

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

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.)**