

7.1 Prohibition of the Sale and Distribution of Nitrous Oxide *and* 7.2 Temporary Moratorium on Tobacco Retail License

City Council

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7.1 Prohibition of the Sale and Distribution of Nitrous Oxide

Nitrous Oxide: Growing Public Health and Regulatory Issue



Public Health Concern

Rising misuse among teens, young adults

Serious health risks, including death



Community Impact

Increased access

Prohibited retail sales normalize recreational use

Litter and environmental blight



Regulatory Gaps

State safeguards have proven largely ineffective

Widely sold in smoke shops or similar retail establishments



New SJMC Chapter 6.89 “Nitrous Oxide”

The Proposed Chapter Would:

- Ban nitrous oxide sales in smoke shops or similar retail establishments
- Hold property owners jointly liable
- Allow limited medical, dental, or other industrial exceptions
- Declare violations a public nuisance
- Allow Tobacco Retail License revocation for violations
- Urgency Ordinance- ***Effective Immediately***

Anticipated Outcomes :

- Reinforce state law restrictions
- Eliminate major retail sources
- Reduce recreational nitrous oxide misuse
- Support broader public health efforts
- Provide civil enforcement mechanism through:
 - Revocation of TRL Licenses
 - Administrative Remedies

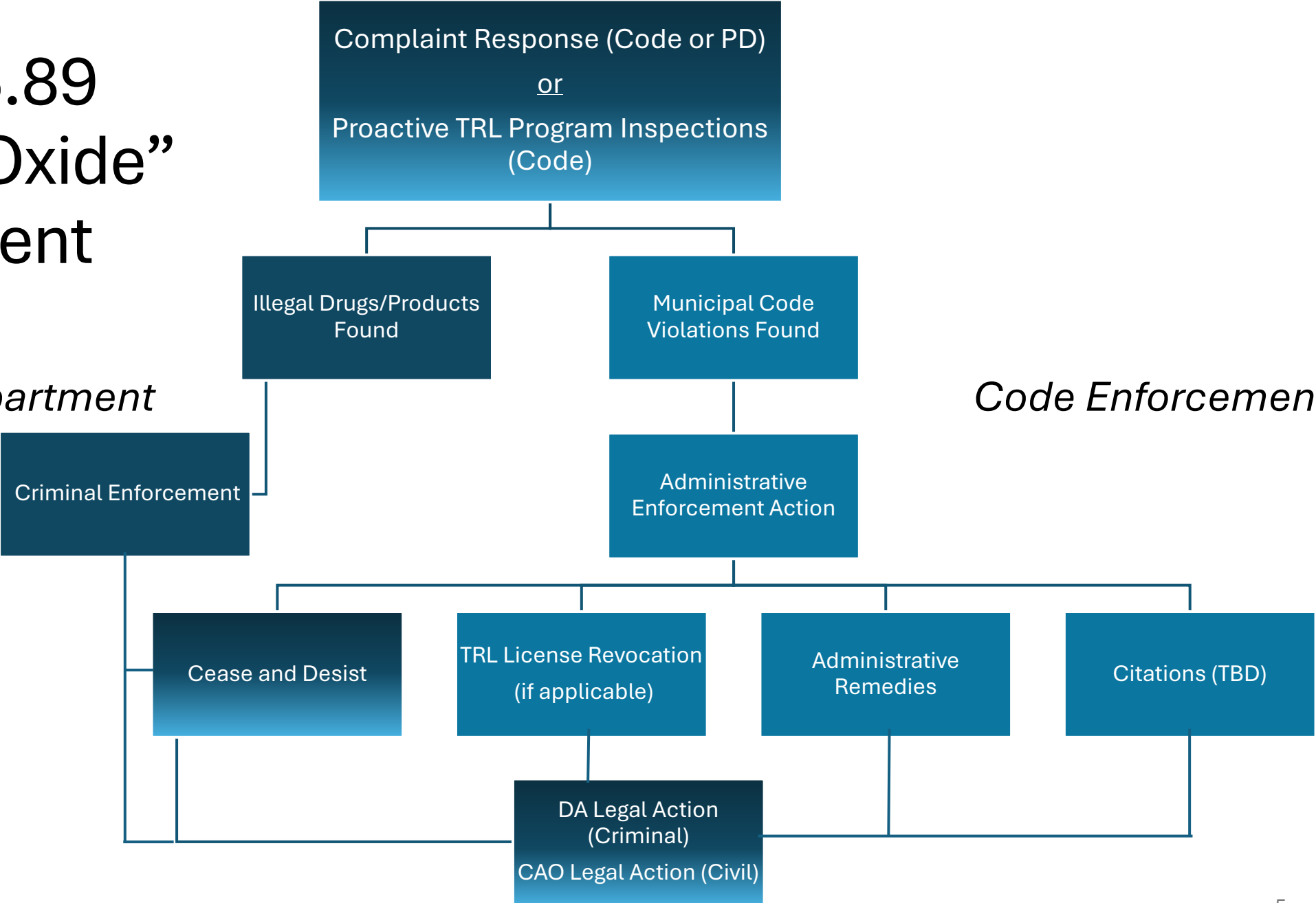
Chapter 6.89

“Nitrous Oxide”

Enforcement

Police Department

Code Enforcement



7.2 Temporary Moratorium on Tobacco Retail License

Tobacco Retail License: Scope of the Issue



Public Health Risks

Youth access to tobacco, vaping, other drugs

Prohibited flavored tobacco sales

Sale of Illegal drugs/products



Enforcement Trends

Increase in complaints regarding unlicensed operations, illegal sales (including flavored tobacco products)

Of 101 unique businesses with complaints:

