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FISCAL IMPACT REPORT

ORIGINAL DATE 2/3/15
 LAST UPDATED 3/17/15 HB 213/aHJC

SPONSOR Maestas Barnes

SHORT TITLE Child-Resistant Nicotine Liquid Packages SB _____

ANALYST Jorgensen

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY15	FY16	FY17		
	Minimal but Positive	Minimal but Positive	Recurring	General

(Parenthesis () Indicate Revenue Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY15	FY16	FY17	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI	Minimal	Minimal	Minimal	Recurring	

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Health (DOH)

Regulation and Licensing Department (RLD)

SUMMARY

Synopsis of HJC amendment

The House Judiciary Committee amendment clarifies that the provisions of the bill apply to nicotine liquids for sale at retail and adds definitions for “child-resistant” and “nicotine liquid container”

Synopsis of Bill

House Bill 213 requires that any product containing nicotine liquid, such as e-cigarette liquid, offered for sale in New Mexico must be contained in child-resistant packaging. HB 213 allows the attorney general to bring a civil action in district court for violation of these provisions. Violation of the provisions of HB 213 may include a permanent or a temporary injunction,

restraining order and a penalty of up to \$1,000.

FISCAL IMPLICATIONS

Extending the powers of the attorney general may result in added costs to the agency for enforcement, though the number of potential civil cases, and therefore the need for additional resource, if any, is unknown. In addition, the collection of fees for violation of the provisions of the bill may have a positive revenue impact.

SIGNIFICANT ISSUES

The Centers for Disease Control (CDC) reports that from September 2010 through February 2014, 51 percent of the calls nationally to poison centers due to e-cigarettes involved children under age five. In New Mexico, 45 percent of reported exposures to liquid nicotine since 2010 have occurred among children five years of age or younger. DOH reports that there has been a dramatic increase in the number of reported liquid nicotine poisonings in New Mexico; cases of liquid nicotine poisoning increased from 17 in 2012 to 62 in 2014, an increase of 375 percent.

To provide context, DOH notes that one teaspoon of 1.8 percent nicotine liquid, a common amount found in e-cigarette liquid, could be fatal for a 200 pound person. Additionally, children are more likely to be drawn to e-liquid because of its many kid-friendly flavors. Poisoning related to e-cigarette liquid can occur by ingestion, inhalation, or absorption through the skin or eyes according to the New Mexico poison and drug information center, 2014.

OTHER SUBSTANTIVE ISSUES

The American Academy of Pediatrics' position on electronic smoking devices states that to prevent poisoning, all e-liquids should be required to be sold in child-proof packaging.

CJ/bb