

May 21, 2025

Senate Committee on Revenue and Finance Oregon State Capitol Salem, OR 97301

Dear Chair Meek,

I am writing in opposition to SB 702.

From a policy standpoint SB 702 is internally inconsistent. The apparent goal is to reduce tobacco consumption, yet the bill would grant a monopoly on sales to OLCC outlets.

This makes no sense.

The more appropriate policy would be to get the state *out of the tobacco business entirely*. Sales should be left to the private sector, regulated to prevent sales to minors (current law). All excise tax revenue should be placed in a disconnected entity such as the Common School Fund, so that there are no perverse incentives to sell more tobacco. The state should maintain "clean hands" so that it does not benefit from the sales of products that are being discouraged.

I suggest that SB 702 be reworked to accomplish these objectives.

Sincerely,

John A. Charles, Jr.
President & CEO

