

SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACT

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This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

H. 4817 Introduced on January 10, 2024 **Bill Number:**

West Author:

Subject: Tobacco Products, Sale or Purchase by Minors

House Medical, Military, Public, and Municipal Affairs Requestor:

RFA Analyst(s): Gardner

Impact Date: February 13, 2024

Fiscal Impact Summary

This bill prohibits the sale of an alternative nicotine product to a person who does not present proof of age and provides that these products and tobacco products may only be sold in vending machines under certain circumstances.

The bill will result in no expenditure impact for the State Law Enforcement Division (SLED), the Administrative Law Court (ALC), the Department of Revenue (DOR), and the Department of Alcohol and Other Drug Abuse Services (DAODAS), as these agencies anticipate being able to manage the responsibilities resulting from the bill with existing staff and within existing appropriations.

Explanation of Fiscal Impact

Introduced on January 10, 2024 **State Expenditure**

This bill prohibits the sale of an alternative nicotine product to a person who does not present proof of age. The bill also specifies that it unlawful to sell an alternative nicotine product or tobacco product through a vending machine unless the machine is located in an establishment that is only open to those aged eighteen or older or under continuous control by the owner or licensee of the premises or his employee; can only be operated by activation by the owner, licensee, or employee before each purchase; and is not accessible to the public when the establishment is closed.

A tobacco retailer or establishment may request that the ALC hear a contested case for the fine or prohibition from selling tobacco products. Additionally, SLED may enforce the provisions related to distribution of tobacco products, and DOR may assess administrative penalties against non-compliant retailers. Further, the court may require the tobacco retailer or its employees, at the expense of the establishment, to successfully complete a DAODAS-approved merchant tobacco enforcement education course.

The bill will result in no expenditure impact for SLED, the ALC, DOR, and DAODAS, as these agencies anticipate being able to manage the responsibilities resulting from the bill with existing staff and within existing appropriations.

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

N/A

Frank A. Rainwater, Executive Director