



Revised Fiscal Note
S.B. 37 1st Sub. (Green)

2020 General Session
 Electronic Cigarette and Other Nicotine
 Product Amendments
 by Christensen, A. (Christensen, Allen.)



General, Education, and Uniform School Funds

JR4-4-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$0	\$0	\$0

State Government

UCA 36-12-13(2)(c)

Revenues	FY 2020	FY 2021	FY 2022
New Account Created By Bill (FN Only)	\$0	\$23,000,000	\$37,000,000
Total Revenues	\$0	\$23,000,000	\$37,000,000

Enactment of this bill may increase revenue to the newly created Electronic Cigarette and Other Nicotine Product Tax Restricted Account by \$23.0 million in FY 2021 and \$37.0 million in FY 2022.

Expenditures	FY 2020	FY 2021	FY 2022
New Account Created By Bill (FN Only)	\$0	\$6,180,000	\$6,180,000
Total Expenditures	\$0	\$6,180,000	\$6,180,000

The following state agencies will be able to spend annually from newly-created Electronic Cigarette Substance and Nicotine Product Tax Restricted Account beginning in FY 2021: (1) \$2.0 million for the Department of Health for cessation programs and prevention education, (2) \$2.0 million for the Department of Health to distribute to local health departments for enforcement activities, (3) \$1.0 million for the Department of Human Services to spend on substance abuse services, and (4) \$1,180,000 to the Department of Public Safety for law enforcement officers.

	FY 2020	FY 2021	FY 2022
Net All Funds	\$0	\$16,820,000	\$30,820,000

Local Government

UCA 36-12-13(2)(c)

Enactment of this bill may increase revenue to the 13 local health departments by \$2.0 million annually beginning in FY 2021 to cover costs associated with electronic cigarette and nicotine product enforcement and education. Additionally enactment of this legislation may result in revenue of \$5,000 per civil penalty and associated costs of prosecution.

Individuals & Businesses

UCA 36-12-13(2)(c)

Enactment of this bill may increase the tax burden for purchasers of electronic cigarettes and other nicotine products by \$23.0 million in FY 2021 and \$37.0 million in FY 2022. Businesses that participate in selling certain products outlined in this legislation will be required to post a bond in a minimum amount of \$500.

Regulatory Impact

UCA 36-12-13(2)(d)

Enactment of this legislation could result in a medium increase in the regulatory burden for Utah residents or businesses.

Performance Note

JR4-2-404

No performance note required for this bill

Notes on Notes

Fiscal notes estimate the direct costs or revenues of enacting a bill. The Legislature uses them to balance the budget. They do not measure a bill's benefits or non-fiscal impacts like opportunity costs, wait times, or inconvenience. A fiscal note is not an appropriation. The Legislature decides appropriations separately.