File No.	<u> 170441 </u>	Committee Item No.	1
		Board Item No.	

# **COMMITTEE/BOARD OF SUPERVISORS**

AGENDA PACKET CONTENTS LIST

	lic Safety & Neighborhood Service: ervisors Meeting:	_	Date: Date:	June 14, 2017
Cmte Board	J	Report	t	ort
OTHER				
	Youth Commission Memo - May 1 Referral - Youth Commission - Ma Referral - Small Business Commis Health Commission - April 24	ay 11, ssion,	2017 SFUS	D, DPH,
Prepared by: Prepared by:	·	oate:	June	9, 2017

NOTE:

[Health Code - Banning the Sale of Flavored Tobacco Products]

Ordinance amending the Health Code to prohibit tobacco retailers from selling flavored tobacco products, including menthol cigarettes.

Unchanged Code text and uncodified text are in plain Arial font.

Additions to Codes are in single-underline italics Times New Roman font.

Deletions to Codes are in strikethrough italics Times New Roman font.

Board amendment additions are in double-underlined Arial font.

Board amendment deletions are in strikethrough Arial font.

Asterisks (\* \* \* \*) indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. The Health Code is hereby amended by adding Article 19Q, entitled "Prohibiting the Sale of Flavored Tobacco Products," consisting of Sections 19Q.1 through 19Q.8, to read as follows:

#### ARTICLE 190: PROHIBITING THE SALE OF FLAVORED TOBACCO PRODUCTS

#### SEC. 190.1. FINDINGS.

(a) Tobacco use remains the leading cause of preventable death in the United States, killing more than 480,000 people each year. It causes or contributes to many forms of cancer, as well as heart disease and respiratory diseases, among other health disorders. Tobacco use remains a public health crisis of the first order, in terms of the human suffering and loss of life it causes, the financial costs it imposes on society, and the burdens it places on our health care system. The financial cost of tobacco use in San Francisco alone amounts to \$380 million per year in direct health care expenses and lost productivity.

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- (b) Flavored tobacco products are commonly sold by California tobacco retailers. For example: 97.4% of stores that sell cigarettes sell menthol cigarettes; 94.5% of stores that sell little cigars sell them in flavored varieties; 84.2% of stores that sell electronic smoking devices sell flavored varieties; and 83.8% of stores that sell chew or snus sell flavored varieties. 70% of tobacco retailers within 1,000 feet of San Francisco schools sell flavored tobacco products other than menthol cigarettes, and nearly all sell menthol cigarettes.
- (c) Each day, about 2.500 children in the United States try their first cigarette; and another 400 children under 18 years of age become new regular, daily smokers. 81% of youth who have ever used a tobacco product report that the first tobacco product they used was flavored. Flavored tobacco products promote youth initiation of tobacco use and help young occasional smokers to become daily smokers by reducing or masking the natural harshness and taste of tobacco smoke and thereby increasing the appeal of tobacco products. As tobacco companies well know, menthol, in particular, cools and numbs the throat to reduce throat irritation and make the smoke feel smoother, making menthol cigarettes an appealing option for youth who are initiating tobacco use. Tobacco companies have used flavorings such as mint and wintergreen in smokeless tobacco products as part of a "graduation strategy" to encourage new users to start with tobacco products with lower levels of nicotine and progress to products with higher levels of nicotine. It is therefore unsurprising that young people are much more likely to use menthol-, candy- and fruit-flavored tobacco products, including not just cigarettes but also cigars, cigarillos, and hookah tobacco, than adults. Data from the National Youth Tobacco Survey indicate that more than two-fifths of U.S. middle school and high school smokers report using flavored little cigars or flavored cigarettes. Further, the Centers for Disease Control and Prevention has reported a more than 800% increase in electronic cigarette use among middle school and high school students between 2011 and 2015. Nicotine solutions, which are consumed via electronic smoking devices such as electronic cigarettes, are sold in thousands of flavors that appeal to youth, such as cotton candy and bubble gum.

(d) Much as young people disproportionately use flavored tobacco products including menthol cigarettes, the same can be said of certain minority groups. In one survey, the percentage of people who smoke cigarettes that reported smoking menthol cigarettes in the prior month included, most dramatically, 82.6% of Blacks or African-Americans who smoke cigarettes. The statistics for other groups were: 53.2% of Native Hawaiians or Other Pacific Islanders who smoke cigarettes; 36.9% of individuals with multiracial backgrounds who smoke cigarettes: 32.3% of Hispanics or Latinos who smoke cigarettes; 31.2% of Asians who smoke cigarettes; 24.8% of American Indians or Alaska Natives who smoke cigarettes; and 23.8% of Whites or Caucasians who smoke cigarettes. People who identify as LGBT and young adults with mental health conditions also struggle with disproportionately high rates of menthol cigarette use. The disproportionate use of menthol cigarettes among targeted groups, especially the extremely high use among African-Americans, is troubling because of the long-term adverse health impacts on those groups.

(e) Between 2004 and 2014, overall smoking prevalence decreased, but use of menthol cigarettes increased among both young adults (ages 18-25) and other adults (ages 26+). These statistics are consistent with the finding that smoking menthol cigarettes reduces the likelihood of successfully quitting smoking. Scientific modeling has projected that a national ban on menthol cigarettes could save between 300,000 and 600,000 lives by 2050.

#### SEC. 190.2. DEFINITIONS.

For purposes of this Article 19Q, the following definitions shall apply:

"Characterizing Flavor" means a Distinguishable taste aroma or both, other than the taste or aroma of tobacco, imparted by a Tobacco Product or any byproduct produced by the Tobacco Product.

