

Fiscal Note

State of Alaska
2026 Legislative Session

Bill Version: SB 24
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB024CS(FIN)-DOH-CDPHP-03-03-26
Title: TOBACCO/NICOTINE/E-CIG AGE; E-CIG TAX
Sponsor: STEVENS
Requester: (H) FIN

Department: Department of Health
Appropriation: Public Health
Allocation: Chronic Disease Prevention and Health Promotion
OMB Component Number: 2818

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2027	Included in	Out-Year Cost Estimates					
	Appropriation Requested	Governor's FY2027 Request	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
OPERATING EXPENDITURES	FY 2027	FY 2027	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2026) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2027) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? **Yes**
If yes, by what date are the regulations to be adopted, amended or repealed? **01/01/27**

Why this fiscal note differs from previous version/comments:

Updated to SLA26 fiscal note template. Updated date to amend regulations.

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Division:	Public Health	Date:	03/03/2026 01:00 PM
Approved By:	Pam Halloran, Assistant Commissioner	Date:	03/04/2026
Agency:	Department of Health		

FISCAL NOTE ANALYSIS

**STATE OF ALASKA
2026 LEGISLATIVE SESSION**

BILL NO. CSSB024

Analysis

SB024 raises the minimum legal age to purchase tobacco and nicotine products from 19 to 21. The bill reduces the fine for underage possession of tobacco or nicotine from \$500 to \$300, with an option for the court to refer the person in possession to a tobacco education program. The bill retains the exception for electronic cigarettes used for tobacco cessation, if approved by the Food and Drug Administration (FDA) as a cessation device.

The bill creates a new sales tax structure for electronic smoking products, which are not currently taxed. The bill prohibits online sales of tobacco products to individuals for personal use, likely to address current inconsistencies in state tobacco tax collection. The definition of electronic smoking products would implement a 25 percent sales tax on closed electronic smoking products and vapor products.

This bill removes the Tobacco Use Education and Cessation Fund (TUECF) as a special account within the General Fund and establishes TUECF as its own fund within the state treasury. There is no direct fiscal impact from this legislation to either fund.

There is limited programmatic impact and no fiscal impact is foreseen; therefore this is a zero dollar fiscal note.