



OHIO LEGISLATIVE SERVICE COMMISSION

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Fiscal Note & Local Impact Statement

Bill: H.B. 566 of the 132nd G.A.

Status: As Reported by House Economic Development,
Commerce and Labor

Sponsor: Reps. Scherer and Cera

Local Impact Statement Procedure Required: No

Subject: Makes changes to cigarette law

Overall, the bill has no direct fiscal effect on the state or political subdivisions.

The bill generally prohibits a cigarette retail dealer to purchase cigarettes at a price that is less than the cost to the wholesaler, or procure a concession of any kind in connection with the purchase of cigarettes from a wholesaler. The bill also prohibits a cigarette wholesaler to advertise or sell cigarettes at less than its cost, or offer or give a concession of any kind in connection with the sale of cigarettes.

Furthermore, the bill proposes to enact section 1333.13 of the Revised Code regarding cigarette minimum pricing between wholesalers. When one wholesaler sells cigarettes to another wholesaler, the selling wholesaler is not required to include in the selling price its full cost, and the purchasing wholesaler will be considered the wholesaler upon resale to a cigarette retailer for purposes of cigarette law.