BDR 40-171
AB 294

LOCAL GOVERNMENT

FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: March 29, 2023

Agency Submitting: Local Government

Items of Revenue or Expense, or Both	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25	Effect on Future Biennia
Total	0	0	0	0

Explanation (Use Additional Sheets of Attachments, if required)

See attached.

Name Michael Nakamoto

Title Chief Principal Deputy Fiscal Analyst

The following responses from local governments were compiled by the Fiscal Analysis Division. The Fiscal Analysis Division can neither verify nor comment on the figures provided by the individual local governments.

Local Government Responses
A.B. 294 / BDR 40 - 171

City/County: **Carson City**
Approved by: Sheri Russell-Benabou, Chief Financial officer
Comment: Carson City will have revenue losses, but unable to determine given the timeframe.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Cannot Be Determined	$0	$0	$0	$0

City/County: **Clark County**
Approved by: Rachel Stevens, Principal Management Analyst
Comment: Section 89 of the bill prohibits the sale of cigarettes beginning January 1, 2030, and section 92 eliminates the tax on cigarettes on that date. Clark County is projected to receive $3.1 million in cigarette tax in fiscal year 2024. Fiscal impacts include the estimated revenue loss from the elimination of cigarette tax in future biennia after this proposal becomes effective.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Has Impact	$0	$0	$0	($6,300,000)

City/County: **Douglas County**
Approved by: Terri Willoughby, Chief Financial Officer
Comment:

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

City/County: **Elko County**
Approved by: Susan Paprocki, Comptroller
Comment: This bill would increase costs and reduce revenue to the county.
The estimated increased cost to the county's health plan is approximately $120,000 to cover smoking cessation over the counter drugs.
Tax revenue would decrease, in the upcoming years from the limits on sales of tobacco products, and after 2030, with a ban on sales the potential impact to revenue (based on fiscal year 2024 estimates), would be approximately $142,000 per year.
Reduction to revenue before 2030 with the prohibition of certain sales cannot be determined at this time.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Has Impact	$0	$120,000	$120,000	($284,000)

City/County: **Humboldt County**

Approved by: Rhona Lecumberry, Humboldt County Treasurer

Comment: This bill will have a negative impact on revenue of an average of $50,260 annually for Humboldt County in relation to Consolidated Tax distributions received from the State beginning in January 2030.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Has Impact	$0	$0	$0	($50,260)

City/County: **Lincoln County**

Approved by: Denice Brown, Administrative Assistant

Comment:

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

City/County: **Lyon County**

Approved by: Josh Foli, Comptroller

Comment: This bill will reduce our consolidated tax revenue, but it can't be determined at this point. This bill will effectively eliminate the use of flavored tobacco products immediately and prohibit anyone born after December 31, 2002 from ever purchasing cigarettes forever. We don't have the age demographics of those purchasing cigarettes or how much is being purchased in flavored tobacco products to provide a fiscal impact.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Cannot Be Determined	$0	$0	$0	$0

City/County: **Pershing County**

Approved by: Karen Wesner, Administrative Assistant

Comment:

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

City/County: **Washoe County**

Approved by: Cadence Matijevich, Government Affairs Liaison

Comment: The provisions of the BDR would make the purchase and possession of tobacco products by persons born after December 31, 2002 illegal. The resulting fiscal impact from loss of tax on tobacco products cannot be determined because Washoe County is unsure on the number of persons born after December 31, 2002 that use tobacco products. Furthermore, a ban on all sales of tobacco products after January 1, 2030, would result in a fiscal impact as tax would no longer be collected on tobacco sales within Washoe County. This date is too far into the future to reasonably provide an estimate on the amount of taxes that the county would not collect. For both of the reasons stated above, a reliable estimate of the dollar amount of the effect of the bill on Washoe County cannot be determined at this time.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Cannot Be Determined	$0	$0	$0	$0

City/County: **City of Boulder City**

Approved by: Angela Manninen, Acting Finance Director

Comment:

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

City/County: **City of Elko**

Approved by: Kelly Wooldridge, City Clerk

Comment:

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

City/County: **City of Henderson**

Approved by: Mike Cathcart, Business Operations Manager

Comment: A fiscal impact of this legislation cannot be calculated at this time.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Cannot Be Determined	$0	$0	$0	$0

City/County: **City of Las Vegas**
Approved by: Jackie Bruno, Management Analyst I
Comment:

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

City/County: **City of Reno**
Approved by: Jordan Hosmer-Henner, Urban Economist
Comment: The provisions would impact city revenue through the state cigarette tax but it is impossible to estimate how significantly for any particular year.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Cannot Be Determined	$0	$0	$0	$0

City/County: **City of Sparks**
Approved by: Tiffany Pugh, Accounting Manager
Comment: The City does offer tobacco counseling through the Employee Assistance Program as well as limited prescription drug coverage. This bill would expand the counseling coverage and remove annual limits related to tobacco cessation medications which would increase insurance costs. However, the increased costs cannot be estimated, and the fiscal impact cannot be determined.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Cannot Be Determined	$0	$0	$0	$0

City/County: **City of West Wendover**
Approved by: Alina Ceballos, Chief Financial Officer
Comment: no fiscal impact

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

School District: **Carson City School District**

Approved by: Spencer Winward, Director of Fiscal Services

Comment: Carson City School District cannot determine the fiscal impact from the proposed legislation. While there are no increased expenditures anticipated from it, it cannot be determined what affect this may have on the revenue received by Carson City School District. If taxes that fund education directly or indirectly are reduced or eliminated, it may have an affect on the revenue available to the district but we cannot determine this amount especially at such a future date.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Cannot Be Determined	$0	$0	$0	$0

School District: **Churchill County School District**

Approved by: Dr. Summer E. Stephens, Superintendent

Comment:

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

School District: **Clark County School District**

Approved by: Dillon Kay, Director II - Budget

Comment: Does not appear to have a material financial impact on CCSD. If passed, the required work could be absorbed into the current workflow.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

School District: **Elko County School District**

Approved by: Julie Davis, CFO

Comment: No fiscal impact expected to the school directly.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

School District **Lincoln County School District**

Approved by: Pam Teel, Superintendent

Comment: Unclear on impact on school district

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Cannot Be Determined	$0	$0	$0	$0

School District: **Lyon County School District**
Approved by: Kyle Rodriguez, Fiscal Services Officer
Comment:

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

School District: **Nye County School District**
Approved by: Kelly Wood, Executive Secretary
Comment:

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

School District: **Pershing County School District**
Approved by: Russell D. Fecht, Superintendent
Comment:

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

School District: **Washoe County School District**
Approved by: Mark Mathers, Chief Financial Officer
Comment:

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

School District: **White Pine School District**
Approved by: Paul Johnson, Chief Financial Officer
Comment: Bills that provide exemptions that may reduce tax revenue could affect revenue but the impact can not be determined at this time.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Cannot Be Determined	$0	$0	$0	$0

The following local governments did not provide a response: Churchill County, Esmeralda County, Eureka County, Lander County, Mineral County, Nye County, Storey County, White Pine County, City of Caliente, City of Carlin, City of Ely, City of Fallon, City of Fernley, City of Mesquite, City of North Las Vegas, City of Wells, City of Winnemucca, City of Yerington, Washoe County Health District, Douglas County School District, Esmeralda County School District, Eureka County School District, Humboldt County School District, Lander County School District, Mineral County School District, and Storey County School District.