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FISCAL IMPACT REPORT

ORIGINAL DATE 02/13/10

SPONSOR Campos, P. LAST UPDATED _____ HB _____

SHORT TITLE Teen Smoking & Law Enforcement Action SJM 33

ANALYST Pava

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY10	FY11		
	NFI	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Health (DOH)

Department of Public Safety (DPS)

SUMMARY

Synopsis of Bill

Senate Joint Memorial 33 requests the DOH to examine the issue of tobacco use by minors and the inability of law enforcement officers to take action when teens are smoking. DOH is to review what other states have done and to make legislative recommendations to address this issue to the interim legislative health and human services committee by Nov. 1, 2010.

FISCAL IMPLICATIONS

There is no appropriation.

SIGNIFICANT ISSUES

About one in four high school students in New Mexico uses tobacco. Such use can progress from experimentation to regular smoking, which in turn can become a strong addiction that overpowers diligent efforts to quit. 90% of adult smokers began smoking in their teens. Tobacco use can cause serious long-term health issues that can result in health care costs to the state.

The state prohibits the sale of tobacco products to minors but does not prohibit tobacco use, so law enforcement officers are powerless to act when they view minors smoking in public.

New Mexico law prohibits selling or giving any tobacco product to a minor and prohibits any minor from procuring tobacco products for his or her own use (30-49-3 NMSA 1978).

DOH's Office of Substance Abuse Prevention currently implements compliance checks on tobacco retailers to determine if retailers sell tobacco to minors. The goal of these compliance checks is to reduce the number of successful illegal purchases by minors to no more than 20 percent of attempts in each State per year. In federal fiscal year 2010, 229 retailers were surveyed, of approximately 1,093 tobacco retailers. This survey reached approximately 20% of the estimated number of tobacco retailers. Of the retailers surveyed, 7.4% sold tobacco to minors.

Policies that focus on penalizing retailers (i.e. licensing of tobacco retailers) instead of youth are an effective best practice for reducing youth smoking, according to the Centers for Disease Control and Prevention. Strategically, laws that penalize youth for purchase, use and possession can divert policy attention from effective control tobacco sales and relieve the tobacco industry of responsibility for its marketing practices.

PERFORMANCE IMPLICATIONS

SJM33 relates to DOH FY11 Strategic Plan Goal 1: Improving Individual Health; Individual Objective 6: Reduce substance abuse, including alcohol and tobacco, and Community Objective 1: Reduce health disparities in New Mexico.

ADMINISTRATIVE IMPLICATIONS

DOH would have to utilize existing staff and shift priorities to meet the requirements of SJM 33.

RELATIONSHIP

SJM33 relates to:

- SB30 which would increase the cigarette tax to \$1.91/pack and the tobacco products tax to 40% of product value and give proceeds to Medicaid,
- HB35 which would increase the cigarette tax to \$1.91/pack and the tobacco products tax to 40% of product value and give increased revenue to the public school fund and reduce volume discounts on cigarette stamps
- SB121 which would increase the cigarette tax by 50 cents to \$1.41 per pack of 20 cigarettes.

OTHER SUBSTANTIVE ISSUES

DOH notes: Youth who receive poor grades are more likely to smoke than those who receive good grades (37.5% vs. 17.1%, 2007 YRRS.) Youth who do not have enough food to eat are more likely to smoke than those who have enough food to eat (37.9% vs. 21.6%, 2007 YRRS).

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

DOH would not be required to examine the tobacco use by minors and the inability of law enforcement to take action when minors are smoking.