

# SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACT (803)734-3780 • RFA.SC.GOV/IMPACTS

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.

<b>Bill Number:</b>	S. 0414	Introduced on January 18, 2023
Author:	Gambrell	
Subject:	Flavored V	Vapor and Tobacco Product Ban
Requestor:	Senate Medical Affairs	
RFA Analyst(s):	Wren	
Impact Date:	March 23,	2023

## **Fiscal Impact Summary**

This bill prohibits political subdivisions in South Carolina from enacting laws, ordinances, or rules pertaining to ingredients, flavors, or licensing, beyond a general business license, for the sale of any nicotine products that can be ingested in the body by chewing, smoking, absorbing, dissolving, inhaling, or by any means.

The Revenue and Fiscal Affairs Office (RFA) does not expect that this bill will have an expenditure impact on county or municipal governments since it requires local governments to perform activities that can be conducted within the normal course of business. RFA contacted all counties and the Municipal Association of South Carolina (MASC) regarding the expenditure impact of similar legislation. Two counties and the MASC responded that there would be no impact.

### **Explanation of Fiscal Impact**

Introduced on January 18, 2023 State Expenditure N/A

State Revenue N/A

#### Local Expenditure

This bill prohibits political subdivisions in South Carolina from enacting laws, ordinances, or rules pertaining to ingredients, flavors, or licensing, beyond a general business license, for the sale of the following:

- cigarettes;
- electronic smoking devices, e-liquid, vapor products, tobacco products, or alternative nicotine products; or
- any other product containing nicotine that can be ingested into the body by chewing, smoking, absorbing, dissolving, inhaling, or by any means.

Laws, ordinances, or rules enacted by political subdivisions prior to December 31, 2020, and municipal code amendments are exempt from the preemption imposed by this bill.

RFA contacted all forty-six county governments and the MASC regarding the expenditure impact of similar legislation and received responses from two counties and the MASC. Both counties indicated that there would be no expenditure impact since it requires them to perform activities that would be conducted in the normal course of business. Likewise, the MASC indicated that there would be no impact on municipal governments. Based upon the previous responses, RFA does not expect this bill will have an expenditure impact on local governments.

### Local Revenue

N/A

Frank A. Rainwater, Executive Director