



DEBRA BOWEN

CALIFORNIA SECRETARY OF STATE

NEWS RELEASE

DB13:060

FOR IMMEDIATE RELEASE
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CONTACT: Nicole Winger
(916) 653-6575

Cigarette Tax Initiative Enters Circulation

Cigarette Tax to Fund Healthcare, Tobacco Use Prevention, Research, and Law Enforcement. Initiative Statute.

SACRAMENTO – Secretary of State Debra Bowen today announced 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 HEALTHCARE, TOBACCO USE PREVENTION, RESEARCH, AND LAW ENFORCEMENT. INITIATIVE STATUTE. Increases cigarette tax by \$2.00 per pack, with an equivalent increase on other tobacco products. Allocates revenues primarily to increase funding for healthcare programs and services; also for tobacco use prevention and control programs, for tobacco-related disease research, for state and local agencies to enhance tobacco law enforcement, for University of California to train more physicians, and for administrative expenses. If new tax causes decreased tobacco consumption, transfers new tax revenues to offset decrease to existing tobacco-funded programs. Requires biennial independent audit and accounting. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Net increase in cigarette excise tax revenues in the range of \$800 million to \$1.4 billion annually by 2015-16.** Revenues would decrease slightly each year thereafter. The funds would be used for health care expenses, tobacco-related prevention and cessation programs, law enforcement programs, and medical research on tobacco-related diseases. Increase in excise tax revenues on other tobacco products under \$100 million annually going mainly to existing health programs. Change in state and local sales tax revenues ranging from a \$70 million loss to a \$70 million gain annually. (13-0027.)

The Secretary of State's tracking number for this measure is 1618 and the Attorney General's tracking number is 13-0027.

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The proponent for the measure, Lance Olson, 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 May 27, 2014.

The initiative proponent can be reached at (916) 442-2952.

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