

5987--A

2015-2016 Regular Sessions

I N   A S S E M B L Y

March 9, 2015

---

Introduced by M. of A. CRESPO, LUPARDO, MOSLEY, JAFFEE, PICHARDO, HEVE-SI, RIVERA, SKOUFIS, McDONALD, STIRPE, CROUCH, FINCH, GOODELL, LINARES -- Multi-Sponsored by -- M. of A. COOK, LAWRENCE, MURRAY, SIMON, THIELE -- read once and referred to the Committee on Ways and Means -- recommitted to the Committee on Ways and Means in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law and the state finance law, in relation to allocating certain revenue to the tobacco use prevention and control program fund for programs to help smokers quit and to keep children from smoking

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1     Section 1. Statement of legislative intent. The legislature finds  
2     that:  
3     New York state has raised over twelve billion dollars in tobacco  
4     revenues over the past seven years, yet only three and one-half percent  
5     of these revenues have been spent on the state's Tobacco Use Prevention  
6     and Control Program.  
7     In the year 2013, New York state spent only sixteen percent of the  
8     amount recommended by the Centers for Disease Control and Prevention on  
9     tobacco control. New York state was once a leader in tobacco control  
10    support spending, but now ranks twenty-first in the United States.  
11    From the years 2007-2013, funding for the New York State Tobacco Use  
12    Prevention and Control Program was cut by more than half. This inadequate  
13    funding level for the program stands in contrast to promises made  
14    in 1998 by public officials to invest state dollars earned from the  
15    Tobacco Master Settlement Agreement in tobacco control programs.  
16    The Tobacco Master Settlement Agreement states that its purpose is to  
17    "achieve for the Settling States and their citizens significant funding

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets  
[ ] is old law to be omitted.

LBD06273-03-6

1 for the advancement of public health" and "the implementation of impor-  
2 tant tobacco-related public health measures."

3 When more adequately funded, the State Tobacco Use Prevention and  
4 Control Program achieved successes in the effort to curb tobacco use.  
5 Teenage and adult tobacco use rates had fallen faster in New York state  
6 than in the United States as a whole.

7 Limited funding prevents the State Tobacco Use Prevention and Control  
8 Program from reaching the most vulnerable populations with the highest  
9 rates of smoking, individuals with limited income. A recent analysis by  
10 the American Cancer Society of New York and New Jersey found that lung  
11 cancer rates in upstate New York are higher than the national average.

12 Tobacco use takes a terrible toll on New York. In the year 2009, twen-  
13 ty-five thousand four hundred lives were prematurely lost due to tobacco  
14 use, with an estimated nine thousand six hundred ten of those deaths  
15 resulting from cancer. Tobacco costs New Yorkers over eight billion  
16 dollars in health care costs, including nearly two billion seven hundred  
17 thousand dollars in Medicaid expenditures.

18 The legislature therefore declares that New York state should fulfill  
19 the promise made by state policy makers at the time of the State Tobacco  
20 Master Settlement Agreement to use tobacco revenues for programs to help  
21 smokers quit and to keep children from smoking. The legislature further  
22 declares that funding for the Tobacco Use Prevention and Control Program  
23 should be incrementally increased on an annual basis over the next ten  
24 years to reach the level recommended by the United States Centers for  
25 Disease Control and Prevention that would be current by the year 2024.

26 S 2. Section 482 of the tax law, as amended by section 2 of part T of  
27 chapter 61 of the laws of 2011, is amended to read as follows:

