

2003 DRAFTING REQUEST

Senate Amendment (SA-SB44)

Received: **05/08/2003**

Received By: **dkennedy**

Wanted: **As time permits**

Identical to LRB:

For: **Legislative Fiscal Bureau 266-3847**

By/Representing: **Swissdorf (CM)**

This file may be shown to any legislator: **NO**

Drafter: **dkennedy**

May Contact:

Addl. Drafters:

Subject: **Health - tobacco**

Extra Copies: **RLR**

Submit via email: **YES**

Requester's email:

Carbon copy (CC:) to:

Pre Topic:

LFB:.....Swissdorf (CM) -

Topic:

Tobacco control

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?							
/P1	dkennedy 05/19/2003	kgilfoy 05/20/2003	chaskett 05/20/2003	_____	amentkow 05/20/2003		
/1	dkennedy 05/22/2003	kgilfoy 05/22/2003	chaskett 05/22/2003	_____	amentkow 05/22/2003		

FE Sent For:

<END>

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/P1	dkennedy 05/19/2003	kgilfoy 05/20/2003	chaskett 05/20/2003	5/22	amentkow 05/20/2003		

FE Sent For:

Handwritten notes: 1-5/22, King, ch

<END>

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1?	dkennedy	1/1-5/19 kmq	1/1 5/20 cph	1/1 cph 5/20			

FE Sent For:

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Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

Date: 5/8/03

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Deborah Kennedy

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4-0948

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17

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Message:



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

Date: 5/7/03

DELIVER TO: Debra Kennedy

Addressee Fax #: 4-6948 Addressee Phone #: _____

of Pages, Including Cover: 7 Sender's Initials: KS

From: Kim Swindoy

Message: Here are my motions from Joint Finance. I wrote the draft number on them, if applicable.

I'm told that for the Tri-County Dental Clinic, one-time funding in 03 - 04 for \$50,000 from 20.435(5)(dm) should be in session law.?

In addition to the Tobacco Control motion, JFC adopted alternatives A1, B1, C3, and D1 in LFB Paper # 720.

Let me know if you have any questions.
Thanks!

Kennedy, Debora

From: Swissdorf, Kim
Sent: Wednesday, May 14, 2003 10:11 AM
To: Kennedy, Debora
Subject: Tobacco Control

Hello:

DHFS contacted me about the grant money for tobacco. They indicated that the grant money should be placed under 20.435(5) rather than 20.435(1). So . . . when you write the draft (if you haven't already done so) to make the appropriation GPR rather than SEG, could you write it so the new grant GPR appropriation is under (5) public health, rather than (1) department wide? Does that make sense? Let me know. Thanks! I'll also forward the email I received from DHFS.

Kim Swissdorf
Fiscal Analyst
Legislative Fiscal Bureau
One East Main St., Suite 301
Madison, WI 53703
(608) 266-3847
Kim.Swissdorf@legis.state.wi.us

5/17/03 From Kim Swissdorf, in response to DAK's question:

Although the end result of this audit is to deplete the perm. endowment fund (S. 25.69), Jr. Fin. never actually voted to elim. it, so it should remain in current law.

Kennedy, Debora

From: Swissdorf, Kim
Sent: Wednesday, May 14, 2003 10:12 AM
To: Kennedy, Debora
Subject: FW: Tobacco Control

Here's the email about the grant money. Let me know if you have any questions. Thanks!

-----Original Message-----

From: Hadidian, Ellen
Sent: Wednesday, May 14, 2003 8:28 AM
To: Swissdorf, Kim
Subject: Tobacco Control

Hi Kim,

As you know, there are 2 sections in statutes for DPH programs, s.20.435 (1) - state ops, and s.20.435 (5) - aids and local assistance. When the tobacco control board was eliminated, DOA put all existing appropriations into (1). The \$15 million (now \$10 million) for grants really should have gone into (5), aids and local assistance. We were going to write a technical request to move the grants to (5). However, since you will be writing new stat. language for the program, since the SEC appropriation was changed to GPR, wondered whether you want to make this change as part of that language? Would you like a formal technical request from us anyway? let me know - thanks

Senator Welch

LRB
1504/1

TOBACCO CONTROL BOARD

**Tobacco Control Advisory Group
[LFB Paper #720]**

Motion:

Move to require the Department of Health and Family Services (DHFS) to continue to implement the strategic plan developed by the Tobacco Control Board, and to update the plan annually.

Create a Tobacco Control Advisory Group, with membership appointed for three-year terms by, and reporting directly to, the DHFS Secretary.

