

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 932 - HB 1335

March 4, 2019

SUMMARY OF ORIGINAL BILL: Authorizes any municipality, county, airport authority, and utility district to regulate the use of tobacco products in public places, places of employment, and parks.

FISCAL IMPACT OF ORIGINAL BILL:

Increase Local Expenditures – Exceeds \$30,000/One-Time/Permissive

IMPACT TO COMMERCE OF ORIGINAL BILL:

Increase Business Revenue – Exceeds \$30,000/One-Time

Other Fiscal Impact – Any impact to business expenditures cannot reasonably be determined.

SUMMARY OF AMENDMENT (004924): Deletes all language after the enacting clause and rewrites the bill such that the substantive changes: (1) limit the applicable locations to only buildings and on property owned or leased by the entity; (2) authorizes municipalities, counties, airport authorities, and utility districts to prohibit the use of tobacco products; (3) requires the entity to pass a resolution or ordinance if opting to prohibit such products; and (4) expands the provisions of prohibition to include vapor products.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- Such local government entities are not permitted to regulate the use of tobacco or vapor products in a manner that is less restrictive than required by state law or prohibit the use of smokeless tobacco products.

SB 932 - HB 1335

- Any vote required for passage of an ordinance can be accomplished at a regularly-scheduled meeting.
- Pursuant to Tenn. Code Ann. § 39-17-1805(a), signage must be placed clearly and conspicuously at every entrance to any public location where smoking is prohibited.
- Signs are estimated to cost an average of \$25 per sign.
- It is reasonably estimated there will be at least 400 signs, or \$10,000 (400 x \$25) in signage costs, in each grand division resulting in a one-time permissive increase in local expenditures of \$30,000 (\$10,000 x 3 grand divisions).
- Any fine revenue collected by local government as a result of violations of the regulation is estimated to be not significant.

IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:

Increase Business Revenue – Exceeds \$30,000/One-Time

Assumption for the bill as amended:

- Local government entities electing to prohibit the use of tobacco products will purchase the required signage from private business; therefore, there will be an increase in business revenue estimated to exceed \$30,000. No significant impact to jobs will occur as a result of this legislation.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

/jrh