



NEWS

Oregon Legislature - House Democratic Caucus

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House votes to give counties greater budgeting authority

HB 2870A removes state preemption on local tobacco taxes

SALEM – The Oregon House passed a bill today that will give Oregon counties more control over their budgets while also taking steps to improve public health.

Under current law, the state blocks counties from adding a local tax to cigarettes and tobacco products. House Bill 2870A removes this state preemption so that counties have the authority to make their own budgeting decisions.

“We are removing an obstacle to let Oregon counties do their job,” Representative Nancy Nathanson (D – Eugene) said. “In the face of rising health care costs and growing mental health needs, this bill gives local governments the flexibility to consider a local tobacco tax as a solution to those challenges.”

County officials from across the state support House Bill 2870A, arguing that local governments must have greater authority to make their own choices in order to effectively address issues within their communities.

“We have no tool to adjust the price point of tobacco, even though it is a driver of our Medicaid expenses and a leading cause of death within Lane County,” Sid Leiken, Chair of Lane County Board of Commissioners, said. “This bill puts another tool in local hands, and Lane County Commissioners are in full support.”

House Bill 2870A requires at least 40 percent of the revenue to go to tobacco prevention programs and mental health and addiction services. The bill also limits the amount counties can raise to be no more than the current state tax on each cigarette or tobacco product.

“Not only will this bill help reduce state and local health care costs, it could also prevent many young Oregonians from starting to smoke in the first place,” Representative Phil Barnhart (D – Eugene), Chair of the Revenue Committee said.

House Bill 2870A passed the House by a vote of 31-29 and now heads to the Senate.

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