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ASSEMBLY, No. 3338

STATE OF NEW JERSEY

217th LEGISLATURE

INTRODUCED FEBRUARY 22, 2016

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SYNOPSIS

Dedicates one percent of cigarette and other tobacco products tax revenues to anti-smoking initiatives.

CURRENT VERSION OF TEXT

As reported by the Assembly Appropriations Committee on October 27, 2016, with amendments.

(Sponsorship Updated As Of: 8/1/2017)

1 AN ACT concerning the disposition of certain cigarette ¹and other
2 tobacco products¹ tax revenues and amending P.L.1997, c.264.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. Section 4 of P.L.1997, c.264 (C.26:2H-18.58g) is amended
8 to read as follows:

9 4. Notwithstanding the provisions of any other law to the
10 contrary,

11 a. commencing July 1, 1998 and ending June 30, 2006: after
12 the deposit required pursuant to section 5 of P.L.1982, c.40
13 (C.54:40A-37.1), the first \$150,000,000 of revenue collected
14 annually from the **【cigarette tax imposed pursuant to】** “Cigarette
15 Tax Act,” P.L.1948, c.65 (C.54:40A-1 et seq.) and the first
16 \$5,000,000 of revenue collected annually from the "Tobacco
17 Products Wholesale Sales and Use Tax Act," P.L.1990, c.39
18 (C.54:40B-1 et seq.), shall be deposited into the Health Care
19 Subsidy Fund established pursuant to section 8 of P.L.1992, c.160
20 (C.26:2H-18.58); and the next \$390,000,000 of revenue collected
21 annually from the **【cigarette tax imposed pursuant to】** “Cigarette
22 Tax Act,” P.L.1948, c.65 (C.54:40A-1 et seq.) shall be appropriated
23 annually for health programs, and the next \$50,000,000 of revenue
24 collected annually from the **【cigarette tax imposed pursuant to】**
25 “Cigarette Tax Act,” P.L.1948, c.65 (C.54:40A-1 et seq.) shall be
26 appropriated annually to the New Jersey Economic Development
27 Authority for payment of debt service incurred by the authority for
28 school facilities projects and in fiscal years commencing July 1,
29 2002 and July 1, 2003, the next \$30,000,000 of revenue collected
30 annually from the **【cigarette tax imposed pursuant to】** “Cigarette
31 Tax Act,” P.L.1948, c.65 (C.54:40A-1 et seq.) shall be directed to
32 the Department of Health to fund anti-smoking initiatives, except
33 that the amount shall be \$40,000,000 in the fiscal year commencing
34 July 1, 2004 and \$45,000,000 in the fiscal year commencing July 1,
35 2005; and

36 b. commencing with fiscal years beginning on and after July 1,
37 2006, after the deposit required pursuant to section 5 of P.L.1982,
38 c.40 (C.54:40A-37.1), the first \$150,000,000 of revenue collected
39 annually from the **【cigarette tax imposed pursuant to】** “Cigarette
40 Tax Act,” P.L.1948, c.65 (C.54:40A-1 et seq.) and the first
41 \$5,000,000 of revenue collected annually from the "Tobacco
42 Products Wholesale Sales and Use Tax Act," P.L.1990, c.39
43 (C.54:40B-1 et seq.), shall be deposited into the Health Care
44 Subsidy Fund established pursuant to section 8 of P.L.1992, c.160

EXPLANATION – Matter enclosed in bold-faced brackets **【thus】** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AAP committee amendments adopted October 27, 2016.

1 (C.26:2H-18.58). In addition, commencing with fiscal years
2 beginning on and after July 1, 2006 but before July 1, 2009, there
3 shall be deposited \$215,000,000 of revenue collected annually from
4 the **【cigarette tax imposed pursuant to】** “Cigarette Tax Act,”
5 P.L.1948, c.65 (C.54:40A-1 et seq.) in accordance with the
6 provisions of section 5 of P.L.2004, c.68 (C.34:1B-21.20), and,
7 commencing with fiscal years beginning on and after July 1, 2009,
8 there shall be deposited \$241,500,000 of revenue collected annually
9 from the **【cigarette tax imposed pursuant to】** “Cigarette Tax Act,”
10 P.L.1948, c.65 (C.54:40A-1 et seq.) in accordance with the
11 provisions of section 5 of P.L.2004, c.68 (C.34:1B-21.20). In
12 addition, commencing with fiscal years beginning on and after July
13 1, ¹**【2016】** 2017¹, an amount equal to ¹**【five】** one¹ percent of the
14 total revenues collected annually from the “Cigarette Tax Act,”
15 P.L.1948, c.65 (C.54:40A-1 et seq.) and the “Tobacco Products
16 Wholesale Sales and Use Tax Act,” P.L.1990, c.39 (C.54:40B-1 et
17 seq.) shall be directed to the Department of Health to fund ¹**【anti-**
18 **smoking initiatives】** and implement evidence-based tobacco control
19 programs that align with the federal Centers for Disease Control
20 and Prevention Best Practices for Comprehensive Tobacco Control
21 Programs and that include the goals of preventing youth initiation
22 of tobacco usage, reducing exposure to secondhand smoke, and
23 promotion of cessation. Funding priority shall be given to programs
24 that aim to reduce the incidence of smoking among the State’s
25 Medicaid population and youth¹ .
26 (cf: P.L.2012, c.17, s.226)

27
28 2. This act shall take effect on July 1, ¹**【2016】** 2017¹.