

Submitter: Christy Abbe

On Behalf Of:

Committee: Senate Committee On Finance and Revenue

Measure, Appointment or Topic: SB702

Dear Chair and committee- ( I was scheduled to testify by video, but the time was cut short)

My name is Christy Abbe, and on behalf of our business The Outpost I want to talk to you about Senate Bill 702A, which bans flavored tobacco from being sold in regular retail outlets and permits the sales only at liquor stores.

We own 4 "general stores" in Oregon. We employ about 25 people including family and long-time employees. We have been selling tobacco products for about 40 years. We pay our tobacco licenses and train our employees in proper ID. In fact, we worked with OHA to bring an ID training to our area for all local stores. For the record, we don't sell alcohol or lottery like many small stores do.

This bill is extremely unfair to hard working retailers, and it also really narrows the availability of a LEGAL product. There are approximately 3810 stores with tobacco licenses in Oregon, and only 282 liquor stores. This makes a very unlevel playing field when the State of Oregon liquor stores are the only places you can buy this product.

We treat Zyn and other flavored products just like all tobacco. We follow FDA laws as well as OHA laws. We ID up to age 50, well above the FDA and OHA guidelines.

Liquor stores fail FDA ID compliance checks more often than convenience stores do. Liquor stores failed 30% of the time and tobacco retailers failed 9% of the time. It looks to me like we would take a big step backward in compliance to sell these products only at liquor stores.

SB702A causes unnecessary confusion at the wholesale and retail level. It unfairly limits distribution of a legal product. There are bad effects at every level: Consumer, retailer, wholesaler, and truckers (union workers).

This bill will cause the state to lose tax revenue. Banning or limiting the sale of flavored tobacco products, including menthol cigarettes, would put \$102.5 million in revenues at risk. Tobacco tax revenues are an important source of revenue for Oregon programs. Without these revenues, the gap would have to be filled by raising taxes or cutting spending.

Meanwhile the customers may go to the internet or black market, where there is no

regulation, and no taxes being paid. Criminals don't make sure the customer is of legal age, or care about the laws they are breaking.

There are better options that don't hurt Oregon taxpayers – like education, cessation support, and underage prevention. That's what policymakers should focus on – not restrictions on where these products can be sold.

We all want kids to be safe. This bill does nothing to enhance the safety of minors. We already have laws that need to be enforced, we don't need more restrictions on legal sales to 21+.

Thank you for your time. I urge you to vote no on SB702A.