

ACT No. 19

Regular Session, 2002

HOUSE BILL NO. 157

BY REPRESENTATIVES LANDRIEU, K. CARTER, DARTEZ, HUNTER,
L. JACKSON, MURRAY, AND THOMPSON AND SENATORS
BAJOIE AND JOHNSON

AN ACT

To enact R.S. 47:841(B)(4) and (5) and 841.1, relative to the tobacco tax; to increase the tax on cigarettes; to provide for deposit and use of proceeds from the tax; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:841(B)(4) and (5) and 841.1 are hereby enacted to read as follows:

§841. Imposition of tax

There is hereby levied a tax upon the sale, use, consumption, handling, or distribution of all cigars, cigarettes, and smoking and smokeless tobacco, as defined herein, within the state of Louisiana, according to the classification and rates hereinafter set forth:

* * *

B. Cigarettes.

* * *

(4) In addition to the tax levied in Paragraphs (1), (2), and (3) of this Subsection, there is hereby levied an additional tax of seven-tenths of one cent per cigarette.

(5) In addition to the tax levied in Paragraphs (1), (2), (3), and (4) of this Subsection, there is hereby levied an additional tax of five-twentieths of one cent per cigarette.

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§841.1. Tobacco Tax Health Care Fund

A. There is hereby created as a special fund in the state treasury the "Tobacco Tax Health Care Fund", hereinafter referred to as the "fund". After compliance with the requirements of Article VII, Section 9(B) of the Constitution of Louisiana relative to the Bond Security and Redemption Fund, and after a sufficient amount is allocated from that fund to pay all of the obligations secured by the full faith and credit of the state which become due and payable within any fiscal year, the state treasurer shall annually deposit to the fund an amount equal to the avails of the tax imposed under the provisions of R.S. 47:841(B)(4) and (5). The monies in this fund shall be used solely as provided by this Section and only in the amounts appropriated by the legislature.

B. All unexpended and unencumbered monies in this fund at the end of the fiscal year shall remain in the fund. The monies in the fund shall be invested by the state treasurer in the same manner as monies in the state general fund, and all earnings on investment of the fund shall be deposited into the fund.

C.(1) Subject to an annual appropriation by the legislature, forty-two and eight-tenths percent of the monies collected under authority of R.S. 47:841(B)(4) in the fund shall be used solely for the purpose of providing funding for the Louisiana Cancer Research Center of L.S.U. Health Sciences Center in New Orleans/Tulane Health Sciences Center, and twenty-nine and two-tenths percent of monies collected under authority of R.S. 47:841(B)(4) shall be used solely for the purposes of funding for the creation of smoking prevention mass

media programs and evidence-based tobacco control programs within the public hospital system and the public school system and community development programs directed at cessation among children and pregnant women and the screening, prevention, and treatment of tobacco use and dependence among individuals with diseases caused or exacerbated by tobacco use. The Southern University Board of Supervisors shall participate in the planning and expenditure of funds for the creation of smoking prevention mass media programs and evidence-based tobacco control programs as specified in this Paragraph. Any financial benefit to be derived from any intellectual property or other ownership interest resulting from research or other activities conducted by, or in conjunction with, the Louisiana Cancer Research Center of L.S.U. Health Sciences Center in New Orleans/Tulane Health Sciences Center, or its successor, shall be shared with the state pursuant to a written agreement executed between the parties and approved by the Joint Legislative Committee on the Budget.

(2) Subject to an annual appropriation by the legislature, twenty-eight percent of the monies collected under authority of R.S. 47:841(B)(4) in the fund shall be used solely to provide funding for the Cancer Center of Louisiana State University Health Sciences Center in Shreveport. Any financial benefit to be derived from any intellectual property or other ownership interest resulting from research or other activities conducted by, or in conjunction with, the Cancer Center of Louisiana State University Health Sciences Center in Shreveport, or its successor, shall be shared with the state pursuant to a written agreement executed between the parties and approved by the Joint Legislative Committee on the Budget.

(3) Subject to an annual appropriation by the legislature, twenty percent of the monies collected under authority of R.S. 47:841(B)(5) in the fund shall be used solely to provide funding for the office of addictive disorders, Department of Health and Hospitals.

(4) Subject to an annual appropriation by the legislature, twenty percent of the monies collected under authority of R.S. 47:841(B)(5) in the fund shall be used solely to provide funding for the Louisiana State University Agricultural Center and the Southern University Agricultural Research and Extension Center, provided that the annual appropriation to Southern University Agricultural Research and Extension Center from this source shall be one million dollars per year.

(5) Subject to an annual appropriation by the legislature, twenty percent of the monies collected under authority of R.S. 47:841(B)(5) in the fund shall be used solely to provide funding for the administration and operation of Drug Abuse Resistance Education (D.A.R.E.) programs.

(6) Subject to an annual appropriation by the legislature, forty percent of the monies collected under authority of R.S. 47:841(B)(5) in the fund shall be used solely to provide funding for the office of state police, Department of Public Safety and Corrections.

Section 2. The increase in the cigarette tax imposed by this Act shall apply to all tobacco products purchased by retail dealers and wholesale dealers on and after August 1, 2002, and shall not apply to stamped products and unused tax stamps in the possession of wholesale dealers prior to August 1, 2002. All wholesale and retail dealers shall file an inventory with the secretary of the Department of Revenue of all tobacco products on hand prior to August 1, 2002. The inventory shall be filed by September 1, 2002. The

secretary shall have authority to adopt rules and regulations as to the filing of the inventory report.

Section 3. This Act shall become effective on July 1, 2002; if vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on July 1, 2002, or on the day following such approval by the legislature, whichever is later.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____