Characterizing Flavors include, but are not limited to, tastes or aromas relating to any fruit, chocolate, vanilla, honey, candy, cocoa, dessert, alcoholic beverage, menthol, mint, wintergreen, herb, or spice. A Tobacco Product shall not be determined to have a Characterizing Flavor solely because of the use of

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1	additives or flavorings or the provision of ingredient information. Rather, it is the presence of a
2	Distinguishable taste or aroma or both, as described in the first sentence of this definition, that
3	constitutes a Characterizing Flavor.
4	"Cigarette" has the meaning set forth in 21 U.S.C. § 387(3), as may be amended from time to
5	<u>time.</u>
6	"Constituent" means any ingredient, substance, chemical, or compound, other than tobacco,
7.	water, or reconstituted tobacco sheet that is added by the manufacturer to a Tobacco Product during
8	the processing, manufacture, or packing of the Tobacco Product.
9	"Director" has the meaning set forth in Health Code Section 19H.2.
10	"Distinguishable" means perceivable by either the sense of smell or taste.
11	"Establishment" has the meaning set forth in Health Code Section 19H.2.
12	"Flavored Cigarette" means a Cigarette that contains a Constituent that imparts a
13	Characterizing Flavor.
14	"Flavored Tobacco Product" means any Tobacco Product, other than a Cigarette, that
15	contains a Constituent that imparts a Characterizing Flavor.
16	"Labeling" means written, printed, pictorial, or graphic matter upon any Tobacco Product or
17	any of its Packaging.
18	"Packaging" means a pack, box, carton, or container of any kind or, if no other container, any
19	wrapping (including cellophane) in which a Tobacco Product is sold or offered for sale to a consumer.
20	"Tobacco Product" has the meaning set forth in Health Code Section 19H.2.
21	
22	SEC 190.3. SALE OR DISTRIBUTION OF FLAVORED TOBACCO PRODUCTS
23	PROHIBITED.
24	(a) The sale or distribution by an Establishment of any Flavored Tobacco Product is
25	prohibited.

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#### SEC. 190.6. ENFORCEMENT.

The Director, or his or her designee, may enforce Sections 19Q.3 and 19Q.4 pursuant to Articles 19 et seq. of the Health Code, including but not limited to Article 19H.

#### SEC 190.7. NO CONFLICT WITH FEDERAL OR STATE LAW.

Nothing in this Article 19.Q shall be interpreted or applied so as to create any requirement, power, or duty that is preempted by federal or state law.

#### SEC. 190.8. SEVERABILITY.

If any section, subsection, sentence, clause, phrase, or word of this Article 19Q, or any application thereof to any person or circumstance, is held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions or applications of the Article. The Board of Supervisors hereby declares that it would have passed this Article, and each section, subsection, sentence, clause, phrase, and word not declared invalid or unconstitutional without regard to whether any other portion of this Article or application thereof would be subsequently declared invalid or unconstitutional.

Section 2. The Health Code is hereby amended by adding Section 19H.14-2, to read as follows:

# SEC. 19H.14-2. CONDUCT VIOLATING HEALTH CODE ARTICLE 19O (PROHIBITING THE SALE OF FLAVORED TOBACCO PRODUCTS).

(a) Upon a decision by the Director that the Permittee or the Permittee's agent or employee

has engaged in any conduct that violates Health Code Section 190.3 (Sale or Distribution of Flavored

<u>Tobacco Products Prohibited</u>), the <u>Director may suspend a Tobacco Sales permit as set forth in Section 19H.19.</u>

- (b) Upon a decision by the Director that the Permittee or the Permittee's agent or employee has engaged in any conduct that violates Health Code Section 190.4 (Sale or Distribution of Flavored Cigarettes Prohibited), the Director may suspend a Tobacco Sales permit as set forth in Section 19H.19.
- (c) The Director shall commence enforcement under this Section 19H.14-2 by serving either a notice of correction under Section 19H.21 or a notice of initial determination under Section 19H.22 of this Article 19H.

Section 3. Effective and Operative Dates.

- (a) This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.
  - (b) This ordinance shall become operative on January 1, 2018.

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By:

Anne Pearson

**Deputy City Attorney** 

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Supervisors Cohen; Safaí **BOARD OF SUPERVISORS** 

#### **LEGISLATIVE DIGEST**

[Health Code - Banning the Sale of Flavored Tobacco Products]

Ordinance amending the Health Code to prohibit tobacco retailers from selling flavored tobacco products, including menthol cigarettes

#### **Existing Law**

Federal law bans the manufacture of cigarettes with characterizing flavors, other than the flavor of menthol and tobacco. Federal law does not ban the manufacture of menthol cigarettes or flavored tobacco products other than cigarettes.

#### Amendments to Current Law

The proposed ordinance amends the Health Code to prohibit local tobacco retailers from selling flavored tobacco products. The tobacco products that would be subject to the prohibition on sale would include, but not be limited to, flavored cigarettes, including menthol cigarettes, flavored cigars, flavored smokeless tobacco, flavored shisha, and flavored nicotine solutions that are used in electronic cigarettes.

The ordinance defines a flavored tobacco product as a tobacco product that contains a constituent that imparts a characterizing flavor. The ordinance would create a presumption that a tobacco product is flavored if the tobacco manufacturer makes a statement or claim that the product has a characterizing flavor. For example, if the packaging in which a tobacco product is sold is printed with the word "grape" or with an image of grapes, the tobacco product would be presumed to be flavored, and subject to the restriction on sale.

Violation of the ordinance would be punishable by a suspension of the retailer's tobacco license.

