Fiscal Note
H.B. 385
2026 General Session
Nicotine Sales Amendments
by Dailey-Provost, Jennifer

General, Income Tax, and Uniform School Funds
JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	$(6,200)	$(400)	$(6,600)

State Government
UCA 36-12-13(2)(c)

Revenues	*FY 2026*	*FY 2027*	*FY 2028*
Qualified Patient Enterprise Fund	$0	$1,680,000	$1,680,000
Total Revenues	$0	$1,680,000	$1,680,000

Enactment of this bill could generate $1,680,000 ongoing from tobacco specialty business licenses into the Qualified Patient Enterprise Fund beginning in FY 2027.

Expenditures	*FY 2026*	*FY 2027*	*FY 2028*
General Fund	$0	$6,200	$6,200
General Fund, One-time	$400	$0	$0
Qualified Patient Enterprise Fund	$0	$1,680,000	$1,680,000
Total Expenditures	$400	$1,686,200	$1,686,200

Enactment of this legislation could cost the Department of Health and Human Services $168,000 ongoing in FY 2027 from the Qualified Patient Enterprise Fund for nicotine and tobacco prevention. Additionally, it could cost $400 one-time in FY 2026 and $6,200 ongoing beginning in FY 2027 from the General Fund to manage additional workload and issue the licenses. Enactment could also cost the Utah Department of Agriculture and Food $1,512,000 ongoing in FY 2027 from the Qualified Patient Enterprise Fund for additional enforcement of specialized product regulation, and to expand and improve testing services.

	FY 2026	*FY 2027*	*FY 2028*
Net All Funds	$(400)	$(6,200)	$(6,200)

Local Government
UCA 36-12-13(2)(c)

Enactment of this legislation likely will not result in direct, measurable costs for local governments.

Individuals & Businesses
UCA 36-12-13(2)(c)

Enactment of this bill may require business entities who are a retail tobacco specialty business to obtain a license from the Utah Department of Health and Human Services in the amount of $10,000 annually; the aggregate estimated impact for businesses is $1,680,000.

2026/01/29 07:03, Lead Analyst: Josh Pittman, Attorney: Williams, C.

Regulatory Impact

UCA 36-12-13(2)(d)

Enactment of this legislation could result in a medium increase in the regulatory burden for Utah residents or businesses.

Performance Evaluation

JR1-4-601

This bill creates a new program or significantly expands an existing program.
For a list of questions lawmakers might ask to improve accountability for the proposed program, please see: https://budget.utah.gov/newprogram

Notes on Notes

Fiscal explanations estimate the direct costs or revenues of enacting a bill. The Legislature uses them to balance the budget. They do not measure a bill's benefits or non-fiscal impacts like opportunity costs, wait times, or inconvenience. A fiscal explanation is not an appropriation. The Legislature decides appropriations separately.