

Policy Tip Sheet



POLICY ANALYSIS FROM
THE HEARTLAND INSTITUTE

Tobacco Harm Reduction 101: Oregon

Since their introduction to the U.S. market in 2007, e-cigarettes and vaping devices—tobacco harm reduction products that are 95 percent safer than combustible cigarettes—have helped more than three million American adults quit smoking.

1. Economic Impact

According to the Vapor Technology Association, in 2018, the industry created 963 direct vaping-related jobs, including manufacturing, retail, and wholesale jobs in Oregon, which generated \$28 million in wages alone.¹ Moreover, the industry has created hundreds of secondary jobs in the Beaver State, bringing the total economic impact in 2018 to \$215,712,400. In the same year, Oregon received more than \$9 million in state taxes attributable to the vaping industry. These figures do not include sales in convenience stores, which sell vapor products including disposables and prefilled cartridges. In 2016, sales of these products in Oregon eclipsed \$6 million.²

2. State Health Department Data

As of January 2, 2020, the Oregon Health Authority (OHA) has reported 22 cases of vaping-related lung illnesses, including two deaths.³ The median age of patients is 34, with over 77 of patients over the age of 25. Additionally, 54.5 percent of patients are female. OHA notes patients have admitted to using a mix of substances, including tetrahydrocannabinol (THC) and nicotine-containing vaping products. Further, both reported deaths have been attributed to the use of THC vaping devices.⁴ One reported death has been linked to a product that was purchased at a dispensary.⁵ *The Heartland Institute gives OHA a grade of B for information available on vaping-related lung illnesses.*

3. More Information Needed

The most recent report on youth e-cigarette use in Oregon is from the 2019 Oregon Health Teens Survey.⁶ According to those results, in 2019, in the 30 days prior to taking the survey, 78.6 percent of Oregon 11th grade students reported *not using* a vapor product at any point. Further, only 4.4 percent of Oregon 11th graders reported daily e-cigarette use. It should be noted, that in the past 30 days, 20.4 percent of Oregon 11th graders reported using marijuana, with 44.2 percent reporting having vaped it. More data is needed to understand the effects of public health campaigns on youth e-cigarette use.

4. Youth Sales Miniscule

From January 1, 2018 to September 30, 2019, the U.S. Food and Drug Administration (FDA) administered 2,504 tobacco age compliance inspections in Oregon, in which the agency used a minor in an attempt to purchase tobacco products.⁷ Of those, 212 or 8 percent, resulted in a sale to a minor. Of the violations, 20 (9 percent of violations and less than 1 percent of all compliance checks) involved the sale of e-cigarettes or vaping devices. The number of violations involving sales of cigars and cigarettes were 43 and 147, respectively, during the same period.

5. Misspent Money

In 2019, Oregon received an estimated \$338.8 million in tobacco taxes and tobacco settlement payments. In the same year, the state spent only \$10 million, or 2 percent on funding tobacco control programs, including education and prevention.⁸ The lack of funding is notable in the state's telephone quit line, of which Oregon dedicates only \$0.80 per smoker, much lower than the national average of \$2.21.

Policy Solution

Electronic cigarettes and vaping devices have proven to be tremendous tobacco harm reduction tools, helping many smokers transition away from combustible cigarettes. Despite recent fearmongering, their use is significantly safer than traditional cigarettes, as noted by numerous public health groups including the Royal College of Physicians,⁹ Public Health England,¹⁰ and the American Cancer Society.¹¹ Rather than restricting their use, and undoubtedly reducing public health gains and millions of dollars in economic output, lawmakers should dedicate existing tobacco funds on programs that actually reduce youth usage.

Key Points

1

Oregon's vaping industry provided more than \$215 million in economic activity in 2018 while generating 963 direct vaping-related jobs. Sales of disposables and prefilled cartridges in Oregon exceeded \$6 million in 2016.

2

As of January 2, 2020, OHA has reported 22 cases of vaping-related lung illnesses, including two deaths. OHA notes the use of THC-containing vaping devices, and both deaths have been associated with such products, including one purchased at a dispensary. OHA earns a **B** for its reporting on vaping-related lung illnesses.

3

In 2019, only 4.4 percent of Oregon high school students reported daily e-cigarette use. More data is needed.