#### **Background Information**

Tobacco use remains the leading cause of preventable death in the United States, killing more than 480,000 people each year. It causes or contributes to many forms of cancer, as well as heart disease and respiratory diseases, among other health disorders. The financial cost of tobacco use in San Francisco alone amounts to \$380 million per year in direct health care expenses and lost productivity.

Although federal law prohibits the manufacture of flavored cigarettes, it does not ban menthol cigarettes or other types of flavored tobacco products, which are widely available in flavors like bubble gum, cotton candy, banana, cherry and vanilla. Each day, about 2,500 children in

the United States try their first cigarette, and another 400 children under 18 years of age become new regular, daily smokers. 81% of youth who have ever used a tobacco product report that the first tobacco product they used was flavored.

Flavored tobacco products promote youth initiation of tobacco use and help young occasional smokers to become daily smokers by reducing or masking the natural harshness and taste of tobacco smoke and thereby increasing the appeal of tobacco products. Menthol, in particular, cools and numbs the throat to reduce throat irritation and make the smoke feel smoother, making menthol cigarettes an appealing option for youth who are initiating tobacco use. Young people are much more likely to use menthol-, candy- and fruit-flavored tobacco products, including not just cigarettes but also cigars, cigarillos, and hookah tobacco, than adults.

Much as young people disproportionately use flavored tobacco products including menthol cigarettes, the same can be said of certain minority groups. In one survey, the percentage of people who smoke cigarettes that reported smoking menthol cigarettes in the prior month included, most dramatically, 82.6% of Blacks or African-Americans who smoke cigarettes. The statistics for other groups were: 53.2% of Native Hawaiians or Other Pacific Islanders who smoke cigarettes; 36.9% of individuals with multiracial backgrounds who smoke cigarettes; 32.3% of Hispanics or Latinos who smoke cigarettes; 31.2% of Asians who smoke cigarettes; 24.8% of American Indians or Alaska Natives who smoke cigarettes; and 23.8% of Whites or Caucasians who smoke cigarettes. People who identify as LGBT and young adults with mental health conditions also struggle with disproportionately high rates of menthol cigarette use. The disproportionate use of menthol cigarettes among targeted groups, especially the extremely high use among African-Americans, is troubling because of the long-term adverse health impacts on those groups.

Between 2004 and 2014, overall smoking prevalence decreased, but use of menthol cigarettes increased among both young adults (ages 18-25) and other adults (ages 26+). These statistics are consistent with the finding that smoking menthol cigarettes reduces the likelihood of successfully quitting smoking. Scientific modeling has projected that a national ban on menthol cigarettes could save between 300,000 and 600,000 lives by 2050.

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1617-RBM-07

Youth Commission

City Hall ~ Room 345 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102~4532



(415) 554~6446 (415) 554~6140 FAX www.sfgov.org/youth\_commission

# YOUTH COMMISSION MEMORANDUM

TO:

Erica Major, Clerk, Public Safety & Neighborhood Services

FROM:

Youth Commission

DATE:

Wednesday, May 17, 2018

RE:

Referral response to BOS File No. 170441 [[Health Code - Banning the Sale of

Flavored Tobacco Products]

At our **Monday, May 8, 2017 meeting**, the Youth Commission voted to support the following motion:

To support BOS File No. 170441 – Ordinance amending the Health Code to prohibit tobacco retailers from selling flavored tobacco products, including menthol cigarettes.

Youth Commissioners thank the Board of Supervisors for their attention to this issue. If you have any questions, please contact our office at (415) 554-6446, or your Youth Commissioner.

Chair, Madeleine Matz

Adopted on May 15, 2017

2016-2017 San Francisco Youth Commission

From:

Board of Supervisors, (BOS)

Sent:

Thursday, June 08, 2017 4:26 PM

To:

BOS-Supervisors; Major, Erica (BOS)

Subject:

FW: Proposed Tobacco Ordinance File No. 170441

Attachments:

CRA Letter SF June 2017.pdf

From: Angie Manetti [mailto:amanetti@calretailers.com]

Sent: Thursday, June 08, 2017 3:50 PM

To: Board of Supervisors, (BOS) < board.of.supervisors@sfgov.org>

Subject: Proposed Tobacco Ordinance

Good afternoon,

On behalf of the California Retailers Association, please accept our comments for the proposed tobacco ordinance for the record.

Sincerely,

Angie Manetti Director of Government Affairs California Retailers Association 980 Ninth Street, Suite 2100 Sacramento, CA 95814 P: (916) 443-1975

F: (916) 443-4218

E: amanetti@calretailers.com



June 8, 2017

San Francisco Board of Supervisors City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

Re: Proposed Tobacco Retail License Ordinance File No. 170441

Dear Members of the Board of Supervisors:

The California Retailers Association (CRA) writes to express our concerns with the proposed tobacco retail license ordinance before the Board, which would prohibit the sale of menthol cigarettes and flavored tobacco.

The California Retailers Association is the only statewide trade association representing all segments of the retail industry including general merchandise, department stores, mass merchandisers, restaurants, convenience stores, supermarkets and grocery stores, chain drug, and specialty retail such as auto, vision, jewelry, hardware and home stores. CRA works on behalf of California's retail industry, which currently operates over 418,840 retail establishments with a gross domestic product of \$330 billion annually and employs 3,211,805 people— one fourth of California's total employment.

CRA and our members support sensible solutions to address the illegal sale of tobacco to minors. In our collective commitment to that end, our members provide training to their employees and fully support the letter of the law. The proposed ordinance inherently ignores the fact that our members provide employee training as a way of prevent youth from gaining access to tobacco. Failure to comply with these rules comes with harsh consequences. Needless to say, our members take this issue very seriously.

