

Department of Planning and Budget 2020 Fiscal Impact Statement

1. Bill Number: HB93

House of Origin	<input checked="" type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

2. Patron: Kory

3. Committee: House Committee on Finance

4. Title: Flavored tobacco products; sale or distribution prohibited, civil penalty.

5. Summary: The proposed bill prohibits the sale or distribution of flavored tobacco products, defined in the bill, and creates a civil penalty of \$1,000 for a first offense and \$5,000 for a second or subsequent offense.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: Preliminary (see Item #8)

8. Fiscal Implications: The proposed bill stipulates that “*no person shall sell or distribute or offer to sell or distribute in the Commonwealth any flavored tobacco product.*” Persons found in violation of the bill provisions would be assessed a \$1,000 penalty for a first offense and \$5,000 for a second or subsequent offense to be collected by the Department of Taxation (“TAX”) in the same manner as current cigarette taxes are collected.

Revenues generated from the bill would be deposited into the Virginia Health Care Fund. All revenue deposited into the Fund must be used as state match for Medicaid and would serve to offset general fund dollars. However, since there is not sufficient information to predict future violations of the bill provisions, a revenue impact estimate cannot be determined.

9. Specific Agency or Political Subdivisions Affected: Department of Taxation

10. Technical Amendment Necessary: No

11. Other Comments: None