

**Department of Planning and Budget
2009 Fiscal Impact Statement**

1. Bill Number: SB 1105-S2

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Northam

3. Committee: Conference

4. Title: Virginia Indoor Clean Air Act; penalty

5. Summary: Moves the regulation of smoking in restaurants from Title 15.2 to a new chapter in Title 32.1. This bill prohibits smoking in all indoor restaurants and bar and lounge areas in the Commonwealth. Requires the posting of “No Smoking” signs and provides for a \$25 civil penalty for a violation of these provisions, which will become effective December 1, 2009.

6. Fiscal Impact Estimates: See item #8.

7. Budget Amendment Necessary: No.

8. Fiscal Implications:

Expenditure Impact

The Virginia Department of Health (VDH) currently inspects restaurants which are licensed by the Board of Health. The legislation now requires any local health department, while inspecting a restaurant, to also inspect for compliance with Section 15.2-2824. This new requirement does not impact the number of restaurants inspected by VDH or require additional staff and resources; therefore, this legislation does not have an expenditure impact.

Revenue Impact

Any person who continues to smoke in an area where smoking is prohibited, as defined in Section 15.2-2820, is subject to a civil penalty of no more than \$25. Any proprietor of a restaurant who fails to comply with the requirements of the legislation is subject to a civil penalty of no more than \$25. The proprietor or person in charge of a space where smoking is prohibited who fails to post “No Smoking” signs is subject to a civil penalty of no more than \$25. All of the revenue collected from the civil penalties is to be deposited into the Virginia Health Care Fund.

The number of potential violators of this bill is unknown; therefore, the revenue impact cannot be determined.

9. Specific Agency or Political Subdivisions Affected: Virginia Department of Health, Department of Medical Assistance Services, and Virginia localities

10. Technical Amendment Necessary: No.

11. Other Comments: The legislation is identical to HB 1703.

Date: 2/27/2009 lrj

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cc: Secretary of Health and Human Resources