BULLET POINTS

1. Liquor stores allow minors!

Compliance Rates

77% = OLCC Compliance

86% = Tobacco stores

99% = 21+ Tobacco Stores

To Chairman and Members of the Board:

My name is John Harper and I'm from Astoria, Oregon. I'm the proud owner of four 21+ tobacco Shops, with the first being established over 30yrs ago. Over the years I've had the privilege of employing nearly 40 dedicated staff members, with an average tenure of 9 years.

We offer living wage jobs, along with a 401(k) matching plan, because we believe in investing in our people. There are not just temporary positions, they're careers that provide stability and long-term security. Many of my employees have been with me for a decade or more and same have even raised families on the wages earned here. Fore these individuals, this isn't just a job, it's a path to a better life and this bill threatens that security.

You brought this bill back with a small change, a compromise that would limit the sale of flavored tobacco and vapes to approved OLCC locations. On the surface this seems like a reasonable attempt at balancing interest, but I believe there are serious flaws in this approach. Let me explain:

- 1. <u>Liquor stores</u>, as we all know, are allowed to admit minors-provided they are accompanied by an adult who is 21 or older. This is in direct contrast to tobacco stores, where we enforce a strict 21+ policy at all times.
- 2. **The OLCC**, by their own admission, aims for a 90% compliance rate for underage sales. By the way, who "aims for 90%?" **Yet, last year they had their best year at 77% compliance** rate. That's a significant gap, and it raises a very important question: why should be accept a system where the goal is 90% compliance, and they're not even reaching that threshold?
- On the other hand, according to the <u>Oregon Health Authority's own publication from</u>
 <u>February 2025, tobacco stores are achieving an 86% underage sale compliance rate</u>.
 That's a far cry from perfect, but its important to recognize that tobacco retailers are already outperforming liquor stores.
- 4. Finally, Tobacco Stores that were designated 21+ achieved a 99.6% compliance rate!

Given these facts and statistics, don't you feel this bill's approach is counterproductive? If we're serious bout keeping these products away from minors, I urge you to reconsider why we're relying on the OLCC locations., especially when they <u>OLCC ALLOW MINORS IN THEIR STORES</u> and <u>Tobacco retailers have a better overall compliance rate!</u>

If you truly believe in a 21+ policy, then liquor stores shouldn't be included. They're simply not setup to meet the goals and standards that we are in tobacco retail. It's not just a policy issue, it's a practical one.

Note: I'm not lobbying against non 21+ stores, but if there is a compromise, I encourage you to not focus on Liquor stores as an option.

This legislation would not only hurt small businesses, but it would certainly cost jobs; jobs that families depend on. We've already seen improvements in underage compliance, and rather than an outright ban, we should focus on continued enforcement and responsible regulation. Let's not undo the hard work we've done. Let's work together to build on our successes and not take a step back. Furthermore, with the Federal Government pushing more costs in our direction, this isn't the time to increase unemployment or reduce a significant revenue stream that will help shore up any budget shortfall.

On a serious note, after the prior hearing I asked the Medical Professionals that spoke in opposition of the bill two questions, and I encourage you to ask the same questions of them yourself.

- 1. Were most of your patience you were referring to older patience who had been smoking for years? ANSWER YES
- 2. IF they would have had vaping as an option years ago, do you believe they would've been better off today? ANSWER YES.

In conclusion, this bill is regressive. It takes us a step backward, undoing years of progress we've made in reducing smoking rates and providing safer alternatives like vaping.

I ask you respectfully to vote NO on SB702!

Oregon Tobacco Inspections Report

February 2025

Program Description

Any business that sells tobacco or inhalant delivery systems (known as e-cigarettes) in Oregon is required to get a tobacco retail license.

Tobacco retail license programs are an effective way to:

- Protect youth from commercial tobacco addiction.
- Educate retailers about tobacco sales laws.
- Hold retailers accountable by imposing effective penalties.

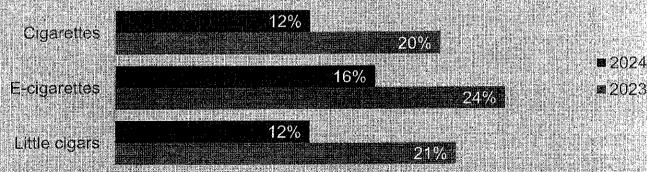
Oregon law prohibits the sale of tobacco products and inhalant delivery systems to persons under 21 years of age. The Oregon Health Authority (OHA) Tobacco Retail License



There was a 33% decrease in violations from 2023 (21%) to 2024.

Program conducts random, unannounced inspections of tobacco retailers. If the retailer makes an illegal sale during an inspection, OHA issues a civil penalty to the license holder. In 2024, OHA inspected 99.3% of tobacco retailers licensed by the state. Data in this report are from a representative sample of state and local license program inspections.

