

STATEMENT OF PURPOSE

RS25637

The intent of this legislation is to amend language related to the issuance of an annual tobacco permit fee from no charge to a \$100 fee and to direct collections of such fees be remitted to the Prevention of Minors' Access to Tobacco fund.

FISCAL NOTE

There is no anticipated impact to the General Fund or any other funds for this proposed legislation. This legislation change is intended to be cost neutral. The change being made is to establish a fee for a tobacco permit to cover the gap in funding resulting from the loss of Millennium funding and fluctuation in fine receipt and inspection costs. The tobacco program is currently funded with a blend of funds that includes Millennium funds and fine receipts; however, the Joint Millennium Fund Committee has decided to discontinue making ongoing grants. The Idaho Tobacco Project was appropriated \$187,000 from the Millennium fund for FY 2018. In an average year the Tobacco Project issues 1,600 permits. At \$100 per permit, the estimated income will be \$160,000. The Division will use block grant funds to make up the difference. Under Idaho Code 39-5710 (3), the Department of Health and Welfare (Department) is responsible for costs related to conducting yearly inspections at all locations at which tobacco products are sold or distributed at retail to ensure compliance with Title 39, Chapter 57. Due to low violation rates, fine receipts have decreased significantly while the costs for inspections have increased. The Department needs to establish a permit fee to cover the costs for inspections when Millennium funds are no longer available.

Contact:

Ross Edmunds
Department of Health and Welfare
(208) 334-5726

DISCLAIMER: This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).