Doug Nichols February 28, 2019 402-471-0052

LB 149

Revision: 00 FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)							
	FY 2019	9-20	FY 20	20-21			
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE			
GENERAL FUNDS							
CASH FUNDS							
FEDERAL FUNDS							
OTHER FUNDS							
TOTAL FUNDS							

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

This bill would change and provide restrictions relating to the sale and use of vapor products and flavored liquids. It would require sellers of vapor products to be licensed, and it would add restrictions relating to vapor products under the Clean Indoor Air Act.

Class III and Class V misdemeanors are imposed for violating various provisions of the bill:

Class III misdemeanor: Maximum — three months imprisonment, or five hundred dollars fine, or both; Minimum — none;

Class V misdemeanor: Maximum — no imprisonment, one hundred dollars fine; Minimum — none.

This act becomes operative on January 1, 2020.

The Nebraska State Patrol estimates no fiscal impact from this bill.

The Department of Health and Human Services (HHS) states that they will need to make a minor rule and regulation change. The estimated cost is \$602, which HHS said they would absorb.

The Department of Revenue estimates that this bill will have a minimal negative impact on General Fund revenues, and they will have minimal implementation costs.

This bill could impact county jails because misdemeanor sentences are generally served in county jails if jail time is imposed. If the impact of this bill is to increase the number of people serving time in county jails by more than current law, then this could result in additional costs to counties.

The misdemeanor penalties under this bill also carry the possibility of a fine being imposed. Any fines assessed pursuant to convictions will accrue to the county where the violation occurs to be used for the support of public schools.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE					
LB: 149 AM: AGENCY	/POLT. SUB: State Patrol				
REVIEWED BY: Claire Oglesby	DATE: 02/01/19	PHONE: (402) 471-4174			
COMMENTS: No basis to disagree with State Patrol.					

ADMINISTRATIVE SERVICES STAT	BUDGET DIVISION: REVIEW OF AGENCY	& POLT. SUB. RESPONSE
LB: 149 AM:	AGENCY/POLT. SUB: Nebraska Departme	nt of Health and Human Services
REVIEWED BY: Claire Oglesby	DATE: 2/27/19	PHONE: (402) 471-4174
COMMENTS: No basis to disagree v	vith the Department of Health and Human Serv	vices.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES						
LB: 149	AM:	AGENCY/POLT. SUB: Department of Revenue				
REVIEWED BY: Claire Oglesby DATE: 2/27/19 PHONE: (402) 471-4174						
COMMENTS: No basis to disagree with Department of Revenue.						

Please complete <u>ALL</u> (5) blanks in the first three lines.

LB ⁽¹⁾ 14	19				FISCAL NOTE
State Agency	OR Political Subdivision Name: ⁽²⁾	Nebraska State Pa	atrol		
Prepared by	(3) Carol Aversman	Date Prepared: ⁽⁴⁾	1-22-19	Phone: (5)	402-471-4545
	ESTIMATE PROV	/IDED BY STATE AGEN	NCY OR POLITICAL	SUBDIVIS	ION
	FY	Z 2019-20		FY 2020	-91
	EXPENDITURE		EXPENDITU	-	<u>REVENUE</u>
GENERAL	FUNDS				
CASH FUN	DS	_			
FEDERAL	UNDS				
OTHER FU	NDS				
TOTAL FU	NDS				
Explanation	of Estimate: L IMPACT				

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE								
Personal Services:								
	NUMBER OI	F POSITIONS	2019-20	2020-21				
POSITION TITLE	<u>19-20</u>	<u>20-21</u>	EXPENDITURES	EXPENDITURES				
Benefits								
Operating								
Travel								
Capital outlay								
Aid								
Capital improvements								
TOTAL								

LB₍₁₎ <u>149</u>

FISCAL NOTE

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION State Agency or Political Subdivision Name:(2) Department of Health and Human Services Prepared by: (3) Mike Michalski Date Prepared 1-28-19 Phone: (5) 471-6719 FY 2019-2020 FY 2019-2020 FY 2019-2020 EVENUE

	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$0	\$0	\$0	\$0

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

The Department of Health and Human Services (DHHS) will be required to complete a minor rule and regulation change as a result of LB 149. DHHS will absorb the costs listed below to complete this regulation change."

Title	Hour(s)	Hourly Cost	Absorbed Cost
Director	1	72.115	\$ 72
Deputy Director	1	51.923	\$ 52
Administrator I	1	29.354	\$ 29
Program Specialist	2	21.466	\$ 43
Program Analyst	4	20.869	\$ 83
Attorney 3	10	32.213	\$ 322
Total Costs	19		\$ 602

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:				
	NUMBER OF	POSITIONS	2019-2020	2020-2021
POSITION TITLE	19-20	20-21	EXPENDITURES	EXPENDITURES
Benefits				
Operating				
Travel				
Capital Outlay				
Aid				
Capital Improvements				
TOTAL			\$0	\$0

Fiscal Note 2019

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LB 149 impacts the local tobacco retailer and wholesaler licensing statues and Nebraska Clean Indoor Air Act.

LB 149 changes the age to use or purchase vapor products from 18 to 21 and imposes misdemeanor charges on anyone selling or otherwise providing vapor products to someone under the age of 21 and on anyone under 21 who misrepresents their age to obtain vapor products. The bill creates a definition for the term flavored nicotine product, which is a flavored liquid containing nicotine that is intended to be used in a vapor product and adds vapor products to the statutory requirements for a license to sell various tobacco products.

LB 149 expands the tobacco products identified as a health risk particularly to young people, to include vapor products and alternative nicotine products. The bill adds vapor products to the Nebraska Clean Indoor Air Act to generally prohibit their use in public indoor spaces.

The operative date for the bill is January 1, 2020.

The Department estimates that this bill will have a minimal negative impact on General Fund revenues.

It is estimated that there will be minimal costs to the Department to implement the bill.

Major Objects of Expenditure								
<u>Class Code</u>	Classification Title	19-20 <u>FTE</u>	20-21 <u>FTE</u>	21-22 <u>FTE</u>	19-20 <u>Expenditures</u>	20-21 <u>Expenditures</u>	21-22 <u>Expenditures</u>	
Benefits								
Operating Costs								
Capital Outlay								
Capital Improvement	Capital Improvements							
Total								