

Fiscal Estimate - 2025 Session

☐ Original ☐ Updated ☐ Corrected ☒ Supplemental

LRB Number 25s0062/1		Introduction Number ASA1-AB234	
Description the electronic vaping device directory and hemp-derived electronic vaping devices			
Fiscal Effect			
State:			
<input checked="" type="checkbox"/> No State Fiscal Effect			
<input type="checkbox"/> Indeterminate			
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Increase Existing Revenues	
<input type="checkbox"/> Decrease Existing Appropriations		<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriations		<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget	
		<input type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Decrease Costs	
Local:			
<input type="checkbox"/> No Local Government Costs			
<input type="checkbox"/> Indeterminate			
1. <input type="checkbox"/> Increase Costs		3. <input type="checkbox"/> Increase Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs		4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
5. Types of Local Government Units Affected			
<input type="checkbox"/> Towns		<input type="checkbox"/> Village <input type="checkbox"/> Cities	
<input type="checkbox"/> Counties		<input type="checkbox"/> Others	
<input type="checkbox"/> School Districts		<input type="checkbox"/> WTCS Districts	
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			
Affected Ch. 20 Appropriations			
Agency/Prepared By		Authorized Signature	
DOR/ Momodou Bah (608) 266-8133		Cari Redington (608) 266-2943	
		Date	
		6/16/2025	

Fiscal Estimate Narratives

DOR 6/16/2025

LRB Number	25s0062/1	Introduction Number	ASA1-AB234	Estimate Type	Supplemental
Description the electronic vaping device directory and hemp-derived electronic vaping devices					

Assumptions Used in Arriving at Fiscal Estimate

Under current law created in 2023 Wisconsin Act 73, manufacturers of electronic vaping devices, defined in part as devices that may be used to deliver any aerosolized or vaporized liquid or other substance for inhalation, regardless of whether the liquid or other substance contains nicotine, must, beginning July 1, 2025, annually certify to the Department of Revenue that the manufacturer has received a marketing authorization or similar order for the electronic vaping device from the U.S. Food and Drug Administration pursuant to 21 USC 387j

Under this bill, a manufacturer of electronic vaping devices that contain hemp and do not contain nicotine (hemp devices) is not required to certify to DOR that the manufacturer has received a marketing authorization from the FDA. However, the manufacturer is still required to submit to DOR information about the manufacturer's hemp devices that are available for sale in this state for the purpose of the electronic vaping device directory, and a hemp device may not be sold or offered for sale if the device is not listed in the directory.

FISCAL EFFECT

The Food and Drug Administration (FDA) does not normally approve non-nicotine vapor products for broad consumption. Hemp derived vapor products generally do not contain nicotine. The department therefore estimates that the fiscal effect of ASA1 will not change the initial fiscal estimate submitted for AB-234. The estimate for AB-234 assumes 99% of vapor products sold in convenient stores in Wisconsin contain nicotine.

Assuming 9% (in 2024 9% of nicotine free vapor products sold in the US was attributed to hemp) of the 1% nicotine free vapor products sold in Wisconsin are hemp derived, then the net increase in revenue because of ASA1 will be about \$4,000 annually.

Long-Range Fiscal Implications