

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 418** HLS 19RS 742
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 1, 2019 9:59 AM	Author: HOFFMANN
Dept./Agy.: Alcohol & Tobacco Control	Analyst: Benjamin Vincent
Subject: Tobacco Permit Fees: Dealers and Vending Machines	

TOBACCO/TOBACCO PRODUCTS OR +\$215,000 SG RV See Note Page 1 of 1
 Increases the permit fees relative to tobacco retailers and vending machine operators

Present law authorizes annual fees for tobacco retail dealer permits, tobacco wholesale dealer permits, tobacco vending machine permits, and tobacco vending machine operator permits, administered by the Office of Alcohol and Tobacco Control (ATC).

Proposed law increases the authorized retail dealer permit fee from \$25 to \$50, the wholesale dealer fee from \$75 to \$150, the vending machine fee from \$5 to \$25, and the vending machine operator fee from \$75 to \$100 per year.

Effective August 1, 2019.

EXPENDITURES	2019-20	2020-21	2021-22	2022-23	2023-24	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0
REVENUES	2019-20	2020-21	2021-22	2022-23	2023-24	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$215,000	\$215,000	\$215,000	\$215,000	\$215,000	\$1,075,000
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$215,000	\$215,000	\$215,000	\$215,000	\$215,000	\$1,075,000

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

ATC reports a population of active permits of approximately 7,510 retail dealers, 80 wholesale dealers, 940 vending machines, and 120 vending machine operators.

A material reduction in active permits is not anticipated due to proposed law, and no significant future growth in active permits is assumed. Based on the assumption of a materially stable population of active permits, the anticipated revenue impact is an increase in fees & self-generated revenues of approximately \$215,000 to ATC due to proposed law.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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