

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 6125

BILL NUMBER: SB 142

NOTE PREPARED: Jan 7, 2021

BILL AMENDED:

SUBJECT: Age Verification for Tobacco and Vaping Sales.

FIRST AUTHOR: Sen. Ford Jon

BILL STATUS: CR Adopted - 1st House

FIRST SPONSOR:

FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill makes it a Class C infraction if a person or retail establishment sells or distributes tobacco, an e-liquid, or an electronic cigarette without performing age verification of the purchaser with scanning technology or an automated software system. It provides that a good faith effort to verify the age of a purchaser of e-liquids includes performing age verification with scanning technology or an automated software system.

Effective Date: July 1, 2021.

Explanation of State Expenditures: *Alcohol and Tobacco Commission (ATC):* The ATC would enforce the bill's provisions requiring tobacco, e-liquid, and electronic cigarette retailers to use scanning technology or an automated software system to verify the age of purchasers. The ATC should be able to do this within its existing level of resources.

Explanation of State Revenues: *Shipping E-liquids:* The bill makes it a Class C infraction for a person to ship e-liquid without performing age verification of the purchaser with scanning technology or an automated software system that indicates the birth date or age of the purchaser. (This requirement replaces the requirements in current law to verify the age of the purchaser in a commercially available database or obtain a photocopy of a government issued identification.)

If additional court cases occur and infraction judgments and court fees are collected, revenue to the state General Fund may increase. The maximum judgment for a Class C infraction is \$500, which is deposited in the state General Fund.

If court actions are filed and a judgment is entered, a court fee of \$70 would be assessed, 70% of which would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court. In addition, revenue from the automated record keeping fee (\$20) is deposited into the state user fee fund, and the judicial salaries fee (\$20), public defense administration fee (\$5), court administration fee (\$5), judicial insurance adjustment fee (\$1), and the DNA sample processing fee (\$3) are deposited into the state General Fund.

Sale or Distribution of Tobacco, E-liquids, or Electronic Cigarettes: The bill makes it a Class C infraction for a person to sell or distribute tobacco, an e-liquid, or an electronic cigarette without performing age verification with scanning technology or an automated software system. Civil penalties for violations of this provision would be deposited in the Richard D. Doyle Youth Tobacco Education and Enforcement Fund.

The bill also provides that a retail establishment that sells or distributes tobacco, an e-liquid, or an electronic cigarette without performing age verification with scanning technology or an automated software system commits a Class C infraction. The maximum penalty for violations of this provision ranges from \$400 to \$2,000 depending on the number of violations at the establishment in the previous year. Revenue is deposited in the Richard D. Doyle Youth Tobacco Education and Enforcement Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues: If additional court actions are filed and a judgment is entered, local governments would receive revenue from the following sources. The county general fund would receive 27% of the \$70 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. Persons found guilty of an infraction are also required to pay the following fees that are deposited in local funds: the document storage fee (\$5), which is deposited into the clerk record perpetuation fund, and the jury fee (\$2) and law enforcement continuing education fee (\$4), which are both deposited in the county user fee fund.

State Agencies Affected: Alcohol and Tobacco Commission.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources:

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