



DEBRA BOWEN

CALIFORNIA SECRETARY OF STATE NEWS RELEASE

DB13:007

FOR IMMEDIATE RELEASE

February 25, 2013

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Cigarette Tax Initiative Enters Circulation

*Cigarette Tax to Fund Student Financial Aid at University
Of California and California State University. Initiative Statute.*

SACRAMENTO – Secretary of State Debra Bowen today announced that the proponent of a new initiative may begin collecting petition signatures for his measure.

The Attorney General prepares the legal title and summary that is required to appear on initiative petitions. When the official language is complete, the Attorney General forwards it to the proponent and to the Secretary of State, and the initiative may be circulated for signatures. The Secretary of State then provides calendar deadlines to the proponent and to county elections officials. The Attorney General's official title and summary for the measure is as follows:

CIGARETTE TAX TO FUND STUDENT FINANCIAL AID AT UNIVERSITY OF CALIFORNIA AND CALIFORNIA STATE UNIVERSITY. INITIATIVE STATUTE. Increases cigarette tax by \$1.00 per pack. Allocates revenues to expand financial aid for California residents enrolled at UC or CSU. If new tax causes decreased tobacco consumption, thus reducing existing tobacco-tax revenues, current tobacco funding for tobacco health education/research, medical care, environment, breast cancer research/services, early childhood development, and General Fund will be maintained by transferring new tax revenues to offset decrease. Requires annual independent audit and accounting. Establishes five-member oversight committee. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Additional annual state tax revenues of (1) \$800 million from the cigarette excise tax increase of \$1 per pack and (2) \$45 million from the excise tax increase on other tobacco products triggered by the measure. The additional cigarette tax revenue would be spent on financial aid for resident students at the state's public universities (\$730 million) and backfilling losses to existing tobacco programs (\$70 million). The additional revenue from other tobacco products would be used for other existing programs, including tobacco-prevention and education. (12-0018)**

The Secretary of State's tracking number for this measure is 1590 and the Attorney General's tracking number is 12-0018.

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The proponent for the measure, James C. Harrison, must collect signatures of 504,760 registered voters – the number equal to five percent of the total votes cast for governor in the 2010 gubernatorial election – in order to qualify it for the ballot. The proponent has 150 days to circulate petitions for the measure, meaning the signatures must be collected by July 22, 2013.

The initiative proponent can be reached at (510) 346-6200.

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