- 30 operating without TRL

- 35 operating without a TRL and Business Tax License



Neighborhood/Equity Impacts

Overconcentration near schools, youth centers, and residential areas

Latino Health Assessment (2025) found higher retailer density in underserved areas

Tobacco Retail License: Moratorium Framework

Moratorium Framework

- Urgency ordinance (Gov. Code § 65858)
 - Requires 8 City Council votes
 - Takes effect immediately for 45 days, extendable up to 2 years
- Prevents new businesses from obtaining a Tobacco Retail License
- Exempts existing, licensed retailers

Purpose and Rationale

- Address proliferation of vape/smoke shops and unpermitted operations
- Protect public health, youth, and vulnerable communities
- Allow time to:
 - Review and strengthen TRL program
 - Enhance coordination among departments and agencies
 - Review enforcement tools and process

Projected Outcomes

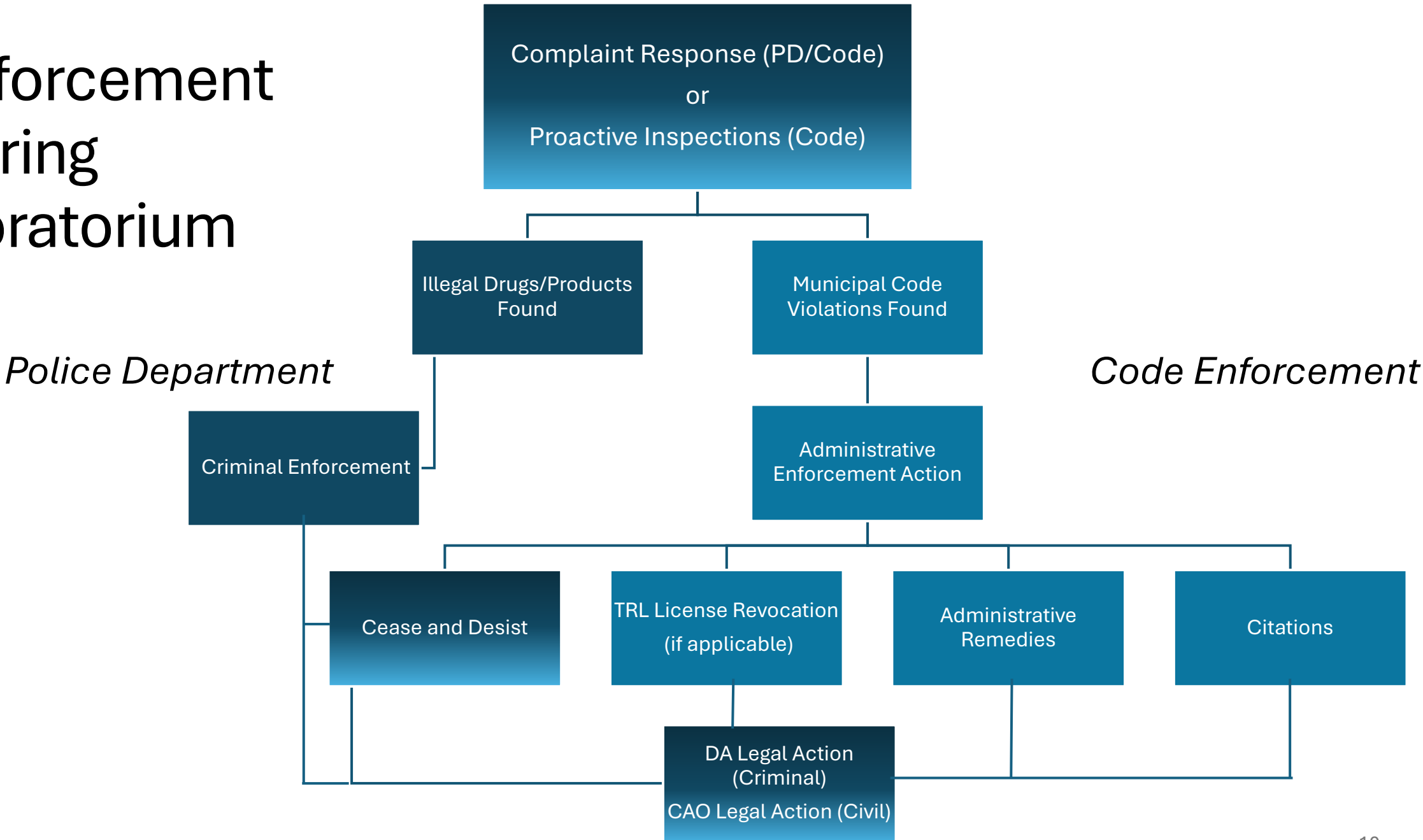
- Ensure businesses comply through permitting, ending illegal sales, or closure
- Improve enforcement framework
- Reduce youth exposure and overconcentration
- Stronger community health and neighborhood safety

Work Plan During Moratorium



Develop	Ordinance amendments to strengthen TRL regulations and close loopholes (definitions, signage, product rules)
Amend	The fine schedule to increase TRL fines (part of Fine Study)
Reconcile	City and State Lists of TRL businesses
Implement	Coordinated enforcement strategy in partnership with Police, City Attorney, State, County Public Health
Conduct	Enforcement on businesses operating in violation including but not limited to ceasing sales, revoking TRL, ceasing operations, or legal action
Continue	Proactive inspections and complaint response
Expand	Scope of the California Department of Justice grant for targeted enforcement

Enforcement During Moratorium



Next Steps

Initial 45-day Moratorium
begins upon adoption

Staff report to City
Council 10 days prior to
expiration with progress
update

Implement work plan and
return with
recommendations

Tobacco Retail License Businesses: Status and Locations (November 2025)