Direct the DHFS Secretary to appoint a maximum of 17 members to the Group, which would include the following: (a) at least one representative of a local tobacco prevention coalition; (b) at least one youth representative involved in tobacco prevention and control efforts; (c) at least one representative of a population disproportionately impacted by tobacco; (d) at least one representative of a statewide health care provider association or organization; (e) at least one representative of a statewide or regional hospital association or organization; (f) at least one representative of a statewide or regional insurance association or organization; (g) at least one representative of a state or local chamber of commerce or other business association or organization; (h) one Senator; (i) one Representative to the Assembly who is from a different political party than the appointed Senator; (j) at least three representatives of organizations that have reduction of the health and economic impacts of tobacco use as their primary organizational mission; (k) the DHFS Secretary; (l) the Superintendent of Public Instruction or his or her designee; (m) the Attorney General or his or her designee; and (n) the remaining members from organizations or associations identified by DHFS.

Require the Group to: (a) develop public-private partnerships on tobacco control issues and initiatives; (b) ensure regular review and monitoring of Wisconsin's strategic plan; (c) identify external resources and action steps DHFS could take to support its implementation of the plan and/or other local policy initiatives; (d) ensure coordination with other tobacco control efforts in Wisconsin; (e) provide advice and guidance on proposed tobacco prevention and control plans and strategies, including those to be funded by DHFS; (f) ensure an external evaluator conducts regular outcome-based evaluations of tobacco control and prevention projects and presents the evaluations to the Joint Legislative Audit Committee; (g) develop and distribute an annual report on the impacts of tobacco in Wisconsin and the progress of the tobacco prevention and control efforts; and (h) have members authorized by their respective organizations commit the human and material resources of those organizations to the greatest extent possible.

Note:

Under current law, the Tobacco Control Board is an independent state agency that is attached to DHFS for limited administrative purposes. Current law does not specify the number of persons who serve on the Board or the length of Board members' terms, nor does it require that specific interests be represented on the Board. Instead, the Governor determines the size of the Board and all appointments to it. All Board members serve at the pleasure of the Governor.

As of January 1, 2003, there were 17 Board members, which included legislators, public health advocates, health care providers, county officials, youth members, the State Superintendent of Public Instruction, and representatives of the business community.

In September, 2000, the Board adopted its strategic plan, which outlines the Board's vision, mission, goals, and an allocation of the Board's funds. In its plan, the Board indicates that its mission is "to aggressively pursue the elimination of tobacco use by partnering with communities to prevent tobacco use among youth, promote cessation, and eliminate secondhand smoke. This mission will be achieved through comprehensive state and local efforts that utilize best practices and address the needs of diverse populations most adversely impacted by tobacco use." The plan identifies the following goals for the state to achieve by 2005: (a) tobacco use among middle and high school-age youth will decline by 20%; (b) tobacco use among adults will decline by 20%; (c) tobacco consumption will decline by 20%; (d) 100 Wisconsin municipalities will establish smoke-free restaurant ordinances; (e) 100% of municipal governments will have smoke-free government-owned buildings; (f) 90% of workplaces will establish smoke-free environments; and (g) 70% of homes will voluntarily establish smoke-free environments.

The Governor's bill would eliminate the Board and transfer grant funding to DHFS to administer. This motion would require DHFS to continue implementation of the Board's strategic plan and update the plan annually. In addition, this motion would create a Tobacco Control Advisory Group to assist DHFS with the tobacco control program. The DHFS Secretary would appoint Group members for three-year terms, and the members would report directly to the DHFS Secretary. This motion would also specify the maximum number of members (17) to serve on the Group and requires that specific interests be represented on the Group. This motion would also specify the activities that must be performed by the Group.

401 15-1

MO#		
Darling	Y	N
Welch	Y	N
Harsdorf	Y	N
Fitzgrid	Y	N
Lazich	Y	N
Kanavas	Y	N
Dacker	Y	N
Moore	Y	N
Kaufert	Y	N
Huebsch	Y	N
Ward	Y	N
Stone	Y	N
Rhoades	Y	N
Meyer	Y	N
Coggs	Y	N
Schooff	Y	N

**Legislative Fiscal Bureau**

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

May 7, 2003

Joint Committee on Finance

Paper #720

**Tobacco Control and Prevention
(Tobacco Control Board and Health and Family Services -- Health)**

[LFB 2003-05 Budget Summary: Page 248, #5 and Page 404, #1]

