

Judicial Impact Fiscal Note

Bill Number: 6328 S SB S-5212.1	Title: Vapor products	Agency: 055-Admin Office of the Courts
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost. Please see discussion.

Estimated Expenditures from:

COUNTY	FY 2016	FY 2017	2015-17	2017-19	2019-21
County FTE Staff Years					
Account					
Local - Counties					
Counties Subtotal \$					
CITY	FY 2016	FY 2017	2015-17	2017-19	2019-21
City FTE Staff Years					
Account					
Local - Cities					
Cities Subtotal \$					
Local Subtotal \$					
Total Estimated Expenditures \$					

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). A fiscal analysis was prepared to show the projected ten-year cost to tax or fee payers of the proposed taxes or fees. The ten-year projection can be viewed at

<http://www.ofm.wa.gov/tax/default.asp>

The revenue and expenditure estimates on this page represent the most likely fiscal impact. Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.

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Agency Approval: Ramsey Radwan	Phone: 360-357-2406	Date: 03/21/2016
OFM Review:	Phone:	Date:

Request # 6328 SSB S-1

Bill # 6328 S SB S-5212.1

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact on the Courts

Please see attached Judicial Impact Note (JIN).

II. B - Cash Receipts Impact

II. C - Expenditures

Part III: Expenditure Detail

III. A - Expenditure By Object or Purpose (State)

<i>State</i>	FY 2016	FY 2017	2015-17	2017-19	2019-21
FTE Staff Years					
Total \$					

III. B - Expenditure By Object or Purpose (County)

<i>County</i>	FY 2016	FY 2017	2015-17	2017-19	2019-21
FTE Staff Years					
Total \$					

III. C - Expenditure By Object or Purpose (City)

<i>City</i>	FY 2016	FY 2017	2015-17	2017-19	2019-21
FTE Staff Years					
Total \$					

Part IV: Capital Budget Impact



Ten-Year Analysis

Bill Number 6328 S SB S-5212.1	Title Vapor products	Agency 055 Admin Office of the Courts
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

No Cash Receipts

 Partially Indeterminate Cash Receipts

 Indeterminate Cash Receipts

Estimated Cash Receipts

Name of Tax or Fee	Acct Code												
Total													

Biennial Totals

Narrative Explanation (Required for Indeterminate Cash Receipts)

The new felony and gross misdemeanors for the retailers would result in some amount of fine revenues. However, there is no judicial data available to estimate the total amount of fines that would be collected.

For the purposes of this fiscal note, data related to amounts ordered and paid for minors in possession of tobacco products was used. During the past three years, there has been an average of \$13,633 ordered. During the same time period, \$6,262 was paid. Any amount collected for fines would be small.

Agency Preparation: Sam Knutson	Phone: 3607045528	Date: 3/21/2016 3:34:43 pm
Agency Approval: Ramsey Radwan	Phone: 360-357-2406	Date: 3/21/2016 3:34:43 pm
OFM Review:	Phone:	Date:

Part II: Narrative Explanation

This bill would make provisions regarding vapor products in respect to definitions of “vapor products”, licensing, signage requirements, prohibition of sales to minors (persons under 18 years of age), enforcement authority of the Liquor and Cannabis Board over vapor products, and regulation of vapor products. Violations and penalties are defined.

Part II.A – Brief Description of what the Measure does that has fiscal impact on the Courts

Section 1(1) would provide that any person who sells or gives, or permits to be sold or given, to any person under the age of eighteen any vapor product in any form would be guilty of a gross misdemeanor.

Section 6(1) would require a vapor products retailer in Washington to have a valid license. A person in violation of this section would be guilty of a class C felony.

Section 6(2) would require a person engaged in or conducting business as a retailer, distributor, or delivery seller of vapor products to allow enforcement officers to make full inspection of any place of business or vehicle where any vapor products are stored, transported, or handled. A violation of this section would be a gross misdemeanor.

Section 6(3) would require any person licensed under this chapter as a distributor, retailer, or delivery seller to have a license to conduct business. A violation of this section would be a misdemeanor.

Section 11(7) would provide that persons who have their licenses suspended or revoked by the Liquor and Cannabis Board would be allowed to appeal to the Superior Court of Thurston County.

Section 14 would state that any person under the age of eighteen who purchases or attempts to purchase, possesses or obtains or attempts to obtain vapor products commits a class 3 civil infraction under RCW 7.80 and would be subject to a fine as set out in RCW 7.80 or participation in up to four hours of community restitution, or both. Municipal and district courts would have jurisdiction for enforcement of this section.

Section 17 would require any person engaged in mail or internet sales of vapor products to have a valid delivery sale license. Any person who knowingly violates this section would be guilty of a class C felony, with a maximum fine of \$5,000.

Section 18(2) would require liquid nicotine containers to have child-resistant packaging. Any person in violation of this section would be guilty of a gross misdemeanor.

Section 19 would require specific conditions for tastings of vapor products. Persons in violation of this section would be guilty of a misdemeanor.

II.B - Cash Receipt Impact

The new felony and gross misdemeanors for the retailers would result in some amount of fine revenue. However, there is no judicial data available to estimate the total amount of fines that would be collected.

For purposes of this Judicial Impact Note (JIN), data related to amounts ordered and paid for minors in possession of tobacco products was used. During the past three years, there has

been an average of \$13,633 ordered. During this same time period, \$6,262 was paid. Thus, it is estimated that any amounts collected for fines associated with this bill would be small.

II.C – Expenditures

There is no data available to estimate how many new cases would be filed with the courts for the new felony and misdemeanors created by this bill. However, it is assumed there would be some case filings resulting from this bill.

There is no data available to estimate how many superior court appeals would result from Section 11(7). However, it is assumed that there would be appeals resulting from this bill.

For purposes of this JIN, data related to filings and convictions for minors in possession of tobacco products was used. During the past three years there has been an average of 123 filings and an average of 104 convictions. Using this data as a base, total estimated costs to the courts would be approximately \$4,942 per year and require 0.05 FTE.