



City of Kansas City, Missouri

Docket Memo

Ordinance/Resolution #: 240897

Submitted Department/Preparer: Neighborhoods

Revised 6/10/24

Docket memos are required on all ordinances initiated by a Department Director. More information can be found in [Administrative Regulation \(AR\) 4-1](#).

Executive Summary

Amending Chapter 20, Code of Ordinances, entitled "Cigarettes," by renaming it "Tobacco and Nicotine;" repealing Sections 20-1 and 20-18 and replacing them with sections of like number and subject matter; enacting a new Section 20-4, "Sale or distribution of flavored products prohibited," and new Section 20-5, "Medical and recreational marijuana exempt,;" and amending Chapter 50, Code of Ordinances, by repealing Section 50-235 and replacing it with a section of like number and subject matter for the purpose of prohibiting the sale of flavored tobacco, nicotine, and vapor products within the City.

Discussion

This ordinance amends Chapter 20 of the Code of Ordinances to prohibit the sale of flavored tobacco, nicotine, and vapor products within the City limits. The ordinance defines products that may fall under this prohibition, while clarifying that these changes do not regulate marijuana products.

The City currently collects a cigarette stamp tax from retail and whole businesses who sell cigarettes. Cigarette stamp taxes collected for the Fiscal Year 2023-24, commencing on the first day of May 2023, totaled \$1,638,750.

Fiscal Impact

1. Is this legislation included in the adopted budget? Yes No
2. What is the funding source?
None identified
3. How does the legislation affect the current fiscal year?
The Neighborhoods Department estimates that this ordinance will lead to a reduction between 40-60% of tax stamp revenue from FY 2024 collections.

Multiple factors will impact collections, including but not limited to: the percentage of tobacco products that come from specialty stores, business closures, continued sale of tobacco products following the passage of this ordinance, and the percentage of tobacco products that are flavored.

The Finance Department estimates that this ordinance will decrease tax revenues between \$1 million and \$6 million, with a combination of stamp and sales taxes. Currently, vapes and other non-cigarette products are not subject to the cigarette stamp tax.

4. Does the legislation have a fiscal impact in future fiscal years? Please notate the difference between one-time and recurring costs.
Yes, this legislation would decrease both stamp tax and sales tax revenue, with the impact dependent on a variety of factors as identified in question 3 above.
5. Does the legislation generate revenue, leverage outside funding, or deliver a return on investment?
No, this legislation does not generate new revenues.

Office of Management and Budget Review

(OMB Staff will complete this section.)

1. This legislation is supported by the general fund. Yes No
2. This fund has a structural imbalance. Yes No
3. Account string has been verified/confirmed. Yes No

Additional Discussion (if needed)

No account string to verify as this ordinance is not appropriating or expending funds.

Citywide Business Plan (CWBP) Impact

1. View the [Adopted 2025-2029 Citywide Business Plan](#)
2. Which CWBP goal is most impacted by this legislation?
Housing and Healthy Communities (Press tab after selecting.)
3. Which objectives are impacted by this legislation (select all that apply):
 - Utilize planning approaches in neighborhoods to reduce blight, ensure sustainable housing, and improve resident wellbeing and cultural diversity.

- Maintain and increase affordable housing supply to meet the demands of a diverse population.
- Address the various needs of the City's most vulnerable population by working to reduce disparities.
- Foster an inclusive environment and regional approach to spur innovative solutions to housing challenges.
- Ensure all residents have safe, accessible, quality housing by reducing barriers.
- Protect and promote healthy, active amenities such as parks and trails, play spaces, and green spaces.

Prior Legislation

Click or tap here to list prior, related ordinances/resolutions.

Service Level Impacts

Click or tap here to provide a description of how this ordinance will impact service levels. List any related key performance indicators and impact.

Other Impacts

1. What will be the potential health impacts to any affected groups?
By eliminating flavored tobacco and vapor products, this should have a positive impact on African American and Hispanic populations, and the youth population as well. As reported by the Campaign for Tobacco-free kids:
 - Black smokers, both adults and youth, now overwhelmingly prefer menthol cigarettes.
 - Overall, 85 percent of Black smokers smoke menthol cigarettes.
 - Most recently, a study analyzing four waves of data from the government's Population Assessment of Tobacco and Health (PATH) study found that among daily smokers, menthol cigarette smokers have 24% lower odds of quitting as compared to non-menthol smokers
 - Among daily smokers, African American menthol smokers had a 53% lower odds of quitting compared to African American non-menthol smokers
 - Among the African American community, menthol cigarettes were responsible for 1.5 million extra smokers, 157,000 smoking-related premature deaths and 1.5 million excess life-years lost during 1980-2018. African Americans bear a disproportionate toll of the public health impact of menthol cigarettes. During this time, African Americans represented 15% of extra new smokers, 41% of excess premature deaths and 50% of excess life-years lost, despite only accounting for 12% of the population

- Lung cancer is the second most common cancer in both Black men and women, but it kills more Black Americans than any other type of cancer.⁷⁴ Decreased cessation success due to the popularity of menthol cigarettes among Black Americans likely contributes to this mortality disparity
- According to the latest data from the 2023 National Youth Tobacco Survey, 10.0% of high school students and 4.6% of middle school students - over 2.1 million kids altogether - were current e-cigarette users
- Nearly 40% of high school e-cigarette users are vaping at least 20 days a month and nearly 30% are daily users. In total, over 500,000 middle and high school students are vaping every single day
- The [U.S. Surgeon General](#) has concluded that youth use of nicotine in any form, including e-cigarettes, is unsafe. Nicotine is highly addictive and can harm adolescent brain development, particularly the parts of the brain responsible for attention, memory and learning

An [analysis](#) published February 21, 2024, in the Oxford University Press journal *Nicotine & Tobacco Research* found that bans on the sale of menthol cigarettes can help smokers quit entirely. Researchers examined local bans in the United States, Canada and the European Union, and found that a **quarter of menthol smokers quit smoking after a ban was enacted.**

2. How have those groups been engaged and involved in the development of this ordinance?

N/A

3. How does this legislation contribute to a sustainable Kansas City?
By improving the chances that residents will cut down on tobacco usage and thereby extend their lives.

4. Does this legislation create or preserve new housing units?
Please Select (Press tab after selecting)

No.

[Click or tap here to enter text.](#)

5. Department staff certifies the submission of any application Affirmative Action Plans or Certificates of Compliance, Contractor Utilization Plans (CUPs), and Letters of Intent to Subcontract (LOIs) to CREO prior to, or simultaneously with, the legislation entry request in Legistar.

No - CREO's review is not applicable (Press tab after selecting)

Please provide reasoning why not:

[Click or tap here to enter text.](#)

6. Does this legislation seek to approve a contract resulting from an Invitation for Bid?

No(Press tab after selecting)

Click or tap here to enter text.

7. Does this legislation seek to approve a contract resulting from a Request for Proposal/Qualification (RFP/Q)?

No(Press tab after selecting)