

LFC Requester:	Ginger Anderson
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**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:
Original **Amendment**
Correction **Substitute**

Date 2/2/24
Bill No: HB 310

Sponsor: Rep. Luis M. Terrazas
Short Title: Tobacco Products Violations Penalties

Agency Name and Code AOC 218
Number: _____
Person Writing Charlene Romero
Phone: 505-490-5149 **Email** aoccar@nmcourts.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: HB 310 amends Section 61-37-19 NMSA 1978 to add administrative penalties for employees that knowingly sell tobacco products to a minor as follows:

- A penalty not to exceed one hundred dollars (\$100) for a first violation; and
- A penalty not to exceed five hundred dollars (\$500) for a subsequent violation.

FISCAL IMPLICATIONS

There will be a minimal administrative cost for statewide update, distribution and documentation of statutory changes. Any additional fiscal impact on the judiciary would be proportional to the enforcement of this law and commenced prosecutions, and appeals from convictions. New laws, amendments to existing laws and new hearings have the potential to increase caseloads in the courts, thus requiring additional resources to handle the increase.

SIGNIFICANT ISSUES

Tobacco use by youth in the United States remains a high public health concern. The U.S. Department of Health and Human Services Office of Inspector General (OIG) recently released a report based on data from the Food and Drug Administration (FDA) regarding inspections of tobacco retailers conducted between 2010 and 2019. In those ten years, nearly 74% of tobacco retailers in business nationwide as of 2020 were inspected to determine whether the retailers were in violation of tobacco law or regulation. The inspections were conducted through the FDA’s Tobacco Retailer Compliance Check Inspection Program. The report cites this program as a critical part of the FDA’s approach to prevent youth access to tobacco. In New Mexico, 90% of the 1,314 retailers in business as of 2020 were inspected. The report does not provide specific findings by state, but during the ten year inspection period, the FDA cited violations in 10% of inspections. As a result of these violations, the FDA issued 93,813 warning letters, which accounts for 79% of the actions taken by the FDA. A total of 24,708 Civil Money Penalties (CMPs) were assessed for retailers that were found to have additional violations after receiving a warning letter. The CMPs accounted for 21% of the FDA actions. The FDA also issued 204 no-tobacco-sale orders (NTSOs) for retailers with 5 or more repeated violations within 36 months.

(See <chrome-extension://efaidnbmnnnibpcajpglclefndmkaj/https://oig.hhs.gov/oei/reports/OEI-01-20-00240.pdfhtmlfile/Shell/Open/Commandhttps://oig.hhs.gov/oei/reports/OEI-01-20-00240.asp> and <chrome-extension://efaidnbmnnnibpcajpglclefndmkaj/https://oig.hhs.gov/oei/reports/OEI-01-20->

[00240.pdf](#))

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS