

Oregon Health Authority

Tobacco Retail Licensing

Frequently Asked Questions

As of January 1, 2022, any retailer in Oregon who sells tobacco or inhalant delivery system (IDS) products, also known as e-cigarettes or vaping products, must have a license. This lets the state track where commercial tobacco is being sold, enforce tobacco sales laws, and support retail owners and staff with education and training.

BACKGROUND

Why does Oregon need a tobacco retail license?

It's too easy for kids in Oregon to get tobacco and vaping products. In 2019, 1 in 6 tobacco retailers inspected by the Oregon Health Authority (OHA) sold tobacco products illegally to people under 21. Other states and localities have had success with using tobacco retail licenses to make sure retailers follow the laws and rules for tobacco sales.

How do you define “tobacco retailer”?

Anyone who sells tobacco or IDS products directly to consumers — including retail stores, cigar and hookah lounges, vape shops, and bars — is considered a tobacco retailer and must have a tobacco retail license to continue selling tobacco. This new law does not apply to retailers on Tribal lands. It also does not apply to Oregon Liquor Control Commission licensed marijuana retailers or OHA licensed marijuana dispensaries that do not sell IDS that contain nicotine.

Retailers in some counties will continue to operate under their existing county tobacco retail license program.

GETTING A TOBACCO RETAIL LICENSE



How do I get a license?

To apply for a tobacco retail license, visit the Department of Revenue's [Statewide Tobacco Retail License web page](#).

Retailers with multiple locations will need to purchase a license for each address.

How much does the license cost, and what does it cover?

The annual fee for a tobacco retail license is \$953. Fees cover the actual cost of the program, including stronger and more frequent enforcement and retailer education.

If I need help applying for the license, who should I contact?

You can contact the Oregon Department of Revenue (DOR) at: TRL.help@dor.oregon.gov

How often do I need to renew the license?

Annually, one year from the issue date. DOR will mail a letter to each licensee when their application renewal is approaching.

What happens if I want to sell my business? Is my tobacco retailer license transferable?

A license cannot be transferred from one business to another business. The new business owner must apply for a new license.

COMPLIANCE AND ENFORCEMENT

What are the rules and requirements to stay in compliance?

Information about tobacco sales laws and requirements of tobacco retail licenses is included in the [Tobacco Retail License Training Manual for Retailers](#). The manual can be found at www.healthoregon.org/tobaccoretailsales.

What will enforcement look like, and who conducts it?

DOR began enforcing the license requirement as of January 1, 2022.

Starting July 1, 2022, OHA or a Local Public Health Authority will begin making two inspections per year: one to make sure retailers are not selling to people under 21, and another to make sure retailers are in compliance with all tobacco retail sales laws.

Will I be notified in advance of an inspection?

All inspections will be unannounced. Educational resources to prepare for inspections are available to all retailers. OHA staff are also available to talk through licensing requirements.

What happens during an inspection?

There are different types of tobacco retail inspections that are conducted. For a high-level overview of Oregon's tobacco retail inspections, see the [Tobacco Retail Inspection Matrix](#). This can be found at www.healthoregon.org/tobaccoretailsales.

What are the penalties for failing an inspection?

Go to www.healthoregon.org/tobaccoretailsales and visit the “Retailers” page to see [a table of the DOR and OHA penalties](#) for failing to comply with tobacco sales laws. The statewide tobacco retail license law penalizes store owners — not store clerks or youth — when illegal tobacco sales take place.

Is there an appeal process for penalties?

Yes. Visit the Department of Revenue's [Statewide Tobacco Retail License website](#) to learn more. The appeal process may vary depending on whether the penalty is from DOR, OHA or a Local Public Health Authority.

Tobacco retail licenses are already required in some counties.

Will retailers there follow the county program or the new state program?

Some jurisdictions (counties and cities) will keep their existing tobacco retail license programs. Visit the Oregon Department of Revenue's [Statewide Tobacco Retail License website](#) to find out who issues tobacco retail licenses in your jurisdiction.

EQUITY

How will the state ensure that enforcement is equitable and doesn't target communities and retailers of color?

For retailers of color: Revenues from the license fees will allow OHA to enforce tobacco retail sales laws. This means public health specialists, not law enforcement, will visit businesses to deliver education and do inspections. The OHA inspectors will follow national recommendations created by a group of public health and racial equity organizations to ensure equitable enforcement. This includes evaluating whether the law effectively reduces sales to youth, and ensuring that enforcement practices do not unfairly target communities of color or other communities targeted by the tobacco industry.

For youth and communities of color: The statewide tobacco retail license bill eliminated penalties for youth purchase, use and possession of tobacco products. This will help reduce interactions between youth of color and police. The law puts the responsibility — and penalty — for youth tobacco use on those who sell tobacco illegally. In addition, the law equips communities most targeted by the tobacco industry to advance policies that protect individuals and families, such as bans on flavored tobacco products.

Who do I contact if I have additional questions?

For questions about OHA compliance inspections and enforcement:

Tobacco.Inspections@state.or.us

971-673-0984

www.healthoregon.org/tobaccoretailsales

For questions about DOR compliance inspections and enforcement:

TRL.help@dor.oregon.gov

503-945-8120

www.oregon.gov/dor/programs/businesses/Pages/Statewide-Tobacco-Retail-License.aspx