especially given the current economic uncertainty.

Oregon's latest Economic Forecast paints a concerning picture: state revenues have stalled or declined, and the economic future remains uncertain. Now is not the time to push through legislation that would further damage small businesses, cut jobs, and reduce tax revenue. Quite the opposite — we need solutions that support growth, stability, and fairness across all sectors.

In closing, I urge you to reject SB 702. It is unfair in practice, illogical in design, and harmful in impact. Oregon's small businesses, workers, and communities deserve better.

Thank you for your consideration.

Cody Payne  
President  
Bright Side Distributing