This ordinance also ignores the fact that there are comprehensive state and local laws, that anti-tobacco advocates support as a means to curb youth access to tobacco, that are currently enforced. Namely, a local tobacco retail license that limits the distance of tobacco retailing 500 feet of schools and a cap on the number of licensees per supervisorial district. Collectively, with the new tobacco laws

approved last year to increase the minimum legal smoking age, tobacco retail license fees for renewal and additional locations, and a \$2 tax on tobacco products, we believe there are enough sufficient regulations in place to control potential illegal sales and use of these products.

If the ordinance goes into effect, it is also our concern that the County will lose valuable sales tax revenues to neighboring jurisdictions that do not have similar product bans in place. This policy has far-reaching unintended consequences and deserves closer scrutiny, especially given the City's projected budget deficit and \$5.5 billion in pension liabilities.

As you know, the retail industry is experiencing unprecedented upheaval. According to government data, over 89,000 jobs have been lost in general merchandise stores since last October. Ordinances that imposes a ban the sale of legal products throughout the City exacerbate an already challenging economic climate facing retailers and may lead to blight, higher unemployment and create an environment that encourages the black-market sale of tobacco products.

CRA is also concerned that the ordinance, if implemented, fails to provide impacted retailers with sufficient time to adjust their business models. The Healthy Retail SF program which has been in existence for over 4 years does not have sufficient funding to help retailers begin to attempt to change their business model as suggested by proponents. The program has only helped nine retailers offer more healthy choices and it does not ban products in their stores. The City of Berkeley limited its flavor ban to retailers within 600 feet of schools and provided impacted retailers 15 months-notice before enforcement. The Berkeley ordinance also provided impacted retailers the ability to obtain an exemption from the flavor ban for up to 3 years beginning January 1, 2017 if the retailer makes a showing that the application of the flavor ban would result in a taking.

For these reasons, CRA respectfully requests that you vote no on this ordinance. Should the Board move forward with this ordinance, we ask that consideration be given to adding provisions similar to Berkeley that only prohibit the sale of flavored tobacco in near schools and provide impacted retailers with 15 – 24 months before enforcement of the flavor ban.

Sincerely,

Angie Manetti

Director, Government Relations

San Francisco Board of Supervisors 1 Dr. Carlton B. Goodlett Place City Hall, Room 244 San Francisco, Ca. 94102-4689

#### **Dear Supervisors:**

I own and operate a convenience store in the city. I am writing to express my opposition to the proposal that would ban menthol cigarettes and flavored tobacco products. Together, flavored tobacco is more than 1/3 of my overall tobacco sales. Approximately 40% of my overall business comes from tobacco sales. I carry these products because of adult customer demand. Like other retailers, I operate on a very thin profit margin. I don't make much money on these products, but they bring customers into my store and they buy other grocery items. That is why menthol cigarettes and flavored tobacco are an important part of my business and without them I would not be profitable.

Like virtually every other tobacco retailer in the city, I don't sell any tobacco products to minors and I have a perfect compliance rate. I doesn't make sense to say I am responsible enough to sell regular tobacco but not responsible enough to sell flavored tobacco. All tobacco products are behind the counter so minors don't have access to any tobacco products.

This ordinance is unnecessary. Last year the state adopted comprehensive restrictions on ecigarettes making them equivalent to tobacco and raised the age to sell all tobacco products to 21. The county already requires a tobacco license and limits the number of licenses in each supervisorial district. Please do not penalize law-abiding retailers who are selling legal products to adults.

A vast majority of independent markets are owned by minorities and immigrants to this country. Many of us are highly skilled professionals in our home countries, but we came to the United States as entrepreneurs and found convenience stores an opportunity to invest our life savings and raise our families. We also provide jobs to other recent immigrants looking for a new life in the U.S. If your intention is to hurt big tobacco, this ordinance misses its mark. It will destroy independent and minority-owned retail businesses that generate sales tax revenue for the city and provide local jobs.

I urge you to VOTE NO on this ordinance.

Andan Daha Musicon Ligura & Dah 530 Mason St.

S.E. CA , 24102

San Francisco Board of Supervisors 1 Dr. Carlton B. Goodlett Place City Hall, Room 244 San Francisco, Ca. 94102-4689

**Dear Supervisors:** 

I own and operate a convenience store in the city. I am writing to express my opposition to the proposal that would ban menthol cigarettes and flavored tobacco products. Together, flavored tobacco is more than 1/3 of my overall tobacco sales. Approximately 40% of my overall business comes from tobacco sales. I carry these products because of adult customer demand. Like other retailers, I operate on a very thin profit margin. I don't make much money on these products, but they bring customers into my store and they buy other grocery items. That is why menthol cigarettes and flavored tobacco are an important part of my business and without them I would not be profitable.

Like virtually every other tobacco retailer in the city, I don't sell any tobacco products to minors and I have a perfect compliance rate. I doesn't make sense to say I am responsible enough to sell regular tobacco but not responsible enough to sell flavored tobacco. All tobacco products are behind the counter so minors don't have access to any tobacco products.

This ordinance is unnecessary. Last year the state adopted comprehensive restrictions on ecigarettes making them equivalent to tobacco and raised the age to sell all tobacco products to 21. The county already requires a tobacco license and limits the number of licenses in each supervisorial district. Please do not penalize law-abiding retailers who are selling legal products to adults.

