

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 10, 2015

TO: Honorable Myra Crownover, Chair, House Committee on Public Health

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB170** by Alvarado (relating to regulation of the sale, distribution, possession, use, and advertising of e-cigarettes, cigarettes, and tobacco products; creating criminal offenses.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 161 of the Health and Safety Code to treat e-cigarettes in a similar manner as cigarettes as it relates to distribution, use by minors, and prevention of use by minors. The bill would create requirements relating to the packaging of e-cigarette nicotine containers and the delivery sale of e-cigarettes. The bill would amend Chapter 28, Education Code to require school districts to publish information regarding policies relating to the use of e-cigarettes. The bill would amend Chapter 38, Education Code and Chapter 48, Penal Code to treat e-cigarettes in the same manner as cigarettes as they relate to use and possession at school-related activities and use in public places.

The Department of State Health Services indicates any cost to implement provisions of the bill relating to use by minors would be minimal and can be absorbed within available resources. The Comptroller of Public Accounts estimates there would be a cost associated with implementing provisions of the bill that would require it to update, print, and mail Texas Guidelines for Retail Tobacco Sales packets. It is anticipated that the cost could be absorbed within existing resources.

Local Government Impact

A Class C misdemeanor is punishable by a fine of not more than \$500. Costs associated with enforcement and prosecution could likely be absorbed within existing resources. Revenue gain from fines imposed and collected is not anticipated to have a significant fiscal impact. In addition to the fine, punishment can include up to 180 days of deferred disposition.

Source Agencies: 304 Comptroller of Public Accounts, 537 State Health Services, Department of, 212 Office of Court Administration, Texas Judicial Council, 411 Commission on Fire Protection, 454 Department of Insurance, 701 Central Education Agency

LBB Staff: UP, ADe, NB, WP, VJC, NHe, JBi, KVe