

Department of Legislative Services  
Maryland General Assembly  
2000 Session

FISCAL NOTE

House Bill 353 (Chairman, Environmental Matters Committee)  
Environmental Matters

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**Tobacco Authority - Sunset Extension and Program Evaluation**

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This bill extends the sunset date for the Tobacco Authority from July 1, 2001, to July 1, 2006. The bill also requires the Tobacco Authority to issue an annual report to the General Assembly on the status of tobacco growing in the State by December 1 of each year.

The bill takes effect June 1, 2000.

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**Fiscal Summary**

**State Effect:** Revenues and expenditures for the Tobacco Authority would be maintained beyond FY 2002. The proposed FY 2001 budget assumes \$26,600 in special fund revenues for the authority and includes \$26,600 in special fund expenditures. Out-year revenues and expenditures are expected to remain relatively constant.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** The Tobacco Authority's termination date is July 1, 2001.

**Background:** The Tobacco Authority is responsible for the licensing and regulating of the producers, buyers, and sellers of leaf tobacco in the State. The authority is subject to the Maryland Program Evaluation Act, also known as the "sunset law," which provides a system of periodic legislative review of the regulatory, licensing and other governmental activities of

various units of State government.

The bill arises out of the sunset evaluation of the Tobacco Authority performed by the Department of Legislative Services (DLS) during 1999. In its report, DLS recommended that the authority be continued and its termination date be extended to July 1, 2006. In addition, DLS recommended that the authority report to the General Assembly by December 1 of each year on the status of tobacco growing in the State.

**State Revenues:** State revenues will be maintained beyond fiscal 2002 because the bill proposes to continue the Tobacco Authority. The proposed fiscal 2001 budget assumes \$26,600 in special fund revenues for the authority which reflects the poundage tax and the authority's annual license renewal schedule.

**State Expenditures:** State expenditures for the board will be maintained beyond fiscal 2002. The proposed fiscal 2001 budget includes \$26,600 in special fund expenditures for the authority for a part-time contractual position and operating expenses. Out-year expenditures are expected to remain relatively constant.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** SB 364 (Chairman, Economic and Environmental Affairs Committee) - Economic and Environmental Affairs.

**Information Source(s):** Maryland Department of Agriculture, Department of Legislative Services

**Fiscal Note History:** First Reader - February 7, 2000  
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