

## Oregon Testimony

Good afternoon: Mr. Chair, and senators I thank you for your time.

My name is Laura Leigh Oyler, VP of External Affairs for Northerner Scandinavia, the nation's largest online retailer of nicotine pouches.

As a compliant online retailer of age-restricted goods, we know there is zero room for error when it comes to our sales practices. We already have a policy against selling products to anyone under the age of 21, so to the extent SB 1571 codifies federal law on this front, we voice full support. 21 should be the age of purchase for tobacco and nicotine products, period.

In 2021, Oregon passed legislation to regulate online sales of nicotine products which:

1. Limits sales to verified adult users
2. Requires the name on the credit card to match the name of the purchaser

We not only strongly support this legislation, it is our standard operating policy that has been built into our way of working as a business from the start. Requiring only face-to-face transactions for nicotine pouches would undo what the framework was designed to do, protect youth while preserving legal access for adults. Our concern with this new proposal is that Oregon may replace that approach with drastic restrictions that hinder by-the-book online retailers like us.

Oregon's own Student Health Survey (SHS) 2024 data shows that past 30-day youth use of oral tobacco/nicotine in Oregon is 0.5%; nationally it's less than 2%, so Oregon is already doing the right thing. By contrast, Behavioral Risk Factor Surveillance System data collected by the CDC in 2023 show that 3.3% of Oregon adults use oral products, more than 6 times the rate of reported underage usage. This confirms that the real-world impact of the SB1571 proposal would be to restrict nicotine pouch access for Oregonian adults who use these products, many of whom are doing so as an alternative to more harmful combustible tobacco.

The SHS data also show that youth are twice as likely to obtain a tobacco product at a physical retail location, and ten times more likely to gain access through a friend or family member, than to purchase through an online channel. We see this as an enforcement issue and not one based on online sales channels.

We believe there is an opportunity to further strengthen the existing online legislation by codifying the best practices we already have in place, and we welcome the

opportunity to work with interested stakeholders on strengthening the existing law to ensure:

1. A purchaser cannot ship to a different recipient.
2. The credit card statement clearly reflects that the purchase was for nicotine products.
3. The shipping container is labeled “contains nicotine”

The bill as written won't address bad actors in this space who already fail to comply with these requirements, it punishes compliant and licensed online retailers like us who take responsibility seriously and who pay taxes into the Oregon Department of Revenue. At the same time, it will drive our existing customers towards non-compliant platforms, and unregulated products, creating more space for illegal actors to thrive.

The FDA recently stated: “There is evidence that nicotine pouches can help some adults switch away from more harmful tobacco products, and adults who significantly reduce their cigarette use or fully switch from smoking cigarettes to using a lower-risk alternative tobacco product could generally reduce their health risks and exposure to toxic and cancer-causing chemicals.” This bill would prevent online access to these products, while allowing cigars, marijuana, and alcohol to be freely delivered to your front porch.

Notably, Oregon's health survey data show substantially higher youth use rates for both alcohol and cannabis, and yet it is nicotine pouches which are being singled out for an online sales ban. Alcohol and cannabis products can be sold online and delivered to consumers in Oregon legally, despite the higher rates of underage use of both. The same should be true for FDA-authorized products in the nicotine space.

I look forward to working with the legislature to continue to strengthen the regulatory framework for online sales of age-restricted products that leverages technology to protect Oregon youth while maintaining adult access to legal products.