Revised: 06/18/23 mac

131st MAINE LEGISLATURE

LD 1215 **LR 740(02)**

An Act to End the Sale of Flavored Tobacco Products

Fiscal Note for Bill as Amended by Committee Amendment " "
Committee: Health and Human Services
Fiscal Note Required: Yes

Fiscal Note

	FY 2023-24	FY 2024-25	Projections FY 2025-26	Projections FY 2026-27
Net Cost (Savings)				
General Fund	$0	$10,099,350	$24,184,500	$24,461,250
Revenue				
General Fund	$0	($10,099,350)	($24,184,500)	($24,461,250)
Other Special Revenue Funds	$0	($71,650)	($172,500)	($173,750)

Correctional and Judicial Impact Statements

Establishes new civil violations. The additional workload associated with the minimal number of new cases filed in the court system does not require additional funding at this time.

The collection of additional fines will increase General Fund or other dedicated revenue by minor amounts.

Fiscal Detail and Notes

Prohibiting the sale and distribution of flavored tobacco products, including flavored cigars and electronic smoking devices, will reduce General Fund revenue from the cigarette tax, the tobacco products tax and the sales tax and will reduce Local Government Fund revenue due to the sales tax revenue reduction. With the prohibition taking effect January 1, 2025, tax revenue will decrease beginning in February 2025. For fiscal year 2024-25, it is estimated that General Fund revenue will decrease by $10,099,350 and Local Government Fund revenue will decrease by $71,650. In fiscal years 2025-26 and 2026-27, when the prohibition is in effect the entire year, the estimated reduction in General Fund revenue is approximately $24 million per year.

Any additional costs to the Department of Health and Human Services to adopt the changes in this bill are expected to be minor and can be absorbed within existing budgeted resources.