CURRENT LAW

Tobacco Control Board. 1999 Wisconsin Act 9 (the 1999-01 biennial budget act) created the Tobacco Control Board to support activities related to a statewide, comprehensive tobacco control program, and established a segregated fund, the tobacco control fund, to support the Board's activities. The Board is authorized 4.0 SEG positions, including: (a) 1.0 staff coordinator position that serves as the Executive Director; (b) 1.0 public health educator position; (c) 1.0 contract specialist position; and (d) 1.0 program assistant position. In 2002-03, \$15,345,100 SEG was initially budgeted to support grants distributed by the Board (\$15 million) and the Board's operations (\$345,100). [The Joint Committee on Finance modified these funding allocations, under its s. 13.10 authority, in December, 2002, to address a projected shortfall in the Board's operations funding.]

All of the revenue to the tobacco control fund is revenue that is transferred from the general fund under a statutory allocation. The interest earned on the fund's cash balance is retained in the segregated fund.

Of the \$15 million that was initially budgeted for grants in each year of the 2001-03 biennium, \$3.5 million is statutorily earmarked for: (a) research, prevention, and cessation activities conducted by the University of Wisconsin-Madison Center for Tobacco Research and Intervention (\$1.0 million); (b) the Thomas T. Melvin youth tobacco prevention and education program (\$2.0 million); and (c) tobacco use prevention and cessation activities at the Medical College of Wisconsin (\$500,000). The remaining funding is available for discretionary grants for a variety of tobacco control activities.

Under current law, the annual amount of funding that will be transferred from the general fund to the tobacco control fund will be \$25 million, beginning in the 2003-04 fiscal year. However, the Board's total adjusted base funding is \$15,345,100 SEG.

Department of Health and Family Services. The Department of Health and Family Services (DHFS) administers several tobacco control and prevention programs, which are funded from a variety of sources. DHFS received approximately \$6,102,600 in calendar year 2003 from: (a) the Board (\$4,541,700); (b) the Centers for Disease Control and Prevention (CDC) (\$1,166,300); and (c) GPR budgeted for DHFS programs (\$394,600). DHFS also received \$2,000,000 from the Board during fiscal year 2002-03.

The funding DHFS receives from the Board supports: (a) the Thomas T. Melvin youth tobacco prevention and education program (\$2 million); (b) the distribution of funding, on behalf of the Board, for community coalitions (\$4,345,600); and (c) training and technical assistance to local coalitions (\$196,100). Funding from CDC supports: (a) one-time funding for a smoke-free sports facilities program (\$25,000); (b) 10.4 positions in the Division of Public Health that assist with tobacco prevention and cessation activities; (c) local programs; (d) strategic planning; and (e) the statewide tobacco conference. DHFS also uses GPR funding to support local grants.

GOVERNOR

Transfer to the Tobacco Control Fund. Modify the statutory provision that specifies the amount of general fund revenue that is transferred to the tobacco control fund so that \$15,054,500 in 2003-04 and \$15,062,000 in 2004-05 and each subsequent year would be transferred, rather than \$25 million annually, beginning in 2003-04, as provided under current law.

Tobacco Control Board. Delete \$15,345,100 SEG annually and 4.0 positions, beginning in 2003-04, to reflect the Governor's proposal to eliminate the Board and transfer the Board's responsibilities to DHFS.

DHFS. Provide \$15,054,500 SEG in 2003-04, \$15,062,000 SEG in 2004-05, and 1.0 position, beginning in 2003-04, to DHFS to support tobacco prevention and cessation activities previously performed by the Board. This funding would be budgeted to support grants (\$15 million annually) and operations (\$54,500 in 2003-04 and \$62,000 in 2004-05).

Specify that: (a) the Board's assets and liabilities would become the assets and liabilities of DHFS; (b) the Board's contracts would be transferred to DHFS and remain in effect until DHFS modifies or rescinds the contracts to the extent allowed under the contract; (c) DHFS contracts relating to the Board's functions would remain in effect until DHFS modifies or rescinds the contract to the extent allowed under the contract; (d) all rules promulgated by the Board would remain in effect until their specified expiration date or until DHFS amends or repeals them; and (e) all orders issued by the Board would remain in effect until their specified expiration date or until DHFS modifies or rescinds them.

