

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2026 REGULAR SESSION**

MEASURE

2026 BR NUMBER 1391

SENATE BILL NUMBER 74 SCS 1

TITLE AN ACT relating to investment in youth vaping prevention.

SPONSOR Senator Craig Richardson

FISCAL SUMMARY

STATE FISCAL IMPACT: YES NO UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY: ACTUARIAL ANALYSIS
 LOCAL MANDATE CORRECTIONS IMPACT HEALTH BENEFIT MANDATE STATE
EMPLOYEE HEALTH PLAN IMPACT

APPROPRIATION UNIT(S) IMPACTED: Department for Public Health

FUND(S) IMPACTED: GENERAL ROAD FEDERAL RESTRICTED Vaping Settlement
Trust Fund

FISCAL ESTIMATES	2025-2026	2026-2027	2027-2028	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES		(\$1,539,200: General Fund) \$1,539,200: Restricted Funds	(Indeterminable: General Fund) Indeterminable: Restricted Funds	(Indeterminable: General Fund) Indeterminable: Restricted Funds
EXPENDITURES		Indeterminable: Restricted Funds	Indeterminable: Restricted Funds	Indeterminable: Restricted Funds
NET EFFECT		Indeterminable	Indeterminable	Indeterminable

() indicates a decrease/negative

PURPOSE OF MEASURE: The purpose of this measure is to establish the Vaping Settlement Trust Fund and direct Juul Labs settlement proceeds (less litigation expenses) to this fund beginning August 1, 2026, to be used for the Tobacco Prevention and Cessation Program.

FISCAL EXPLANATION: This bill would require that Juul Labs settlement proceeds collected after August 1, 2026, be deposited into the Vaping Settlement Trust Fund rather than the General Fund. For fiscal year 2027, net settlement proceeds, after deducting litigation costs, total \$1,539,200 and must be paid by December 31, 2026. For subsequent years, Juul Labs may elect one of the following payment options:

- A single lump-sum payment of \$4,720,213 by December 31, 2027;
- Three annual payments of \$1,730,061 from 2027 through 2029; or
- Five annual payments of \$1,132,851 from 2027 through 2031.

Because the timing and structure of payments are at the discretion of Juul Labs, revenue estimates beyond FY 2027 are currently indeterminable, but will ultimately be one of the abovementioned options.

DATA SOURCE(S): LRC Staff, Office of the Attorney General

PREPARER: Sara Rome NOTE NUMBER: 87 REVIEW: JMR DATE: 3/2/2026