A vast majority of independent markets are owned by minorities and immigrants to this country. Many of us are highly skilled professionals in our home countries, but we came to the United States as entrepreneurs and found convenience stores an opportunity to invest our life savings and raise our families. We also provide jobs to other recent immigrants looking for a new life in the U.S. If your intention is to hurt big tobacco, this ordinance misses its mark. It will destroy independent and minority-owned retail businesses that generate sales tax revenue for the city and provide local jobs.

I urge you to VOTE NO on this ordinance.

Sincerely, Schaffeld Abeliebleh Santrangisco Ca 94130
Santrangisco Ca 94130

45 391-2299

San Francisco Board of Supervisors 1 Dr. Carlton B. Goodlett Place City Hall, Room 244 San Francisco, Ca. 94102-4689

Dear Supervisors:

I own and operate a gas station in the city. I am writing to express my opposition to the proposal that would ban menthol cigarettes and flavored tobacco products. Together, flavored tobacco is more than 1/3 of my overall tobacco sales. Approximately 40% of my overall in-store business comes from tobacco sales and it helps drive gasoline sales. I carry these products because of adult customer demand. I don't make much money on these products, but they bring customers to my gas station and they buy other grocery items. That is why menthol cigarettes and flavored tobacco are an important part of my business.

Like virtually every other tobacco retailer in the city, I don't sell any tobacco products to minors and I have a perfect compliance rate. I doesn't make sense to say I am responsible enough to sell regular tobacco but not responsible enough to sell flavored tobacco. All tobacco products are behind the counter so minors don't have access to any tobacco products.

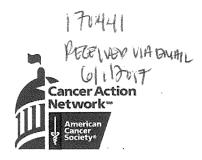
This ordinance is unnecessary. Last year the state adopted comprehensive restrictions on ecigarettes making them equivalent to tobacco and raised the age to sell all tobacco products to 21. The county already requires a tobacco license and limits the number of licenses in each supervisorial district. Please do not penalize law-abiding station owners who are selling legal products to adults.

My retirement and life savings are invested in my store. My family and I have sacrificed a great deal to make this business profitable and this ordinance threatens everything we have worked for. If your intention is to hurt big tobacco, this ordinance misses its mark. It will destroy minority-owned and independent gas stations that generate gas and sales tax revenue for the city and provide local jobs.

I urge you to VOTE NO on this ordinance.

Sincerely.

Silver Gas & Diesel 2400 San Bruno AND San Francisco Co 94134



May 2, 2017

The Honorable Ed Lee 1 Dr. Carlton B. Goodlett Place City Hall, Room 244 San Francisco, CA 94102

Dear Mayor Lee and Members of the San Francisco Board of Supervisors:

The American Cancer Society Cancer Action Network is committed to protecting the health and well-being of the citizens of San Francisco through evidence-based policy and legislative solutions designed to eliminate cancer as a major health problem. As such, we are writing to support passage of the proposed amendment to the San Francisco tobacco retail license (TRL), which will prohibit sales of flavored tobacco products.

The 2014 Surgeon General's Report found that more than 43 million Americans still smoke, and tobacco will cause an estimated 480,000 deaths this year in the U.S. Of the 9 million youth currently living in our state, nearly 1.4 million of them will become smokers, and approximately 440,000 of those kids will die prematurely as a result of tobacco use.

In 2009, Congress, prohibited the sale of cigarettes with flavors other than tobacco or menthol. Tobacco companies responded by expanding the types of non-cigarette flavored tobacco products they offer, and now make most of those products available in a growing array of kidfriendly flavors. Little cigars, smokeless tobacco, and e-cigarettes are marketed in a wide array of sweet flavors and colorful packaging that appeals to youth. According to the California Department of Public Health, young people are much more likely to use candy and fruit flavored products than adults. Prohibiting the sale of flavored tobacco products, including menthol cigarettes, helps to remove some of the appeal of these products to beginning smokers.

Adolescents are still going through critical periods of brain growth and development, and they are especially vulnerable to the toxic effects of nicotine. Both opponents of smoking and purveyors of cigarettes have long recognized the significance of adolescence as the period during which smoking behaviors are typically developed. Tobacco companies have a long

history of marketing to vulnerable populations, and target youth with imagery and by marketing appealing flavors. This has been particularly true in the African American population. In African American communities, the tobacco industry has aggressively marketed menthol flavored tobacco products to youth. More than 80% of African American smokers smoke menthol cigarettes, and African American men have the highest death rates from lung cancer, when compared to other demographic groups. The anesthetizing effect of menthol masks the harshness of tobacco, making menthol cigarettes more appealing to beginning smokers, and menthol smokers demonstrate greater dependence, and are less likely to quit.

While cigarette smoking has declined in the U.S., sales of menthol cigarettes have steadily increased in recent years, especially among young people and new smokers. Prohibiting the sale of flavored tobacco products can help to keep kids from ever starting to smoke, and can encourage those who do smoke to quit. We should be doing everything we can to protect young people from ever establishing this deadly addiction, and the cancer it causes, as well as supporting those who are trying to quit. ACS CAN appreciates San Francisco's leadership in bringing this issue forward, and we encourage the Board of Supervisors to pass this amendment to prohibit the sale of all flavored tobacco products in the City of San Francisco.

Sincerely,

Cassie Ray

Cassie Ray

Government Relations Director, Northern California
American Cancer Society Cancer Action Network

From:

Board of Supervisors, (BOS)

Sent:

Thursday, June 01, 2017 12:23 PM

To:

BOS-Supervisors; Major, Erica (BOS)

Subject:

FW: Support of Prohibiting the Sale of Flavored Tobacco - File No. 170441

Attachments:

San Francisco Flavors.pdf

From: Cassie Ray [mailto:cassie.ray@cancer.org]

Sent: Thursday, June 01, 2017 11:12 AM

Subject: Support of Prohibiting the Sale of Flavored Tobacco

Dear Mayor Lee and Members of the San Francisco Board of Supervisors:

Tobacco use remains the leading cause of preventable death in the U.S., and sadly, most people become addicted as youth—before they are even old enough to legally purchase tobacco—and most begin with flavored products. The tobacco industry has a long history of targeting vulnerable populations, especially young people in low income neighborhoods, communities of color and LGBTQ communities. Flavors, including menthol, are an important strategy used by the tobacco industry, whose own documents call these "starter products."