DISCUSSION POINTS

Elimination of Agency and Transfer of Responsibilities

1. This provision is part of the administration's intent to consolidate and decrease the size of state government by: (a) eliminating a state agency and its governing board by transferring its responsibilities to another state agency that currently administers similar programs; and (b) reducing the number of positions in state government. The bill would delete the Board's 4.0 positions and provide DHFS with 1.0 position to address the increase in workload. None of the Board's current positions would be transferred to DHFS.

2. The Governor's proposal would result in a net savings of \$573,700 (\$290,600 in 2003-04 and \$283,100 in 2004-05) and a reduction of 3.0 positions, beginning in 2003-04. The bill would maintain base funding for grants (\$15 million annually).

3. Several arguments could be made in support of the Governor's recommendations. First, the Board has completed much of the work in establishing the grant program, including the development of funding priorities based on a review of CDC best practices. The Board's Executive Director has indicated that, now that the state has created a comprehensive tobacco control program, it is no longer necessary to continue to administer the program with a separate state agency. Other states have successful tobacco control programs administered by their public health departments.

4. Second, transferring the Board to DHFS could improve the coordination of state tobacco prevention and cessation programs and activities. For example, the administration believes that some of the workload associated with the distribution and monitoring of grants could be performed by the current 10.4 FED positions in DHFS supported by the CDC grant. The CDC grant supports 100% of the following positions: (a) tobacco program director; (b) two tobacco program policy analysts; (c) tobacco program epidemiologist; (d) two regional tobacco program specialists; (e) administrative coordinator; and (f) program support position. The CDC grant supports 50% of the following positions: (a) three regional tobacco program specialists; and (b) a regional program support position. The CDC grant supports 25% of the bureau fiscal manager position. Finally, the CDC grant supports 5% of the following positions: (a) chief medical officer; (b) bureau section chief; and (c) section supervisor.

In addition, in calendar year 2003, DHFS staff administered approximately \$6,345,600 of the Board's grant funding, or approximately 42.3 % of the Board's funds, including the Thomas T. Melvin program. Also, DHFS staff provide technical training and assistance to local communities and award and monitor their own grants.

DHFS staff expressed an interest in maintaining an advisory group to assist in establishing priorities and goals, as well as deciding grant awards, to make the transition proceed smoothly.

5. Third, the Governor's bill would maintain base support for tobacco control grants. Consequently, agencies that receive the grant funding would not be adversely affected by the Governor's proposal.

6. Others would argue that continuing to conduct these activities through an independent Tobacco Control Board would maintain a high profile for the state's tobacco prevention efforts. Further, the current Board provides broad representation. Board members include legislators, public health advocates, health care providers, county officials, youth members, and representatives of the business community. Input from a variety of sources may assist in the development and implementation of a comprehensive approach to tobacco prevention and cessation activities.

In addition, while current DHFS staff have experience with the Board's activities, the staff would have to assume additional responsibilities, especially with respect to awarding grants and monitoring the performance of grant applicants. Maintaining the Board with 4.0 positions could provide more oversight of the funds and programs than DHFS staff with 1.0 additional position.

Evaluation

7. It is difficult to draw conclusions about the effect the Board's programs have had on tobacco use in the state because the Board's programs represent only one component of Wisconsin's tobacco control efforts. For example, local governments, which rely on state and federal resources outside of the Board's control, enforce state laws and local ordinances that are intended to prevent underage tobacco use. DHFS and the Department of Public Instruction administer some programs that address tobacco use. The University of Wisconsin-Madison Center for Tobacco Research and Intervention (UW-CTRI) received federal research grants to support various laboratory and clinical research projects related to tobacco cessation efforts. Other nonprofit organizations, such as the American Lung Association and Smoke-Free Wisconsin, also receive private funds to support tobacco control activities. Finally, changes in the cost of cigarettes, including increases in the cigarette tax, may affect demand.

8. In February, 2003, the Legislative Audit Bureau (LAB) completed an evaluation of the use of the Board's funds. The attachment summarizes LAB's evaluation of programs funded by the Board from Appendix 1 in the report. The attachment shows the programs funded by the Board, the amount of funding each program has received since the Board's inception, the purpose of the program, and the programs' outcomes. The results are mixed. For example, the Board funded a program at the University of Wisconsin-Oshkosh that had a goal of reducing student smoking by 4%. The results exceeded the goals. The reduction in the number of students using tobacco actually reached 29%. However, another young adult pilot study at the University of Wisconsin-Madison School of Pharmacy was unable to attract sufficient employees to develop and test a work-based cessation program due, in part, to the sale of some of the pharmacies involved.

