phone: 785-296-2436 fax: 785-296-0231 steve.anderson@budget.ks.gov

Steven J. Anderson, CPA, MBA, Director

Division of the Budget

Sam Brownback, Governor

February 21, 2011

The Honorable Steve Brunk, Chairperson House Committee on Federal and State Affairs Statehouse, Room 149-S Topeka, Kansas 66612

Dear Representative Brunk:

SUBJECT: Fiscal Note for HB 2324 by House Committee on Corrections and

Juvenile Justice

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2324 is respectfully submitted to your committee.

HB 2324 would make it unlawful for anyone under the age of 18 to purchase or possess electronic cigarettes. The bill would also prohibit retailers from selling electronic cigarettes to anyone under the age of 18. The bill defines "electronic cigarette."

The Kansas Department of Health and Environment indicates there would be no fiscal effect to agency operations. The Department of Revenue states there would be additional time spent inspecting licensed cigarette retail dealers for possible violations, but the additional staff time could be absorbed within existing resources. Any fiscal effect associated with HB 2324 is not reflected in *The FY 2012 Governor's Budget Report*.

Sincerely,

Steven J. Anderson, CPA, MBA

Director of the Budget