

## **Department of Planning and Budget**

### **2019 Fiscal Impact Statement**

**1. Bill Number:** HB2748- ER

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

**2. Patron:** Stolle

**3. Committee:** Passed Both Houses

**4. Title:** Purchase, possession, and sale of tobacco products, nicotine vapor products, and alternative nicotine products; minimum age requirements; penalties.

**5. Summary:** Increases the minimum age for persons prohibited from purchasing or possessing tobacco products, nicotine vapor products, and alternative nicotine products, and the minimum age for persons such products can be sold to, from 18 years of age to 21 years of age unless such person is an active duty military personnel. The bill also allows tobacco products, nicotine vapor products, and alternative nicotine products to be sold from a vending machine if there is posted notice of the minimum age requirements and the machine is located in a place that is not open to the general public and not generally accessible to persons under 21 years of age. Under current law, tobacco products may be sold from a vending machine if there is posted notice of the minimum age requirements and the machine is located in a place that is not open to the general public and not generally accessible to minors.

**6. Budget Amendment Necessary:** No

**7. Fiscal Impact Estimates:** Indeterminate, see Item 8.

**8. Fiscal Implications:** The fiscal impact of this bill is indeterminate.

Department of Taxation: The department does not have data on the total tobacco purchases made by individuals between the ages of 18 and 21. Therefore, it is not possible to determine the impact on sales tax revenues resulting from the proposed amendment.

Department of Medical Assistance Services: All tobacco tax revenue received by the Commonwealth pursuant to the provisions of (i) §§ 58.1-1001 and 58.1-1018, (ii) Article 2.1 (§ 58.1-1021.01 et seq.) of Chapter 10 of Title 58.1 must be deposited into the Virginia Health Care fund. All moneys deposited to this fund are used as state matching dollars for the Medicaid program in the place of general fund dollars. As such, any proposal that has an impact on tobacco tax revenue would have a corresponding dollar-for-dollar impact to the general fund.

Circuit and District Courts: It is not possible to project how many additional offenders would be prosecuted as a result of the proposed amendment, therefore, it is not possible to estimate the potential impact on the courts.

Other: It is not possible to determine the number of active duty military personnel, who are 18 years of age or older, that would purchase tobacco products. Therefore, the exemption offered in the substitute version of this bill has an indeterminate fiscal impact.

**9. Specific Agency or Political Subdivisions Affected:** Department of Medical Assistance Services, Circuit and District Courts, Circuit Court and District Court clerks

**10. Technical Amendment Necessary:** No

**11. Other Comments:** Similar to SB1727