9. LAB made several recommendations regarding the use of the Board's funds, including: (a) the use of evaluation reports provided by the monitoring and evaluation program to assist in making decisions about which competitive grant projects should receive funding; (b) revision of administrative rules to allow competitive grant recipients to purchase medication for the cessation of tobacco use, or ensure that no further medication expenses are paid for with competitive grant funds; and (c) the use of consistent grant periods and monitor of grant recipients' expenditures on a regular basis, so unspent funds could be reallocated to other tobacco control

projects when necessary. To address the medication issue, the Board has submitted a rule change with the DHFS omnibus revisions to include language specifying that cessation medication can be purchased only with written permission of the grant manager.

10. The use of consistent grant periods and reallocation of unspent funds could be addressed by eliminating the statutorily required grants. Currently, the discretionary grants are awarded on a calendar year basis. However, the earmarked grants are awarded on a fiscal year basis. In addition, the Board has no authority require any surplus in funding for the earmarked grants to be lapsed back to the Board for other programs. For example, the Board provided UW-CTRI with \$3,000,000 during fiscal years 1999-00 thru 2001-02 with earmarked funds. However, UW-CTRI expended \$2,119,000 during this same time period. Therefore, \$881,000 could have reverted to the Board for use in other programs.

11. In addition, eliminating the statutorily required grants could enhance consistent use of evaluation reports. By eliminating the earmarked grants, the Thomas T. Melvin program, UW-CTRI, and MCW would be required to compete for discretionary grants and to be evaluated for success. For example, the LAB report indicates that, of MCW's projects funded by the Board, three projects attained their goals, seven projects attained some of their objectives, eight projects did not attain their objectives, and data was insufficient for one project. The Board, or DHFS if the Board's responsibilities are transferred, would have no ability to reduce funding to MCW to eliminate unsuccessful projects. Also, of \$980,400 expended during fiscal years 2000-01 and 2001-02, MCW expended \$663,000 for staff salaries and fringe benefits. Competition and evaluation could make the programs more accountable for expenditures. The Committee could eliminate the earmarked grants to coordinate services and optimize funding.

12. On the other hand, continuing the earmarking of these grants would ensure funding for research institutions. Researchers need sufficient time to obtain approval for any research protocols that involve human subjects, which would be limited if they had to provide immediate results. Also, the Thomas T. Melvin program targets children in the middle school ages, when they may start to smoke. Prevention at an early age could be the most cost effective way to reduce costs associated with tobacco-related illnesses. The Committee could consider these programs sufficiently important to maintain the current statutory allocations.

13. In addition to considering the Governor's proposal to eliminate the Board and whether to continue to earmark grants for specific programs, the Committee could consider other issues, including: (a) the amount of funding that should be budgeted for grants; and (b) the continuation of the segregated fund.

Grant Funding

14. Under 1999 Act 9, the Board was authorized to award \$18,308,000 in competitive grants for activities to reduce and prevent tobacco use in the state, beginning July 1, 2000. The Board began awarding competitive grants on a calendar year basis, beginning January 1, 2001. Therefore, half of the funding budgeted for competitive grants in 2000-01, or a one-time surplus of \$9,154,000, was carried forward to support grants in the 2001-03 biennium. Table 1 summarizes

Tobacco Control Board funding since its inception.

TABLE 1
Tobacco Control Board Authorized Funding Levels
Fiscal Years 1999-00 thru 2002-03

	<u>1999-00</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>
Earmarked Grants				
Thomas T. Melvin Youth Prevention and Education Program	\$1,000,000	\$1,000,000	\$2,000,000	\$2,000,000
University of Wisconsin-Madison Center for Tobacco Research and Intervention	1,000,000	1,000,000	1,000,000	1,000,000
Medical College of Wisconsin Youth Smokeless Tobacco Campaign	0	500,000	500,000	500,000
Competitive Grants*	92,000	0	0	0
Subtotal Grant Funding	<u>\$2,092,000</u>	<u>\$20,808,000</u>	<u>\$15,000,000</u>	<u>\$15,000,000</u>
Program Support/Administration	<u>200,000</u>	<u>400,000</u>	<u>336,300</u>	<u>345,100</u>
Total Funding	\$2,292,000	\$21,208,000	\$15,336,300	\$15,345,100

*Funding for competitive grants for 2001-02 includes \$9,154,000 that was carried forward from the amount budgeted for 2000-01 competitive grants.

