

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		(\$954,000)		(\$1,600,000)
CASH FUNDS		See Below		See Below
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		See Below		See Below

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB 285 provides a definition of flavored vapor product.

Under the bill, a person holding a license under sections 28-1420 to 28-1429 shall not market, advertise, sell, or cause to be sold any flavored vapor product. The bill amends section 28-1429 so that if licenses issued under sections 28-1420 to 28-1429 are revoked and forfeited as provided in section 28-1425 for violation of this requirement, no new license shall be issued to such licensee until the expiration of one year after the date of such revocation and forfeiture except as otherwise provided in section 28-1423.

The bill amends the Tobacco Products Tax Act.

The Act is amended so that the Tax Commissioner shall not issue a certification under section 77-4011.01 for any electronic nicotine delivery system (ENDS) which is a flavored vapor product and a manufacturer shall not cause to be sold at retail in this state any type or model of ENDS which is a flavored vapor product.

The Department of Revenue (DOR) estimates the following decrease to General Fund revenues as a result of the bill:

- FY26: (\$954,000)
- FY27: (\$1,600,000)
- FY28: (\$1,788,000)
- FY29: (\$1,998,000)

The DOR estimates minimal costs to it to implement the bill.

Prohibiting flavored vapor products would decrease the revenue credited to the Tobacco Products Administration Cash Fund connected to the nonrefundable \$75 certification fee for each type or model of ENDS sold in the state but such decrease is indeterminate at this time. LB 1204 (2024) estimated revenue for certification fees for all ENDS for FY26 ranging from \$226,000 to \$382,000.