Attached is a letter urging a yes vote, in favor of prohibiting the sale of all flavored tobacco products, including menthol, in the City of San Francisco.

Thank you for your leadership on this important health issue.

Cassie Ray | Northern California Government Relations Director

American Cancer Society Cancer Action Network, Inc.

700 Main Street Suite 102

Suisun City, CA 94585

Phone: 707.290.0003 | Mobile: 707.290.0003 | Fax: 916.447.6931









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From:

Maron, Michele < Michele. Maron@jti.com>

Sent:

Tuesday, May 09, 2017 5:14 PM

To:

Fewer, Sandra (BOS); hilary.ronen@sfgov.org; Sheehy, Jeff (BOS)

Cc:

Major, Erica (BOS); Somera, Alisa (BOS)

Subject:

Proposed Ordinance on Flavored Tobacco Products

**Attachments:** 

050917\_Ordinance170441\_JTIUSA.pdf

Dear Members of the Public Safety and Neighborhood Services Committee:

On behalf of JT International U.S.A., Inc., a small manufacturer of tobacco products in the US, please find attached our opposition to proposed Ordinance 170441, which seeks to ban the sale of flavored tobacco products, including menthol.

We would be pleased to speak with you or any Public Safety and Neighborhood Services Committee staff members to provide further information on this important policy issue.

Thank you in advance for your time.

Best regards, Michele Maron

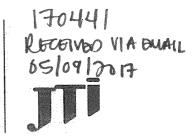
Michele Maron Manager Corporate Affairs & Communications

+12018082113 +12012745803 michele.maron@jti.com

JT International U.S.A., Inc. 500 Frank W Burr Blvd Suite 24, Teaneck, NJ 07666, USA

#### iti.com





TO:

San Francisco Board of Supervisors, Public Safety and Neighborhood Services

Committee

RE:

Potential ban of mentholated cigarette products

DATE:

May 9, 2017

#### Dear Supervisors:

JT International U.S.A., Inc. ("JTI USA"), a small manufacturer of tobacco products in the US, believes that tobacco products carry risks to health.

JTI also believes emphatically that:

- Minors should not smoke, and should not be able to obtain tobacco products.
- Adult smokers should be appropriately informed about the health risks of smoking before they begin smoking.

JTI USA supports appropriate and proportionate regulation which is based on evidence and sound science. However, the recently contemplated legislation, seeking to ban mentholated tobacco products in San Francisco, is not based on sound scientific evidence. There is no evidence that the use of menthol in tobacco products plays any role in minors' experimentation with smoking. Similarly, there is no evidence that smokers find it more difficult to quit tobacco products that contain menthol than those that do not. An outright ban on these products would thus amount to arbitrary regulation based on abstract concepts such as "attractiveness" or "appeal".

Menthol is used in a variety of foods, drugs and OTC health and cosmetic products such as chewing gum, cough drops, mouthwash and lip balms. JTI similarly uses ingredients, including menthol, to help ensure that its products meet the preferences of its adult consumers and to differentiate its products from those of its competition.

There is no evidence to suggest that menthol is "addictive". Nor does the available scientific evidence support such an assertion or conclusion:

- studies have repeatedly suggested that the inclusion of menthol has no effect on smoking prevalence, smoking behavior, or on quit rates; and
- mentholated cigarettes account for a much smaller market share than nonmentholated cigarettes.



If menthol cigarettes were in fact harder to quit, then logically you would expect them, over time, to enjoy a much greater market share than they do.

Despite years of investigating this issue, The Food and Drug Administration's (FDA's) Tobacco Products Scientific Advisory Committee (TPSAC) has not been able to produce science-based proposals to justify any menthol ban.

The FDA's TPSAC was tasked with investigating mentholated cigarettes and produced a report, which was invalidated as a result of a legal challenge.

That judgment concluded that the report was "at a minimum suspect and at worst untrustworthy" on the basis that members of the TPSAC committee had serious conflicts of interest.

With no science-based proposals to justify a menthol ban at a federal level, we believe it to be no different at a local level.

#### Finally, the proposed legislation will not work.

Prohibiting the sales of menthol cigarettes in San Francisco will simply push the existing demand for these products across the city limits, thus depriving the city and hardworking retailers of revenue.

At worst, this could open San Francisco up to illicit sales of menthol cigarettes by criminals, who have no regard for the law, regulatory compliance or age verification.

Rather than deny adult smokers the ability to legally purchase menthol cigarettes, we encourage the authorities to focus on enforcing the newly increased minimum purchase age restrictions to ensure that no minor can access or consume tobacco products.

It is on behalf of our employees, customers and adult consumers that we advocate this legislation be abandoned and we remain at your disposal to discuss any aspect of this letter. We look forward to being part of the debate around eradicating youth access to tobacco products in San Francisco.

Best regards.

