



Fiscal Note
S.B. 61 3rd Sub. (Ivory)
 2024 General Session
 Electronic Cigarette Amendments
 by Plumb, J. (Plumb, Jen.)



General, Income Tax, and Uniform School Funds

JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	\$0	\$(20,500)	\$(20,500)

State Government

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

Revenues	FY 2024	FY 2025	FY 2026
Electronic Cigarette Substance and Nicotine Product Proceeds Restricted Account (GFR)	\$0	\$(4,188,000)	\$(7,788,000)
Total Revenues	\$0	\$(4,188,000)	\$(7,788,000)

Enactment of this legislation may reduce revenues to the Electronic Cigarette Substance and Nicotine Product Proceeds Restricted Account by (\$4,188,000) in FY 2025 and (\$7,788,000) ongoing in FY 2026. To the extent that more people are convicted as a result of this legislation and pay their financial obligation, this could increase state revenue per case in the following amounts: (1) General Fund \$70; (2) Court Security \$38.

Expenditures	FY 2024	FY 2025	FY 2026
General Fund, One-time	\$20,500	\$0	\$0
Electronic Cigarette Substance and Nicotine Product Proceeds Restricted Account (GFR)	\$0	\$2,039,000	\$539,000
Total Expenditures	\$20,500	\$2,039,000	\$539,000

Enactment of this Legislation may cost the State \$20,500 General Fund in FY 2024 and from the Electronic Cigarette Substance and Nicotine Product Proceeds Restricted Account \$2,039,000 in FY 2025 and \$539,000 ongoing in FY 2026 to certify 2,000 electronic cigarette products. The Tax Commission has indicated that it can absorb \$27,000 ongoing in FY 2025 from the Electronic Cigarette Substance and Nicotine Product Proceeds Restricted Account.

	FY 2024	FY 2025	FY 2026
Net All Funds	\$(20,500)	\$(6,227,000)	\$(8,327,000)

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Local Government

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

Enactment of this legislation could increase revenue to local governments by about \$230 per case for fines/fees. Local government entities could experience the following estimated expenditures: 1. Prosecutors - \$812 per case; 2. Public Defense - \$900 per case; 3. County Jails - unknown increase at about \$83 per day per offender in incarceration costs; 4. Local Justice Court - unknown increase. Additionally, this legislation could increase revenues and costs per instance for local health departments up to \$10,000 for storage of seized contraband and up to \$2,000 for proper disposal of seized contraband.

Individuals & Businesses

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

Electronic cigarette product businesses may pay as a group around \$2,100,000 in FY 2025 and \$512,000 ongoing in FY 2026. To the extent that individuals violate provisions of this legislation, this could cost certain offenders about \$340 per case, however the total amount is unknown.

Regulatory Impact

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

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

Performance Evaluation

JR1-4-601

This bill does not create a new program or significantly expand an existing program.

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.