



CALIFORNIA DEPARTMENT OF JUSTICE
Summary of Expenditures for Funds Received by the California Healthcare, Research and Prevention Tobacco Tax Act of 2016

The California Healthcare, Research and Prevention Tobacco Tax Act of 2016 (Proposition 56, codified at Article 2.5 of the Revenue & Taxation Code) provides state and local agencies with funding to promote a healthier California by reducing illegal sales and marketing of cigarettes and tobacco products to minors.

Approved by voters in 2016, Proposition 56 increased taxes on cigarettes and other tobacco products by \$2.00 starting in April 2017. Of the resulting tax revenue, Proposition 56 appropriates approximately \$30 million¹ annually to the Department of Justice (DOJ) to be granted through reimbursement to local agencies for efforts to prevent or reduce the illegal sales and/or marketing of cigarettes and tobacco products to minors and youth. (Rev. & Tax. Code, § 30130.57, subd. (e)(1).) These grants to local agencies — known as the DOJ Tobacco Grant Program and referred to in the chart below as *Local Assistance*— are awarded for enforcing state laws and local ordinances related to the illegal sales and/or marketing of tobacco products and increasing investigative activities and compliance checks of tobacco retailers.

In addition to the amount appropriated for *Local Assistance*, DOJ receives an annual appropriation of Proposition 56 funding to support DOJ’s tobacco enforcement activities and grant administration — referred to as *State Operations* in the chart below. (Rev. & Tax. Code, § 30130.57, subd. (e)(4).)

The following is DOJ’s summary of Proposition 56 funds appropriated, expended, and obligated since fund year 2017-18 through June 30, 2024. For more information regarding DOJ’s Tobacco Grant Program, please visit <https://oag.ca.gov/tobaccogrants>.

Fund Year ²	Fund Type	Appropriation	Funds Expended ³	Funds Obligated ⁴	Cash Transfers ⁵
2017-18	State Operations⁶	\$7,500,000	\$2,574,050	\$0	\$0
	· Grant Administration	\$0	\$0	\$0	
	· Enforcement	\$7,500,000	\$2,574,050	\$0	
	Local Assistance⁷	\$37,500,000	\$26,421,922	\$0	
2018-19	State Operations	\$7,500,000	\$2,734,994	\$0	\$36,000,000
	· Grant Administration	\$1,500,000	\$894,286	\$0	
	· Enforcement	\$6,000,000	\$1,840,708	\$0	
	Local Assistance	\$28,500,000	\$15,913,386	\$0	

Fund Year ²	Fund Type	Appropriation	Funds Expended ³	Funds Obligated ⁴	Cash Transfers ⁵
2019-20	State Operations	\$8,032,000	\$3,506,636	\$0	\$62,410,000
	· Grant Administration	\$1,606,000	\$832,309	\$0	
	· Enforcement	\$6,426,000	\$2,674,327	\$0	
	Local Assistance	\$30,511,000	\$18,509,208	\$0	
2020-21	State Operations	\$5,500,000	\$4,445,934	\$0	\$32,749,000
	· Grant Administration	\$1,200,000	\$967,398	\$0	
	· Enforcement	\$4,300,000	\$3,478,536	\$0	
	Local Assistance	\$28,500,000	\$16,588,636	\$11,712,490	
2021-22	State Operations	\$5,093,000	\$5,289,345	\$0	\$32,794,000
	· Grant Administration	\$755,000	\$1,140,710	\$0	
	· Enforcement	\$4,338,000	\$4,148,635	\$0	
	Local Assistance	\$26,800,000	\$7,501,294	\$14,963,731	
2022-23	State Operations	\$6,060,000	\$5,690,209	\$0	\$30,458,000
	· Grant Administration	\$1,103,000	\$957,680	\$0	
	· Enforcement	\$4,957,000	\$4,732,529	\$0	
	Local Assistance	\$22,050,000	\$2,082,952	\$16,501,493	
2023-24	State Operations	\$6,060,000	\$4,301,258	\$0	\$25,952,000
	· Grant Administration	\$1,340,000	\$1,015,793	\$0	
	· Enforcement	\$4,720,000	\$3,285,465	\$0	
	Local Assistance	\$24,650,000	\$0	\$20,949,944	

¹ The amount allocated to DOJ is appropriated annually through the State budget process. This annual amount can fluctuate below \$30 million based on reductions in tax revenue in a given fund year. (See Rev. & Tax. Code, § 30130.57, subd. (h).)

² Fund Year represents the year in which funds are appropriated.

³ Funds expended for *State Operations* are reported as of June 30 for the specified fund year, except for fund year 2017-18, which was reported June 30, 2020, as part of a one-time funding appropriation.

⁴ DOJ obligates up to the amount appropriated each fund year for *Local Assistance* to grant recipients. Contracts with grantees may allow for funds to be expended up to a four-year period.

⁵ Cash transfers are the amount of funds transferred annually into the DOJ's Subaccount, Tobacco Law Enforcement Account, California Healthcare, Research and Prevention Tobacco Tax Act of 2016 Fund (3320) from the California Healthcare, Research and Prevention Tobacco Tax Act of 2016 Fund (3304), per Revenue and Taxation Code section 30130.57, subdivision (e), which supports the annual budget appropriation and statewide

overhead costs. Please note, grant awards are based on the amount appropriated to DOJ and not the cash transfers.

⁶ *State Operations* is the amount appropriated to DOJ to support DOJ's tobacco enforcement activities and grant administration.

⁷ *Local Assistance* is the amount appropriated to DOJ each fund year to award to Tobacco Grant Program recipients.