

Fiscal Estimate - 2019 Session

☒ Original
 ☐ Updated
 ☐ Corrected
 ☐ Supplemental

LRB Number 19-1889/1	Introduction Number SB-073
Description prohibiting the sale of vapor products to minors and the purchase of those products by minors	
Fiscal Effect State: <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations </div> <div style="width: 33%;"> <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues </div> <div style="width: 33%;"> <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <div style="display: flex; justify-content: space-around;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </div> <input type="checkbox"/> Decrease Costs </div> </div> Local: <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input checked="" type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate <div style="display: flex;"> <div style="width: 50%;"> 1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> <div style="width: 50%;"> 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> </div> </div> <div style="width: 33%;"> 5. Types of Local Government Units Affected <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> Towns <input type="checkbox"/> Counties <input type="checkbox"/> School Districts </div> <div style="width: 33%;"> <input type="checkbox"/> Village <input type="checkbox"/> Others <input type="checkbox"/> WTCS Districts </div> <div style="width: 33%;"> <input type="checkbox"/> Cities </div> </div> </div> </div>	
<div style="display: flex; justify-content: space-between;"> <div> Fund Sources Affected <input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS (1)(fm) </div> <div> Affected Ch. 20 Appropriations </div> </div>	
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Date 4/5/2019	

Fiscal Estimate Narratives

DHS 4/5/2019

LRB Number	19-1889/1	Introduction Number	SB-073	Estimate Type	Original
Description prohibiting the sale of vapor products to minors and the purchase of those products by minors					

Assumptions Used in Arriving at Fiscal Estimate

Current law prohibits certain actors, such as retailers and manufacturers, from selling cigarettes, tobacco products, or nicotine products to a person who is under the age of 18 (a minor), and from providing cigarettes, tobacco products, or nicotine products for free to any person except in specific instances. Current law also prohibits a minor from purchasing, attempting to purchase, possessing, or falsely representing his or her age for the purpose of receiving any cigarette, nicotine product, or tobacco product. These requirements are enforced through unannounced investigations of retailers to ensure compliance, which are funded by the Department of Health Services.

Current law also requires retailers that sell cigarettes or tobacco products to provide training to their employees on current regulations regarding the sale of cigarettes and tobacco products to minors. This training is developed and monitored by the Department of Health Services.

The proposed legislation seeks to expand the scope of current laws to encompass vapor products, including as e-cigarettes and vape pens.

The Department of Health Services can comply with this requirement by conducting additional investigations of retailers that sell vapor products and developing an educational outreach campaign for retailers and law enforcement regarding the impact of the proposed legislation. To meet the requirements of this legislation, the Department would expand the scope of their investigations to include additional vape stores, develop a mailing and digital media campaign for retailers to increase awareness and compliance with statute, and provide educational information to law enforcement. The cost of these activities is \$181,500 GPR per year. This amount includes \$74,200 GPR to local community agencies currently conducting the investigations. The remaining \$107,300 GPR would be awarded to an outside vendor that would be responsible for developing the educational outreach campaign to retailers and law enforcement. The Department is unable to absorb these costs within existing resources.

Long-Range Fiscal Implications