Michele Maron

Corporate Affairs & Communications Manager

From:

Roberts, Kevin < Kevin.Roberts@logicecig.com>

Sent:

Monday, May 01, 2017 4:26 PM

To:

Fewer, Sandra (BOS); Ronen, Hillary; Sheehy, Jeff (BOS)

Cc:

Major, Erica (BOS); Somera, Alisa (BOS)

Subject:

Concerning Opposition to Proposed Ordinance which seeks to ban flavored e-cigarettes

Attachments:

5 1 17 File 170441 Logic Opposition.pdf

Honorable Members of the Board of Supervisors Public Safety and Neighborhood Services Committee:

On behalf of Logic Technology Development, LLC, a New Jersey-based company and the third largest supplier of vapor products/electronic cigarettes in the country, please find attached correspondence detailing our opposition to File #170441, a proposed ordinance that seeks to ban the sale of flavored electronic cigarettes in San Francisco.

We would be pleased to meet or speak with you and/or an appropriate member of your staff(s), or any member or staff member of the Life Enrichment Committee, to provide further information at any stage on this important policy issue. Thank you in advance for your consideration.

Best, Kevin

Kevin Roberts
Director, Regulatory Affairs and Communications
Logic Technology Development, LLC
Kevin.Roberts@logicecig.com

Office: 609-525-4420 Mobile: 609-423-3406

,70441



May 1, 2017

#### **VIA FAX & ELECTRONIC MAIL**

Members of the San Francisco Board of Supervisors Public Safety and Neighborhood Services Committee:

Supervisor Sandra Lee Fewer, District 1

Supervisor Hillary Ronen, District 9

Supervisor Jeff Sheehy, District 8

Re: File # 170441; Proposed Ordinance banning the sale of flavored electronic cigarettes

Honorable Supervisors,

Logic Technology Development, LLC, headquartered in Princeton, New Jersey, is the third largest supplier of electronic cigarettes in the USA.

On behalf of our employees, customers, retailers and consumers, I am writing to state our opposition to the proposed legislation, File #170441, an ordinance that would ban the sale of flavored electronic cigarettes throughout the City of San Francisco.

Logic takes the issue of youth access seriously and believes, unequivocally, that minors under the legal purchase age should not have access to tobacco products or electronic cigarettes, irrespective of the flavor they are offered in. We support enforcement efforts and participate in efforts to bolster retail age of sale compliance training and educational resources as a member of the *WeCard* Manufacturer Advisory Council.

With respect to the proposed ban on flavored electronic cigarettes and other tobacco products, banning flavored electronic cigarettes will not achieve the policy objectives envisioned in the ordinance. Instead, these products will continue to be available for legal purchase outside city limits and on the internet. Ultimately this will only hurt San Francisco's small businesses, deprive adult smokers of alternatives to the known harms of combustible cigarettes, and subject consumers to the potential harm of an expanded underground and unregulated sales channel.

By forcibly removing these products from the shelves of responsible retailers, who act as a barrier to prevent underage sales, the bill will also potentially widen the access of minors to these products via illicit channels.



Flavored electronic cigarette products have been developed to meet the preferences and demands of adult smokers who have decided to purchase these products as an alternative to combustible cigarettes. These adult smokers do not necessarily want an electronic cigarette that tastes identical to the products from which they are potentially trying to transition away, especially when it is inherently difficult to exactly replicate the flavor of a combustible cigarette in an electronic form.

This proposal would result in greater limitations of choice for adult consumers and undercut an emerging product that has been recognized among recent authoritative opinions which say that the use of e-cigarettes is likely to be less harmful to health than smoking.

A ban on flavored electronic cigarettes is not science based. This point is clearly illustrated by the fact that a ban runs counter to the approach that the FDA has set out in its own Deeming Rule that establishes Federal regulation over the electronic cigarette category. In that rule, the Agency acknowledged the lack of definitive data on flavored products and has instead adopted a "balanced" approach until the science is understood on the use of flavored products by adult smokers transitioning away from combusted tobacco use.

From Page 154 of the FDA's final Deeming Rule:

Over time, FDA expects to see additional data on the role of certain flavored products in supporting reduction in or abstinence from the use of combusted products, as well as further data on the role of flavored products in youth initiation, use, and dual use. Such data will help inform FDA's regulation of, and product standards for, these and other tobacco products.

The final rule published by the FDA acts accordingly, allowing flavored products to exist and to be evaluated in the context of the Agency's mandatory product review pathways for all newly regulated e-cigarette products wishing to remain on the market.

From Page 308 of the FDA's final Deeming Rule (emphasis added):

If additional evidence emerges that flavored [Electronic Nicotine Delivery Systems (ENDS)] make it more likely that smokers switch completely to ENDS, such evidence submitted as part of a PMTA would help support that application, as part of the analysis of whether the marketing of the product is appropriate for the protection of public health. Further, new data shows continued growth in youth and young adult usage of flavored tobacco products. FDA has balanced those concerns with preliminary data showing that some adults may potentially use flavored ENDS to transition from combusted tobacco use when developing the compliance policy for premarket review.



We urge you to abandon the current proposal that is not rooted in science or evidence, and to follow the FDA's lead in allowing the science and scientific consensus to develop on this subject, rather than act in haste with an arbitrary ban that lacks scientific justification.

In summary, it is clear that arbitrary restrictions on flavored electronic cigarettes, such as those contemplated by the proposed ordinance:

- Do not appear to be based on sound or complete science;
- Run counter to the FDA's own "balanced" approach in its treatment of flavored products, as it awaits further scientific review and data to become available:
- Ignore the clear demand that exists among adult smokers for these products;
- Will push demand for flavored products to where they are available, including underground suppliers in San Francisco, via the internet, and out-of-city jurisdictions where they will continue to remain legal;
- Will undoubtedly lead to an increase in unregulated and underground sales of these
  products, a reality that threatens to expose consumers to the far greater risk of acquiring
  products not held to product quality and safety standards; and,
- Will potentially push adult consumers from vapor products and electronic cigarettes back to the known harms of combustible tobacco product use.

