COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3555H.02C

Bill No.: HCS for HB 1484

Subject: Tobacco Products; Political Subdivisions; Licenses - Miscellaneous; Department

of Public Safety

Type: Original Date: April 4, 2024

Bill Summary: This proposal modifies provisions relating to tobacco product regulations.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2025	FY 2026	FY 2027	
Total Estimated Net				
Effect on General				
Revenue	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2025	FY 2026	FY 2027	
Total Estimated Net				
Effect on Other State				
Funds	\$0	\$0	\$0	

Numbers within parentheses: () indicate costs or losses.

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ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2025	FY 2026	FY 2027	
Total Estimated Net				
Effect on All Federal				
Funds	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)					
FUND AFFECTED	FY 2025	FY 2026	FY 2027		
Total Estimated Net					
Effect on FTE	0	0	0		

☐ Estimated Net Effect (expe	enditures or reduced revenue	es) expected to exceed \$250,000 in any
of the three fiscal years after	er implementation of the act	or at full implementation of the act.

☐ Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of
the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS						
FUND AFFECTED FY 2025 FY 2026 FY 202						
Local Government	\$0	\$0	\$0			

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FISCAL ANALYSIS

ASSUMPTION

§§407.924 – 407.934 – Tobacco product regulations

Officials from the **Department of Mental Health (DMH)** state the proposed legislation modifies language in Chapter 407 related to the law to sell or distribute tobacco products to a minor. It would change the laws that make it unlawful to sell or distribute tobacco products, including alternative nicotine products, to any individual under twenty-one years of age.

This legislation would align with federal law requiring individuals to be at least 21 years of age to purchase any tobacco products, including cigarettes, cigars and e-cigarettes. Currently, Missouri's current law requires individuals to be at least 18 years of age to purchase tobacco, alternative nicotine products, or vapor products.

There is no fiscal impact to DMH.

Oversight has no information to the contrary. Therefore, Oversight will present no fiscal impact for the DMH for this proposal.

Officials from the **Department of Revenue (DOR)** state this proposal updates the tobacco statutes by changing the name of the Division of Liquor to the Division of Alcohol and Tobacco Control (A&TC). The DOR notes that updating the name of the Division will not have a fiscal impact.

This proposal raises the age of selling smoking, tobacco or vapor products from 18 to 21. The Federal Budget signed on December 20, 2019, included a provision that raised the smoking, tobacco or vapor products age from 18 to 21. The federal law went into effect immediately. The changes in this proposal are to bring Missouri statutes into alignment with federal law. The Department assumes no impact from these changes.

This proposal updates several statutory references throughout. These will not have a fiscal impact on the DOR.

Section 407.932

This provision prohibits a political subdivision from denying a tobacco license to a qualified applicant at the same location there was a license the previous 24 months. DOR assumes this will not have a fiscal impact on the Department.

DOR assumes this proposal will not have a fiscal impact.

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Oversight has no information to the contrary. Therefore, Oversight will present no fiscal impact for the DOR.

Officials from the Office of Administration - Budget and Planning, the Department of Health and Senior Services, the Department of Natural Resources, the Department of Public Safety - Division of Alcohol and Tobacco Control, the Missouri Department of Conservation, the City of Kansas City, the Phelps County Sheriff's Department, the Kansas City Police Department and the St. Louis County Police Department each assume the proposal will have no fiscal impact on their respective organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

FISCAL IMPACT – State Government	FY 2025	FY 2026	FY 2027
	(10 Mo.)		
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Local Government	FY 2025	FY 2026	FY 2027
	(10 Mo.)		
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal could impact small businesses that sell tobacco and other nicotine or vapor products.

FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

This legislation is federally mandated, but would not duplicate any other program or require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Office of Administration - Budget and Planning
Department of Health and Senior Services
Department of Mental Health
Department of Natural Resources
Department of Revenue
Department of Public Safety – Alcohol and Tobacco Control
Missouri Department of Conservation
City of Kansas City
Phelps County Sheriff's Department
Kansas City Police Department
St. Louis County Police Department

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April 4, 2024

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