

# Fiscal Note

State of Alaska  
2021 Legislative Session

Bill Version: HB 110  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: HB110-DHSS-CDPHP-4-2-2021  
Title: AGE FOR NICOTINE/E-CIG; TAX E-CIG.  
Sponsor: HANNAN  
Requester: (H) CRA

Department: Department of Health and Social Services  
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)

	FY2022 Appropriation Requested	Included in Governor's FY2022 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2022	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Fund Source (Operating Only)

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Positions

Full-time							
Part-time							
Temporary							

## Change in Revenues

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2021) cost:** 0.0 (separate supplemental appropriation required)

**Estimated CAPITAL (FY2022) 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If yes, by what date are the regulations to be adopted, amended or repealed? 01/01/22

## Why this fiscal note differs from previous version/comments:

Not applicable; initial version.

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Agency: Office of Management and Budget

Phone: (907)269-2042  
Date: 03/01/2021  
Date: 03/03/21

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
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### Analysis

This bill raises the minimum legal age to purchase tobacco and nicotine products from 19 to 21. The bill repeals the current exception for prisoners. The bill retains the exception for electronic cigarettes used for tobacco cessation, if approved by the FDA as a cessation device. The bill strengthens restrictions on underage access by requiring licensed tobacco retailers to verify age at the time of purchase and at delivery when transporting or shipping tobacco products in Alaska.

The bill amends statute to add electronic smoking products to the tobacco excise tax. 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 tax on all components of the devices. The bill sets an effective date of January 1, 2022.

This bill affects the Division of Public Health, which is responsible for implementing a comprehensive Tobacco Prevention and Control Program. Since the federal T21 law passed in 2019, the division created a webpage for tobacco retailers with information and resources to assist retailers in complying with the new federal T21 age restrictions.

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

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**Analysis**