The regulation of electronic cigarettes should primarily aim to keep products out of the hands of minors. Given that a minimum legal purchase age has been enacted for all ecigarettes, irrespective of flavor, we believe that it would be more appropriate and effective, at this time, for the City's leaders to ensure that these age restrictions are robustly enforced, including on the internet, rather than prohibiting flavored products.

We look forward to continued participation in this debate and would ask that the points we raise be taken into full consideration. We remain at your disposal to meet with you or your staff, or to provide further information at any stage.

Yours faithfully,

Anthony Hemsley

Head of Corporate Affairs

cc: Erica Major, Public Safety and Neighborhood Services Committee Clerk

#### **BOARD of SUPERVISORS**



# City Hall 1 Dr. Carlton B. Goodlett Place, Room 244 San Francisco 94102-4689 Tel. No. 554-5184 Fax No. 554-5163 TDD/TTY No. 554-5227

Chairperson, Youth Commission

# MEMORANDUM

10:	Youth Commission
FROM:	Victor Young, Assistant Committee Clerk
DATE:	May 11, 2017
SUBJECT:	REFERRAL FROM BOARD OF SUPERVISORS
Commission recommenda	f Supervisors has received the following, which at the request of the Youth is being referred as per Charter Section 4.124 for comment and ation. The Commission may provide any response it deems appropriate as from the date of this referral.
File: 170441	
	amending the Health Code to prohibit tobacco retailers from selling acco products, including menthol cigarettes.
flavored tob  Please retur	•
flavored tob Please retur Assistant Co	acco products, including menthol cigarettes.  In this cover sheet with the Commission's response to Erica Major,
flavored tob Please retur Assistant Co	acco products, including menthol cigarettes.  In this cover sheet with the Commission's response to Erica Major, ommittee Clerk, Public Safety and Neighborhood Services.
Please retur Assistant Co	acco products, including menthol cigarettes.  In this cover sheet with the Commission's response to Erica Major, ommittee Clerk, Public Safety and Neighborhood Services.

#### **BOARD of SUPERVISORS**



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

### MEMORANDUM

TO:

Regina Dick-Endrizzi, Director

Small Business Commission, City Hall, Room 448

FROM:

Erica Major, Assistant Clerk, Public Safety and Neighborhood Services

Committee, Board of Supervisors

DATE:

C:

April 24, 2017

SUBJECT:

REFERRAL FROM BOARD OF SUPERVISORS

Public Safety and Neighborhood Services Committee

The Board of Supervisors' Public Safety and Neighborhood Services Committee has received the following legislation, which is being referred to the Small Business Commission for comment and recommendation. The Commission may provide any response it deems appropriate within 12 days from the date of this referral.

File No. 170441

Ordinance amending the Health Code to prohibit tobacco retailers from selling flavored tobacco products, including menthol cigarettes.

Please return this cover sheet with the Commission's response to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

**************************************	**************************************
No Comment  Recommendation Attached	
	Chairperson, Small Business Commission

Menaka Mahajan, Small Business Commission

#### BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

## MEMORANDUM

TO:

Myong Leigh, Interim Superintendent, San Francisco Unified School

District

Barbara A. Garcia, Director, Department of Public Health Mark Morewitz, Commission Secretary, Health Commission

FROM:

Erica Major, Assistant Clerk, Public Safety and Neighborhood Services

Committee, Board of Supervisors

DATE:

April 24, 2017

SUBJECT:

LEGISLATION INTRODUCED

The Board of Supervisors' Public Safety and Neighborhood Services Committee has received the following proposed legislation, introduced by Supervisor Cohen on April 18, 2017:

File No. 170441

Ordinance amending the Health Code to prohibit tobacco retailers from selling flavored tobacco products, including menthol cigarettes.

If you have any additional comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c: Viva Mogi, San Francisco Unified School District Esther Casco, San Francisco Unified School District Danielle Houck, San Francisco Unified School District Greg Wagner, Department of Public Health Colleen Chawla, Department of Public Health Print Form

# **Introduction Form**

By a Member of the Board of Supervisors or the Mayor



I hereby submit the following item for introduction (select only one):	ting date
<ul><li>I. For reference to Committee. (An Ordinance, Resolution, Motion, or Charter Amendment)</li></ul>	
2. Request for next printed agenda Without Reference to Committee.	
☐ 3. Request for hearing on a subject matter at Committee.	
☐ 4. Request for letter beginning "Supervisor inqu	uires"
☐ 5. City Attorney request.	
6. Call File No. from Committee.	
7. Budget Analyst request (attach written motion).	
8. Substitute Legislation File No.	
9. Reactivate File No.	
☐ 10. Question(s) submitted for Mayoral Appearance before the BOS on	
Please check the appropriate boxes. The proposed legislation should be forwarded to the following:  区 Small Business Commission 区 Youth Commission □ Ethics Commission	l
☐ Planning Commission ☐ Building Inspection Commission	
Note: For the Imperative Agenda (a resolution not on the printed agenda), use a Imperative Form	l <b>.</b>
Sponsor(s):	
Cohen; Safai; Breed; Farrell; Sheehy; Tang	
Subject:	
Ordinance amending the Health Code to prohibit tobacco retailers from selling flavored tobacco product menthol cigarettes	ts, including
The text is listed below or attached:	
Attached.	
Signature of Sponsoring Supervisor:	<i>*</i>
For Clark's Use Only	

For Clerk's Use Only: