



DEBRA BOWEN

CALIFORNIA SECRETARY OF STATE NEWS RELEASE

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Tobacco Tax Initiative Enters Circulation

Cigarette Tax to Fund Brain and Stem Cell Research. 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 BRAIN AND STEM CELL RESEARCH. INITIATIVE STATUTE. Increases cigarette tax by \$1.00 per pack, with an equivalent increase on other tobacco products. Requires tax revenues to be deposited into a special fund to provide grants and loans to support brain research, including stem cell research, on causes, treatments, detection, and cures for brain disorders and diseases. Creates 11-member oversight committee charged with administering the fund. If new tax causes decreased tobacco consumption, transfers sufficient amount of new tax revenues to offset revenue decrease to other programs funded by existing tobacco taxes. Requires annual independent audit. 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 \$500 million to \$750 million annually by 2015-16. Revenues would decrease slightly each year thereafter. The funds would be used to support research on brain and central nervous system diseases and disorders. Increase in excise tax revenues on other tobacco products of roughly \$50 million annually going mainly to existing health programs. Change in state and local sales tax revenues ranging from a \$30 million loss to a \$40 million gain annually.** (14-0003.)

The Secretary of State's tracking number for this measure is 1653 and the Attorney General's tracking number is 14-0003.

The proponent for the measure, Frank P. Barbaro, must collect signatures of 504,760 registered voters (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 submitted to county elections officials by August 4, 2014. The proponent can be reached at (714) 641-3415.

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