

Tobacco Retail Licensing: Frequently Asked Questions



Tobacco Retail Licensing requires all businesses in the county, including large retailers, convenience stores, gas stations, pharmacies and bars, to purchase an annual license to sell tobacco and nicotine products, including E-cigarettes.

Tobacco Retail Licensing is part of Clackamas County's comprehensive strategy to prevent youth from using nicotine products and end the burden of tobacco-related disease and death.

What does Tobacco Retail Licensing propose to do?

Tobacco Retail Licensing is a tool used to improve enforcement of federal, state, and local tobacco laws. It enables local jurisdictions to identify tobacco retailers, monitor their compliance with laws and enforce penalties if tobacco is sold to people under the age of 21. It provides a platform for retailer education and consequences if tobacco is sold illegally. Penalties, such as fines or suspending retailers' ability to sell tobacco, deter retailers from selling tobacco to youth.

Why focus on tobacco regulation in the retail environment?

Youth who have more opportunities to obtain tobacco and see more tobacco advertising are more likely to use tobacco and nicotine products due to their susceptibility to marketing. Studies show that density of tobacco retailers and proximity of retailers to schools impacts youth tobacco rates. Increased tobacco retailer density is linked to experimental smoking among youth.

Why are electronic cigarettes and other vaping products included in this licensing?

Many youth today are being introduced to nicotine through e-cigarettes rather than conventional cigarettes and tobacco products. A 2015 survey found that among e-cigarette users aged 19-24, 40% had never been regular cigarette smokers. Juul is a brand of e-cigarettes that has skyrocketed in popularity among teens, commanding over half the e-cigarette market.

How effective is Tobacco Retail Licensing in reducing youth access to tobacco?

Tobacco Retail Licensing reduces illegal sales to minors through retailer education and enforcement of laws. Communities across the country, including four counties and a number of cities within Oregon, are implementing Tobacco Retail Licensing to prevent youth from illegally purchasing nicotine products. While it is too soon to see the results in Oregon, a recent assessment of 33 communities in California that implemented a tobacco retail license, showed dramatically decreased rates of illegal youth sales.

What is the economic impact of Tobacco Retail Licensing?

Portland State University's Northwest Economic Research Center determined that a license fee of \$500 – \$600 would not have a significant effect on the Clackamas County economy. A \$500 – \$600 fee amounts to \$1.37 – \$1.64 per day to sell tobacco and nicotine products. The impact on store revenue would be minimal, as retailers are able to raise tobacco prices to offset the cost of the license.

A private employer may pay over \$5816 annually to employ an individual who smokes tobacco compared to a non-smoking employee. Preventing youth access to tobacco through Tobacco Retail Licensing would result in a healthier future workforce.

What does Tobacco Retail Licensing mean for cities?

Tobacco Retail Licensing will reduce youth access and initiation to tobacco and nicotine products, protecting them from a lifetime of addiction and tobacco-related disease. This will ultimately improve quality of life, increased productivity and health care savings. Allocating responsibility to the Board of Health to pass Tobacco Retail Licensing shifts the administration and implementation to Clackamas County Public Health Division, resulting in consistent education and enforcement county-wide.

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vi Berman, M. et al; “Estimating the Cost of a Smoking Employee”, *Tobacco Control*, 2013. <https://tobaccocontrol.bmj.com/content/23/5/428>