15. Under current law, the Board may distribute the competitive grants for the following purposes: (a) community-based programs to reduce tobacco use; (b) chronic disease programs to reduce the burden of tobacco-related diseases; (c) school-based programs relating to tobacco use cessation and prevention; (d) enforcement of local laws aimed at reducing exposure to secondhand smoke and restricting underage access to tobacco; (e) grants for partnerships among statewide organizations and businesses that support activities related to tobacco use cessation and prevention; (f) marketing activities that promote tobacco use cessation and prevention; (g) projects designed to reduce tobacco use among minorities and pregnant women; (h) other tobacco use cessation programs; (i) surveillance of indicators of tobacco use and evaluation of activities funded by the Board; and (j) development of policies that restrict access to tobacco products and reduce exposure to environmental tobacco smoke. Table 2 shows the Board approved funding for discretionary grants in calendar year 2003.

TABLE 2
Tobacco Control Board Contract Expenditures
Calendar Year 2003

<u>Program</u>	<u>Amount</u>
Community Coalitions	\$4,500,000
Media and Countermarketing Campaign	4,350,000
Monitoring & Evaluation	1,500,000
Wisconsin Quit Line	1,300,000
Youth-Led Movement	850,000
Ethnic Network	650,000
School Grants	625,000
Technical Assistance and Training	600,000
Young Adult Pilot Studies-UW Oshkosh	550,000
Resource Center	200,000
Spit Tobacco	150,000
Youth Cessation Pilot Studies	150,000
Pregnant Smokers Pilot Studies	125,000
Insurer Cessation Coverage Initiative	125,000
Employer Cessation Coverage Initiative	125,000
Young Adult Pilot Studies-UW Pharmacy	25,000
Uninsured Coverage Viability Study	<u>25,000</u>
Total	\$15,850,000

16. The statutory uses for the tobacco control funds are based on the CDC recommended components for a comprehensive tobacco control program. According to the CDC, in order to be successful, programs must be comprehensive, sustained over time, and utilize community partnerships. The CDC estimates a range of funding each state must provide to have a successful comprehensive tobacco control program. The CDC calculations use base level and per capita amounts that are the same for each state. Therefore, the main difference among states' recommended funding levels is the population of the state.

17. The CDC indicates in its report, "Investment in Tobacco Control: State Highlights 2002," that Wisconsin funds its program at a level that represents 24% of the recommended lowest funding level, and currently ranks 32nd among states for tobacco control funding, as measured as a percentage of the CDC recommended funding ranges. This analysis takes into consideration funds for tobacco control from all funding sources. However, the analysis did not consider \$9,304,000 carried over from 2001-02 or Medical College of Wisconsin's \$500,000 grant. Taking these amounts into consideration, Wisconsin funds its program at a level that represents 55% of the recommended lowest funding level, and ranks approximately 21st among states for tobacco control funding as measured as a percentage of the CDC recommended funding ranges.

18. At least six states meet or exceed the CDC recommended lower levels. The average level of investment among states in comprehensive tobacco control programs is at approximately 53% of the CDC lower level recommendations for 2002.

19. For 2002, the CDC recommended that Wisconsin spend between \$31,158,000 and \$82,381,000 for tobacco control activities.

20. Under current law, \$25 million annually would be transferred from the general fund to the tobacco control fund beginning June 15, 2004. Although \$15 million annually was provided in grant funds during the 2001-03 biennium, the Legislature indicated its intent, through this statutory provision, to increase the total funding amount to \$25 million annually, beginning in the 2003-05 biennium. The Committee could increase funding for grants to \$25 million per year to meet the intent of the current statutory commitment. This would increase efforts to reduce smoking rates and to reduce the number of young people who start smoking. Reducing smoking rates and preventing young people from initiating smoking would benefit the state in future years through reduced medical costs from the adverse medical conditions associated with tobacco.

21. The Governor's bill would maintain \$15,000,000 in grant funding, which is the same level provided in 2001-02 and 2002-03. A University of Wisconsin-Madison Comprehensive Cancer Center (UW-CCC) press release dated January 7, 2003, suggests that cigarette smoking in Wisconsin declined by nearly 5% in 2002, compared to 1% nationally. This analysis is based on the 5% decline in the sales of cigarettes during 2002. In addition, awareness of the harmfulness of secondhand smoke and of the tobacco industry's advertising has increased. Because the current level of funding has shown some success in tobacco cessation and prevention, the Committee could continue funding at the current level of \$15,000,000 annually.

