

**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:** Mar 24, 2011

**BILL AMENDED:** Feb 14, 2011

**SUBJECT:** Tobacco Matters.

**FIRST AUTHOR:** Rep. Cherry

**FIRST SPONSOR:** Sen. Alting

**BILL STATUS:** CR Adopted - 2<sup>nd</sup> 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.