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FISCAL IMPACT REPORT

SPONSOR SPAC ORIGINAL DATE 2/20/17
LAST UPDATED 2/23/17 HB _____

SHORT TITLE Include E-Cigarettes in Clean Indoor Air Act SB 318/SPACS

ANALYST Chilton

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI	NFI	NFI	NFI		

(Parenthesis () Indicate Expenditure Decreases)

Relates to Senate Bill 319

SOURCES OF INFORMATION

LFC Files

Response Received From

Regulation and Licensing Department (RLD)

Response Not Received From

Department of Health (DOH)

SUMMARY

Synopsis of SPAC Committee Substitute

Senate Bill 318 would add electronic cigarettes to the list of items that could not be used in most public indoor settings, due to the dangers of second-hand smoke. In addition, the committee substitute includes marijuana products to the Dee Johnson Clean Indoor Air Act as being prohibited in most public spaces. It eliminates the exception for enclosed areas within restaurants, bars and other public spaces that are used for private functions.

An electronic or e-cigarette is defined in the bill as an electronic device which vaporizes or aerosolizes nicotine and/or other substances in a way that simulates smoking. Secondhand smoke is defined as smoke generated from inhaling, exhaling or burning tobacco or marijuana products or from the aerosol or vapor emitted by an e-cigarette.

FISCAL IMPLICATIONS

No fiscal impact.

SIGNIFICANT ISSUES

The bill would amend the Dee Johnson Clean Indoor Air Act (Section 24-16-3 NMSA 1978), passed in 2007 to protect the health of the public by reducing the exposure of New Mexico citizens to second hand tobacco and marijuana smoke. E-cigarettes were not in widespread use at the time the Dee Johnson Act was enacted.

In 2006 the U.S. Surgeon General concluded that second-hand smoke causes cancer, lung disease, and heart disease. Children of smokers, in addition, have more lung disease, more ear infections, and are more likely to die of sudden infant death syndrome.

A 2016 Surgeon General’s report ([https://e-cigarettes.surgeongeneral.gov /documents/2016_SGR_Exec_Summ_508.pdf](https://e-cigarettes.surgeongeneral.gov/documents/2016_SGR_Exec_Summ_508.pdf)) indicates that the use of E-cigarettes had increased 90 percent among high school students between 2011 and 2015. Although the report acknowledges that the dangers of e-cigarettes are not entirely known, it notes the certainty of nicotine addiction, and of the need for further research to determine the health effects of the other components of e-cigarette aerosols on the lungs and other organs of e-cigarette users and those inhaling the aerosol in a second-hand manner.

Looking at New Mexico data, the Youth Risk and Resiliency Survey indicated that New Mexico high schoolers, compared with United States teens, have the following usage patterns:

	New Mexico teens		U.S. teens
Current cigarette use	11.4%		10.8%
Current e-cigarette use	24.0%		24.1%

Thus, at least among teens, e-cigarette is more than twice as common as the use of traditional cigarettes. The use of either type of inhalation device is likely to have deleterious effects on both the user and those around him/her.

ADMINISTRATIVE IMPLICATIONS

Unlikely to add much additional work to the regulation of traditional forms of smoking.

RELATIONSHIP to Senate Bill 319, which would increase the minimum legal age for use of all tobacco products and e-cigarettes to twenty-one.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

E-cigarettes and marijuana products would not be prohibited in areas where tobacco products are currently prohibited under the Dee Johnson Clean Indoor Air Act.