Violations varied by product type. In 2024, e-cigarettes, the tobacco product most commonly used by youth, continue to be sold more often than cigarettes and little cigars.



The Oregon Tobacco Retail License Program and local programs worked with **26 young** adult inspectors in **2024**. Young adult inspectors gain:

Mentorship Job skills development

Understanding Meaningful of public health employment

Protecting Youth

Research shows that if people do not start smoking before they turn 19, they are far less likely to ever start. While youth use of cigarettes has been decreasing over time, use of other tobacco and nicotine products, such as e-cigarettes, is still a concern. Standing firm on laws that protect youth is important to hold the tobacco industry accountable for its addictive products.

Oregon Tobacco Inspections Report

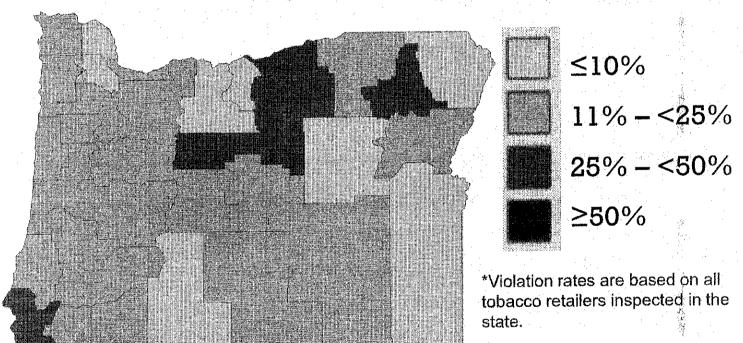
The retail environment

The commercial tobacco industry spends over \$100 million per year to market their products in the Oregon retail environment. Tobacco products are cheap, readily available, easy to get, and heavily marketed in stores where youth shop. Higher exposure to tobacco marketing in the retail space makes it more likely that youth will start using tobacco.

In 2024, violation rates were highest in restaurants and bars followed by grocery stores and markets.

Restaurants/Bars 17%
Grocery Stores/Market 16%
Gas Stations 15%
Tobacco/Vape Shops 12%

2024 violation rates in Oregon vary by county.

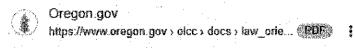


Tobacco enforcement and commercial tobacco prevention

Studies show strong commercial tobacco prevention policies along with active tobacco enforcement, effective retailer education, and leadership support, can reduce youth tobacco use. Equitable enforcement practices mean the companies that profit from tobacco sales are held accountable for how these products affect communities.

For more information contact: Oregon Tobacco Retail License Program: Tobacco.Inspections@odhsoha.oregon.gov

www.healthoregon.org/tobaccoretailsales



LAW ORIENTATION FOR RETAILERS

Jan 2, 2023 — All retail licensees must post this warning sign about alcohol and pregnancy. At a minimum, the licensee must post either a large sign (8 % x 11 ... 45 pages

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OREGON

Alcohol retailers lag behind OLCC watchdogs' compliance goals

by: <mark>Iasbayla Peitigrew</mark> Posted: Jul 19, 2024 / 05:22 PM PDT Dpdated: Jul 19, 2024 / 05:41 PM PDT



A report from Thursday's meeting showed a 77% compliance rate among liquor compliance checks

SHARE









PORTLAND, Ore. (KOIN) — The Oregon Liquor and Cannabis Commission's push to crack down on businesses that sell certain products to minors has yet to reach its compliance goal among alcohol retailers.

OLCC has conducted "minor decor operations" since 2017, with a two-year hiatus from 2021 to 2022 due to the pandemic. For these operations, the agency enlists minors between the ages of 18 and 20 years to attempt to buy liquor or cannabis. The program is one way officials strive to enforce state laws.

24 arrested in retail theft sting, over \$3K in stolen merchandise recovered >

The commission shoots for 90% compliance. A report from Thursday's meeting shows there was a 91% success rate among the 471 marijuana operations conducted through June, which met the goal, but only a 77% success rate among the 607 alcohol operations.

The compliance rate of liquor stores in Oregon, specifically regarding the sale of alcohol to minors, has varied over the years. Here's a breakdown of compliance rates based on available information:

Current Compliance Rate:

 As of 2025, Oregon's compliance rate for not selling alcohol to minors is reported as 78%. This information comes from the <u>National Alcohol Beverage Control Association</u> (NABCA). In 2023, the compliance rate for tobacco 21+ stores in Oregon was 99.6% for the number of stores inspected, according to the Oregon Health Authority. However, 21% of the inspected retailers made illegal sales to underage individuals during these inspections. This suggests that while most stores are compliant, a significant portion still violate the law by selling tobacco to minors.