

**STATE
FISCAL IMPACT**

Drafting Number: LLS 13-0827
Prime Sponsor(s): Sen. Nicholson

Date: March 1, 2013
Bill Status: Senate SVMA
Fiscal Analyst: Kirk Mlinek (303-866-3521)

TITLE: CONCERNING EXPANSION OF THE TYPES OF ACTIVITIES THAT ARE ELIGIBLE FOR GRANTS UNDER THE TOBACCO EDUCATION, PREVENTION, AND CESSATION GRANT PROGRAM.

Fiscal Impact Summary	FY 2013-2014	FY 2014-2015
State Revenue		
State Expenditures	See State Expenditures section.	
FTE Position Change		
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.		
Appropriation Summary for FY 2013-2014: None required.		
Local Government Impact: None.		

Summary of Legislation

The bill expands the types of activities that are eligible for grants issued by the Department of Public Health and Environment (DPHE) under the Tobacco Education, Prevention, and Cessation Grant Program.

Background

Amendment 35, passed by a statewide vote in 2005, raised the per package tax on cigarettes and increased taxes on all other tobacco products. Proceeds are used to fund health care programs, tobacco education and cessation programs, and the prevention and early detection of cancer, cardiovascular disease, and pulmonary disease. In FY 2010-11, the state collected approximately \$145 million in related taxes. Current law requires that Amendment 35 taxes be distributed according to a formula, with 65 percent going to the Department of Health Care Policy and Financing; 3 percent to the General Fund, Old Age Pension Fund, and local governments; and 32 percent to DPHE, equally split between two specific programs.

The programs in the DPHE that are the subject of this bill include:

- education designed for school-aged children that includes, but is not limited to, school, work site, mass media, and health-care setting programs that are designed to prevent or reduce the use of all types of tobacco products or help reduce exposure to secondhand smoke; and
- programs that are designed to eliminate health disparities among segments of the population that have higher than average tobacco burdens.

The bill permits grants to be provided for other activities related to these issues.

State Expenditures

Expanding the types of activities that are eligible for grants under the Tobacco Education, Prevention, and Cessation Grant Program does not increase state revenue or expenditures, but it could change the allocation of tobacco tax money. For FY 2011-12, the tobacco prevention program in DPHE received \$5.8 million; these funds are continuously appropriated.

Departments Contacted

Public Health and Environment

Law