4

Less than 1 percent of FDA retail compliance checks in Oregon resulted in sales of e-cigarettes to minors from January 1, 2018 to September 30, 2019.

5

Oregon spends very little on tobacco prevention. In 2019, Oregon dedicated only \$10 million on tobacco control, or 2 percent of what the state received in tobacco settlement payments and taxes.

Notes

Tobacco Harm Reduction 101: Oregon

References

- ¹ Vapor Technology Association, “The Economic Impact of the Vapor Industry OREGON,” 2019, <https://vta.guerrillaeconomics.net/reports/beb14eb6-3027-416f-8da4-00d388afa489?/>
- ² Teresa W. Wang *et al.*, “National and State-Specific Unit Sales and Prices for Electronic Cigarettes, United States, 2012-2016,” *Preventing Chronic Disease*, Centers for Disease Control and Prevention, August 2, 2018, https://www.cdc.gov/pcd/issues/2018/17_0555.htm.
- ³ Acute and Communicable Disease Public Health Division, “Oregon Vaping Illness Investigation,” Oregon Health Authority, January 2, 2020, <https://www.oregon.gov/oha/PH/DISEASES/CONDITIONS/COMMUNICABLEDISEASE/Pages/vaping-illness.aspx>. Accessed January 15, 2020.
- ⁴ External Relations Division, “Public Health Warning: People should stop vaping immediately,” Oregon Health Authority, September 26, 2019, <https://www.oregon.gov/oha/ERD/Pages/Public-Health-Warning-Stop-Vaping.aspx>.
- ⁵ External Relations Division, “State investigating death from severe lung illness linked to vaping,” Oregon Health Authority, September 3, 2019, <https://www.oregon.gov/oha/ERD/Pages/State-Investigating-Death-Severe-Lung-Illness-Link-Vaping.aspx>.
- ⁶ Oregon Health Authority, “2019 Oregon Healthy Teens Survey,” 2019, <https://www.oregon.gov/oha/PH/BIRTHDEATHCERTIFICATES/SURVEYS/OREGONHEALTHYTEENS/Documents/2019/2019%20State%20of%20Oregon%20Profile%20Report.pdf>.
- ⁷ U.S. Food and Drug Administration, “Compliance Check Inspections of Tobacco Product Retailers,” September 30, 2019, https://www.accessdata.fda.gov/scripts/oc/inspections/oc_insp_searching.cfm.
- ⁸ Truth Initiative, “Tobacco use in Oregon,” June 28, 2019, <https://truthinitiative.org/research-resources/smoking-region/tobacco-use-oregon-2019>.
- ⁹ Royal College of Physicians, Nicotine without Smoke: Tobacco Harm Reduction, April 2016, <https://www.rcplondon.ac.uk/projects/outputs/nicotinewithout-smoke-tobacco-harm-reduction-0>.
- ¹⁰ A. McNeill *et al.*, “Evidence review of e-cigarettes and heated tobacco products 2018,” Public Health England, February 2018, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/684963/Evidence_review_of_e-cigarettes_and_heated_tobacco_products_2018.pdf.
- ¹¹ The American Cancer Society, “What Do We Know About E-Cigarettes?” June 19, 2019, <https://web.archive.org/web/20190806152535/https://www.cancer.org/cancer/cancer-causes/tobacco-and-cancer/e-cigarettes.html>.

For More Information, please refer to:

Tobacco Harm Reduction 101: A Guidebook for Policymakers

<https://www.heartland.org/publications-resources/publications/latest-heartland-policy-booklet-addresses-vaping-myths>

This booklet from The Heartland Institute aims to inform key stakeholders on the much-needed information on the benefits of electronic cigarettes and vaping devices. *Tobacco Harm Reduction 101* details the history of e-cigarettes, including regulatory actions on these products. The booklet also explains the role of nicotine, addresses tax policy and debunks many of the myths associated with e-cigarettes, including assertions about “popcorn lung,” formaldehyde, and the so-called youth vaping epidemic.

Nothing in this *Policy Tip Sheet* is intended to influence the passage of legislation, and it does not necessarily represent the views of The Heartland Institute. For further information on this and other topics, visit the [Budget & Tax News](#) website, [The Heartland Institute’s website](#), and [PolicyBot](#), Heartland’s free online research database.

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