



VIA EMAIL

October 13, 2016

Jessica Allen
Commission Counsel
Indiana Alcohol and Tobacco Commission
302 West Washington Street, Room E114
Indianapolis, IN 46204

Dear Ms. Allen,

Pursuant to IC 4-22, the Indiana Economic Development Corporation (“IEDC”) has reviewed the economic impact analysis for small business associated with rule changes contained in LSA Document 16-326 proposed by the Indiana Alcohol and Tobacco Commission (“ATC”). The proposed rule adds 905 IAC 1-48 concerning the manufacture, distribution, and sale of e-liquid, effective 30 days after filing with the Publisher.

The economic impact statement prepared by the ATC states the proposed rule will impose “minimal additional requirements on small businesses beyond that which is required by Indiana Code 7.1-7,” under IC 4-22-2.1-5.

According to the statement, “The ATC considered alternatives to the requirements imposed by the rule and concluded that these requirements impose the least burden on small business while still allowing the ATC to fulfill the duties and responsibilities of the ATC in IC 7.1-7-3-2.”

Finally, the ATC concludes: “It is indeterminable at this time the annual economic impact that compliance with these requirements will have on all small businesses subject to the rule. The total annual economic impact of compliance with these requirements would vary based on the amount of e-liquid manufactured by each e-liquid manufacturer. The ATC has not specified the manner or form of this record keeping or reporting so the cost to the permittee should be minimal.”

The Annual Economic Impact, as required by IC 4-22-2.1-5(a), has not been quantified by the statement provided by ATC; therefore, the small business ombudsman is unable to determine whether the economic impact would in fact impose undue burden on small business. However, if the ATC’s conclusions are accurate, the small business ombudsman agrees that the annual economic impact to small business would be minimal.

Based upon this analysis, the IEDC supports the proposed rule related to the economic impact to small business if the ATC’s conclusions reflect the actual result after promulgation. If you have any questions about the comments contained herein please contact me at 317.232.5679 or ombudsman@osbe.in.gov.

Regards,

Robert Warner