

BALLOT TITLE AND SUMMARY

**IMPOSES ADDITIONAL TAX ON CIGARETTES FOR CANCER RESEARCH.
INITIATIVE STATUTE.**

- Imposes additional five cent tax on each cigarette distributed (\$1.00 per pack), and an equivalent tax increase on other tobacco products, to fund cancer research and other specified purposes.
- Requires tax revenues be deposited into a special fund to finance research and research facilities focused on detecting, preventing, treating, and curing cancer, heart disease, emphysema, and other tobacco-related diseases, and to finance prevention programs.
- Creates nine-member committee charged with administering the fund.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

- Net increase in cigarette excise tax revenues of about \$735 million annually by 2013-14 for research into cancer and tobacco-related disease, and for tobacco prevention and cessation programs. These revenues would decline slightly each year thereafter.
- Increase in excise tax revenues on other tobacco products of about \$50 million annually, going mainly to existing health and tobacco prevention and cessation programs.
- Net increase in state and local sales tax revenues of about \$10 million to \$20 million annually.
- Unknown net impact on other long-term state and local government health care costs.