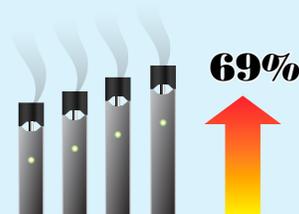


# Licensing Retail Tobacco Outlets to Reduce Youth Access to Tobacco Products in Virginia

Research conducted by Virginia Commonwealth University, Department of Psychology and George Mason University, Department of Health Administration and Policy, August 2020

**Key Terms Defined:** TRL: Tobacco Retail Licensing    MLA: Minimum Legal Age    RVR: Retailer Violation Rate

Despite significant decreases in cigarette smoking by youth over the past two decades, the percentage of Virginia high school youth who are current smokers remains unacceptably high (5.5%).<sup>1</sup> Perhaps more concerning is the dramatic increase in the percentage of youth who are using e-cigarettes; an increase of 69% among high school youth from 2017 to 2019 (11.8% and 19.9%, respectively).<sup>2</sup>



## MLA laws must be combined with effective enforcement that drives down illegal sales to minors

While MLA laws are an important part of efforts to decrease youth tobacco use, past experience demonstrates “that the mere adoption of a law prohibiting the sale of tobacco products to minors is insufficient to prevent the [actual] sale of tobacco to children.”<sup>3</sup>

## TRL is a Key Component of MLA Laws

- 1) licensing will produce a comprehensive list of retail tobacco outlets that can be used in vendor education and enforcement efforts,<sup>12</sup>
- 2) licensing fees can be used to generate the funds needed to support a comprehensive system of vendor education and enforcement, and
- 3) incremental monetary fines as well as license suspensions and revocations as penalties for selling tobacco products to minors are a significant deterrent to violating state MLA laws.<sup>12</sup>

## Current enforcement activities in Virginia are inadequate to prevent youth from using tobacco products

Enforcement efforts related to sales to underage buyers have been severely reduced, resulting in an increased RVR to 16.8% in 2019<sup>21</sup> In the most recent year for which data are available, compliance checks (i.e., “false buys” by underage buyers) were conducted for only 6.4% (less than 600) of retail tobacco outlets, compared to approximately 50% of retailers prior to the loss of the state-wide federal Food and Drug Administration contract in May 2018.<sup>13</sup>



**If the RVR rises above 20%, the state risks losing approximately \$17 million of federal Substance Abuse Block Grant dollars.<sup>16</sup>**

## TRL in the U.S.

Currently, 40 states and Washington, DC require some form of license to sell one or more types of tobacco products. 78% of states that license retail tobacco outlets require that the license be renewed on an annual basis. The average annual license fee is \$74.63 and ranges from \$5 to \$300.<sup>17</sup> If Virginia were to implement a TRL with an annual licensing fee of \$75 (approximately the current nation-wide average), it would generate \$574,054 that could be used to enhance MLA enforcement and retailer education efforts.



## TRL Best Practices

- 1) require a license to sell any tobacco product (including e-cigarettes and heated tobacco products) for all tobacco retailers,
- 2) assess a licensing fee to adequately fund implementation and enforcement of the law,
- 3) require a license to be renewed annually,
- 4) include a provision that any violation of local, state, or federal law is a violation of the license;
- 5) require retailers to train their employees on the requirements of the Commonwealth's MLA and TRL laws as a condition of receiving a license, and
- 6) include a graduated penalty system for violators, including monetary fines, license revocation, or suspension.<sup>8,9,11,18</sup>

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