28 S 482. Deposit and disposition of revenue. (a) All taxes, fees, inter-  
29 est and penalties collected or received by the commissioner under this  
30 article and article twenty-A of this chapter shall be deposited and  
31 disposed of pursuant to the provisions of section one hundred seventy-  
32 one-a of this chapter, AS ADDED BY CHAPTER SIXTY-NINE OF THE LAWS OF  
33 NINETEEN HUNDRED SEVENTY-EIGHT, AS AMENDED. (b) From the taxes, inter-  
34 est and penalties collected or received by the commissioner under  
35 sections four hundred seventy-one and four hundred seventy-one-a of this  
36 article, effective on and after March first, two thousand, forty-nine  
37 and fifty-five hundredths, and effective on and after February first,  
38 two thousand two, forty-three and seventy hundredths; and effective on  
39 and after May first, two thousand two, sixty-four and fifty-five  
40 hundredths; and effective on and after April first, two thousand three,  
41 sixty-one and twenty-two hundredths percent; and effective on and after  
42 June third, two thousand eight, seventy and sixty-three hundredths  
43 percent; and effective on and after July first, two thousand ten, seven-  
44 ty-six percent collected or received under those sections must be depos-  
45 ited to the credit of the tobacco control and insurance initiatives pool  
46 to be established and distributed by the commissioner of health in  
47 accordance with section twenty-eight hundred seven-v of the public  
48 health law. NOTWITHSTANDING THE PROVISIONS OF SECTION ONE HUNDRED  
49 SEVENTY-ONE-A OF THIS CHAPTER, AS ADDED BY CHAPTER SIXTY-NINE OF THE  
50 LAWS OF NINETEEN HUNDRED SEVENTY-EIGHT, AS AMENDED, FROM THE TAXES  
51 COLLECTED OR RECEIVED BY THE COMMISSIONER PURSUANT TO THIS ARTICLE,  
52 EFFECTIVE ON AND AFTER APRIL FIRST, TWO THOUSAND SEVENTEEN, FIFTY-TWO  
53 MILLION DOLLARS AND, EFFECTIVE FROM APRIL FIRST, TWO THOUSAND EIGHTEEN  
54 UNTIL APRIL FIRST, TWO THOUSAND TWENTY-SIX AT LEAST FIVE PERCENT SHALL  
55 ANNUALLY BE ADDITIONALLY CREDITED TO AND DEPOSITED IN THE TOBACCO USE  
56 PREVENTION AND CONTROL PROGRAM FUND ESTABLISHED PURSUANT TO SECTION

1 EIGHTY-SIX OF THE STATE FINANCE LAW, PROVIDED HOWEVER, THAT EFFECTIVE  
2 APRIL FIRST, TWO THOUSAND TWENTY-SEVEN THE TOTAL AMOUNT CREDITED TO AND  
3 DEPOSITED IN THE TOBACCO USE PREVENTION AND CONTROL PROGRAM FUND ESTAB-  
4 LISHED PURSUANT TO SECTION EIGHTY-SIX OF THE STATE FINANCE LAW SHALL NOT  
5 BE LESS THAN THE AMOUNT RECOMMENDED BY THE UNITED STATES CENTERS FOR  
6 DISEASE CONTROL AND PREVENTION ON SUCH DATE.

7 S 3. The state finance law is amended by adding a new section 86 to  
8 read as follows:

9 S 86. TOBACCO USE PREVENTION AND CONTROL PROGRAM FUND. 1. THERE IS  
10 HEREBY ESTABLISHED IN THE JOINT CUSTODY OF THE STATE COMPTROLLER AND THE  
11 COMMISSIONER OF TAXATION AND FINANCE A SPECIAL FUND TO BE KNOWN AS THE  
12 "TOBACCO USE PREVENTION AND CONTROL PROGRAM FUND".

13 2. THE TOBACCO USE PREVENTION AND CONTROL PROGRAM FUND SHALL CONSIST  
14 OF MONEYS APPROPRIATED THERETO, AND FUNDS TRANSFERRED FROM ANY OTHER  
15 FUND OR SOURCES INCLUDING TAX REVENUE REQUIRED TO BE DEPOSITED THEREIN  
16 PURSUANT TO SECTION FOUR HUNDRED EIGHTY-TWO OF THE TAX LAW.

17 3. THE MONEYS RECEIVED BY SUCH FUND SHALL BE EXPENDED PURSUANT TO  
18 APPROPRIATION ONLY FOR THE PURPOSES OF IMPLEMENTING THE TOBACCO USE  
19 PREVENTION AND CONTROL PROGRAM PURSUANT TO SECTION THIRTEEN HUNDRED  
20 NINETY-NINE-II OF THE PUBLIC HEALTH LAW.

21 S 4. This act shall take effect April 1, 2018. Effective immediately,  
22 the addition, amendment and/or repeal of any rule or regulation neces-  
23 sary for the implementation of this act on its effective date are  
24 authorized to be made and completed on or before such effective date.