FISCAL NOTE

The fiscal impact is indeterminable.

This bill changes the term defined in title 14 of Wyoming statute from "tobacco products" to "nicotine products" and increases the minimum age to purchase or possess nicotine products from 18 years of age to 21 years of age, effective July 1, 2020.

On December 20, 2019, federal legislation was enacted to raise the federal minimum age of sale of tobacco products (including cigarettes, cigars, electronic cigarettes and smokeless tobacco products) from 18 years of age to 21 years of age. This federal legislation was effective immediately.

To maintain Federal Substance Abuse Prevention and Treatment Block Grant (SABG) funding (\$4,197,054 in FFY 2020), the Department of Health (DOH) will have to annually conduct random, unannounced inspections to ensure that retailers do not sell tobacco products to individuals under the age of 21 and inspections will need to meet specified compliance levels. Increasing the minimum age to 21 years of age will allow the DOH to maintain qualification for these grants.

Increasing the minimum age to 21 years of age will also allow the DOH to be eligible for additional federal funding as a result of the federal legislation passed in December 2019. This funding is designated for states to transition enforcement and compliance checks to prevent the sale of tobacco products to individuals under the age of 21. \$18,580,790 in Federal Transitional Grants has been authorized for each fiscal year, 2020 through 2024. The portion of this grant funding that would be available to Wyoming is unknown at this time.

The Department of Revenue (DOR) states that this change in the minimum age will likely result in some decrease in sales of cigarettes and other tobacco products, however the decrease is indeterminable. The DOR is unable to locate information concerning tobacco users between the ages of 18 and 21.

The fiscal impact to the judicial system is indeterminable due to an unknown number of cases.

Prepared by: <u>Dean Temte, LSO</u> Phone: <u>777-7881</u> (Information provided by Terri Lucero, Department of Revenue, 777-5220; Claire Smith, Supreme Court, 777-7502; Steve Winders, Attorney General's Office, 777-7840; Joe D'Eufemia, Department of Health, 777-3744)