22. On the other hand, many states have determined that while tobacco control is a high priority, other priorities must be met. The LAB report compared the amounts appropriated by seven Midwestern states from tobacco settlement funds in fiscal year 2002-03. Table 3 shows these amounts, along with the CDC recommended amounts, and the percentage of the CDC recommended amounts. The amounts appropriated do not include funds used for tobacco control efforts from any source other than the settlement proceeds. The average percentage of the CDC recommended allocations among these seven states is 35.7%.

TABLE 3

**Amounts of Tobacco Settlement Payments Used to Fund Tobacco Control Projects
Fiscal Year 2002-03
(\$ in Millions)**

	<u>CDC Recommended Minimum Allocation</u>	<u>Settlement Funds Appropriated</u>	<u>Percentage of Recommended Allocation</u>
Illinois	\$64.9	\$18.5	28.5%
Indiana	34.8	25.0	71.8
Iowa	19.3	51.0	26.4
Michigan	54.3	0.0	0.0
Minnesota	28.6	21.2	74.1
Ohio	61.7	0.0	0.0
Wisconsin	31.2	15.3	49.0

23. In Wisconsin, the amount of funding deposited to the tobacco control fund has a dollar-for-dollar effect on the general fund, and as such, should be reviewed in the same manner as all other GPR expenditures. Given other priorities for GPR funds, the Committee could choose to fund tobacco control activities at a level closer to the average of the seven Midwestern states. The Committee could provide \$10 million annually to fund tobacco prevention and cessation activities, which is approximately 32% of the CDC-recommended minimum allocation.

24. However, the tobacco control program is one of the few state-funded health programs focused exclusively on prevention and cessation. Table 4 compares the seven Midwestern states with smoking rates for adults, grades 6 thru 8 (any use), and grades 9 thru 12 (any use).

TABLE 4
Comparison of Smoking Rates for 2000
(Percent of Population)

<u>State</u>	<u>Adults</u>	<u>Grades 6 thru 8</u>	<u>Grades 9 thru 12</u>
Illinois	22.3%	*	*
Indiana	27.0	15.3%	36.9%
Iowa	23.3	16.4	39.0
Michigan	24.2	14.2	34.1
Minnesota	19.8	12.6	38.7
Ohio	26.3	18.7	41.1
Wisconsin	24.1	16.1	39.4
National	23.3%	15.1%	34.5%

*Data are not available.

Wisconsin's smoking rates are above the national average and rank 4th in comparison to the seven Midwestern states in smoking rates for adults and grades 6 thru 8 (any use). Wisconsin ranks 5th in comparison to the seven Midwestern states in smoking rates for grades 9 thru 12 (any use). Given that Wisconsin's smoking rates in 2000 were above the national rates, it could be argued that more funding is needed to reduce smoking prevalence and, therefore, reduce smoking-related medical expenditures.

25. The CDC reports that, in 1999, Wisconsin's smoking-attributable death rate was 278.2 per 100,000. In 1998, smoking-attributable direct medical expenditures totaled \$1.58 billion in Wisconsin. Also in 1998, CDC reported that Wisconsin's smoking-attributable medical assistance (MA) expenditures totaled \$375 million, which equates to approximately \$723 per MA recipient. Table 5 shows each grant-funding alternative as a percentage of smoking-attributable direct medical expenditures and MA expenditures.

TABLE 5

Grant Funding as a Percent of Tobacco-Related Direct Medical Expenditures and MA Expenditures

<u>Alternative</u>	<u>Percent of Direct Medical Expenditures</u>	<u>Percent of MA Expenditures</u>
C2 (\$25 million)	1.6	6.7%
C1 (\$15 million)	0.9	4.0
C3 (\$10 million)	0.6	2.7

The state has an interest in reducing smoking rates to reduce the medical expenses associated with tobacco because the state contributes funds to the costs of treating tobacco-related illnesses. Funding for tobacco prevention and cessation programs is only a small fraction of the costs of treating tobacco-related illnesses. However, if the tobacco control program is successful in prevention and cessation activities, public and private costs for tobacco-related illnesses could significantly decrease.

Eliminate Tobacco Control Fund

26. 1999 Act 9 created a segregated, nonlapsible trust fund to support the Board's activities. In 1999-00, the fund consisted of the first \$23.5 million of the moneys received under the master settlement agreement (MSA) with the tobacco companies. The fund was to receive funds annually as a result of the MSA. However, under 2001 Act 16, the administration was authorized to securitize the state's rights to its tobacco settlement payments. In 2002, the state securitized its tobacco settlement payments. As a result, there are no annual settlement payments from which to deposit funds into the tobacco control fund. Therefore, funds are now transferred from the general fund to the tobacco control fund. The segregated tobacco control fund consists entirely of GPR funding and interest earned on the GPR funding.

