

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 621** HLS 24RS 775

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> March 24, 2024 3:42 PM	<b>Author:</b> STAGNI
<b>Dept./Agy.:</b> Office of Alcohol and Tobacco Control (ATC)	<b>Analyst:</b> Noah O'Dell
<b>Subject:</b> Taxation of Vapor Products	

TOBACCO/TOBACCO PRODUCTS  
Provides relative to vapor products

OR NO IMPACT SG RV See Note

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Current law provides for a vape tax of 15c/ml and establishes enforcement procedures for the Office of Alcohol and Tobacco Control (ATC), including the creation and publishing of a directory of approved vapor products and alternative nicotine eligible for sale in the state. Current law authorizes various fees and penalties related to vape tax enforcement activities.

Proposed law retains current law through redesignation from R.S. 26:926 to R.S. 26:926.1 and clarifies that each product sold in violation of the vape directory mandates shall constitute a separate violation.

Effective upon signature by the governor

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
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<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

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

**REVENUE EXPLANATION**

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

The measure appears to be codifying existing administrative rules, thus anticipated current practice, into law. Emergency rules were promulgated by ATC in September, 2023 establishing that violations of vape directory mandates are a separate violation for each SKU or unit of product sold or offered for sale, possessed, or transported. According to ATC, as of March 21, 2024, no business has been imposed a fine for violation of the vape directory due to ATC agent training and enforcement delays due to litigation.

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

**Deborah Vivien**  
**Chief Economist**