

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

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6850

BILL NUMBER: HB 1405

NOTE PREPARED: Feb 15, 2011

BILL AMENDED: Feb 14, 2011

SUBJECT: Tobacco Matters.

FIRST AUTHOR: Rep. Cherry

FIRST SPONSOR: Sen. Alting

BILL STATUS: As Passed House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill defines "dissolvable tobacco product". It provides that a person or retail establishment that knowingly: (1) sells or distributes a dissolvable tobacco product to a person less than 18 years of age; or (2) purchases a dissolvable tobacco product for delivery to a person less than 18 years of age; commits a Class C infraction. It also provides that a person who is less than 18 years of age who: (1) purchases a dissolvable tobacco product; (2) accepts a dissolvable tobacco product for personal use; or (3) possesses a dissolvable tobacco product, commits a class C infraction. The bill provides that a dissolvable tobacco product is considered a tobacco product for purposes of provisions relating to the regulation of tobacco vending machines. It also provides that the owner of a retail establishment that sells or distributes tobacco products through a self-service display, commits a Class C infraction. (Current law provides that the owner of a retail establishment that sells or distributes cigarettes through a self-service display, commits a Class C infraction.)

Effective Date: July 1, 2011.

Explanation of State Expenditures:

Explanation of State Revenues: *Penalty Provision:* The maximum judgment for a Class C infraction is \$500, which would be deposited in the state General Fund. However, any additional revenue is likely to be small

Explanation of Local Expenditures

Explanation of Local Revenues: *Penalty Provision:* If additional court actions are filed and a judgment is entered, local governments would receive revenue from court fees. However, any additional revenue is likely

to be small.

State Agencies Affected:

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

Information Sources:

Fiscal Analyst: Diana Agidi, 317-232-9867.