

# One Hundred Third Legislature - First Session - 2013

## Introducer's Statement of Intent

### LB439

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**Chairperson: Senator Galen Hadley**

**Committee: Revenue**

**Date of Hearing: March 13, 2013**

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

To reduce smoking and tobacco product use, especially in youth, by increasing the per pack excise tax on cigarettes and the percentage of tax on tobacco products, other than snuff.

To provide funding to maintain funding for provider rates in Medicaid that pay for health services, behavioral health services, aging services and other health services by creating and funding the Health Care and Human Services Provider Rate Stabilization Fund at \$28 million.

To fund the Tobacco Prevention and Control Cash Fund that provides tobacco cessation products and services with an additional \$5 million to bring them back up to their original funding level.

To provide \$23.5 million to the Health Care Cash fund and establish cigarette tax as a secondary income for that fund.

To fund the Volunteer First Responder Incentive Act in LB 440 at \$5 million.

To increase the amount of funding for Cancer Research by \$2.775 million.

To accomplish these goals the per pack cigarette tax would increase from the current 64 cents to \$1.36 and the tobacco products tax would increase from the current 20 percent of an item to 31 percent of the item. Such increase would raise an estimated \$66.6 million dollars.

Additional revenue of \$2.325 million of the cigarette tax would go to the General Fund.

Approximately \$1.1 million of new revenue from the tobacco products tax would go to the Tobacco Products Administration Cash Fund without specific earmarks.

**Principal Introducer:** \_\_\_\_\_

**Senator Mike Gloor**

