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FISCAL IMPACT REPORT

SPONSOR: Beam DATE TYPED: 03/21/03 HB 136/a SCORC

SHORT TITLE: Prevent Youth Access To Tobacco SB _____

ANALYST: Martinez/Padilla

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
			NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From
Taxation and Revenue Department (TRD)

No Responses Received From
Regulation and Licensing Department (RLD)

SUMMARY

Synopsis of SCORC Amendment

The Senate Corporations and Transportation Committee amendment adds another exception under which tobacco products *can* be sold via vending machine. Under the SCORC amendment, tobacco products could be sold via vending machine in locations in which the vending machine is equipped with a remote-controlled lock-out device.

Synopsis of Original Bill

House Bill 136 amends Section 30-49-7 to restrict the sale of tobacco products to a direct, face-to-face exchange between the customer and seller. The bill leaves two exceptions for vending machines sales that currently exist in statute. However, it deletes the existing statutory provision that allows tobacco vending machines in locations where alcoholic beverages are sold for consumption on the premises. The bill also prohibits the sale of tobacco products with a self-service display where the public has access to the products without the assistance of the seller.

Finally, the bill adds a section that states written, telephonic, and electronic sales are not subject to the provisions of Section 30-49-7.

Significant Issues

This bill may reduce vending machine related tobacco consumption. The impact on total cigarette consumption is indeterminate. This legislation could serve as a deterrent to the unlawful sale of tobacco products to minors.

The sale of tobacco products on tribal lands may not apply.

POSSIBLE QUESTIONS

1. How will tobacco distribution companies be affected?
2. What is the financial impact upon retail locations?
3. Is there substantial evidence that suggests large numbers of minors are purchasing tobacco products from vending machines?

MM/njw:yr