27. The Committee could eliminate the tobacco control fund. If the Committee chooses to continue to support tobacco prevention and cessation activities, the Committee could budget funding for the tobacco control program, whether through the Board or in DHFS, with GPR funds directly, rather than transferring GPR funds to the tobacco control fund. The general fund would then earn the interest associated with these funds, rather than having the interest accumulating on a smaller amount of money in a separate fund.

ALTERNATIVES

A. Eliminate Agency and Transfer Responsibilities

1. Adopt the Governor's recommendations to eliminate the Board, transfer the Board's

responsibilities, and provide 1.0 SEG position to DHFS.

2. Delete the provisions relating to the elimination of the Board and the transfer of its responsibilities to DHFS. Retain 4.0 SEG positions to staff the Board.

<u>Alternative A2: Board</u>	<u>GPR</u>	<u>SEG</u>	<u>TOTAL</u>
2003-05 REVENUE (Change to Bill)	- \$573,700	\$573,200	\$0
2003-05 FUNDING (Change to Bill)	\$0	\$30,690,200	\$30,690,200
2004-05 POSITIONS (Change to Bill)	0	4.00	4.00

<u>Alternative A2: DHFS</u>	<u>SEG</u>
2003-05 FUNDING (Change to Bill)	- \$30,116,500
2004-05 POSITIONS (Change to Bill)	- 1.0

B. Earmarked Grants

1. Modify the Governor's recommendation to delete current statutory provisions that earmark grant funding for the Thomas T. Melvin program, UW-CTRI, and MCW.

2. Maintain current law.

C. Grant Funding

1. Adopt the Governor's recommendation to maintain base funding grants of \$15,000,000 SEG annually.

2. Increase funding for grants by \$10,000,000 annually.

<u>Alternative C2</u>	<u>GPR</u>	<u>SEG</u>	<u>TOTAL</u>
2003-05 REVENUE (Change to Bill)	- \$20,000,000	\$20,000,000	\$0
2003-05 FUNDING (Change to Bill)	\$0	\$20,000,000	\$20,000,000

3. Reduce funding for grants by \$5,000,000 annually.

<u>Alternative C3</u>	<u>GPR</u>	<u>SEG</u>	<u>TOTAL</u>
2003-05 REVENUE (Change to Bill)	\$10,000,000	- \$10,000,000	\$0
2003-05 FUNDING (Change to Bill)	\$0	- \$10,000,000	- \$10,000,000

D. Eliminate Tobacco Control Fund

1. Eliminate the segregated tobacco control fund to support tobacco control efforts. Instead, transfer budget all funding for the tobacco control and prevention program with GPR, rather than SEG. This alternative would increase GPR revenues, increase GPR expenditures and reduce SEG expenditures by amounts that equal the total funding that would be provided for grants and operations.

2. Maintain the segregated tobacco control fund to support tobacco control funds. Authorized funding would be transferred from the general fund to the tobacco control fund annually.

Prepared by: Kim Swissdorf
Attachment

ATTACHMENT

Summary of Programs and Outcomes from February, 2003 LAB Evaluation

Program	Funding	Purpose	Outcomes
Thomas T. Melvin	\$4,000,000	To reduce youth tobacco use	Students exposed to the media campaign had greater awareness of tobacco-related issues and recognized themselves as targets of tobacco advertising; overall smoking rates among students dropped 12% in 2000 to 9% in 2001, and use of any tobacco product fell from 16% to 13%; percentage of students who had ever smoked declined
UW-CTRI: Regional Outreach	1,050,000	To provide current methods to health care providers for discussing tobacco use and cessation strategies with tobacco users	Cessation specialists trained more than 5,000 health care providers in effective cessation strategies, sent information to over 3,000 primary care physicians, clarified cessation benefits with each of the health maintenance organizations participating in MA and BadgerCare, promoted the Wisconsin Tobacco Quit Line and local cessation resources; cessation specialists are also beginning to work with employers to provide workplace-based cessation programs
UW-CTRI: Adult Tobacco Use Survey	600,000	To assist clinicians and policymakers in effectively planning prevention and cessation programs and to quantify the prevalence of adult tobacco use in Wisconsin	Data had limited usefulness; UW-CTRI prepared and released three of six planned papers based on survey findings, such as why people smoke, how smokers are quitting, and attitudes toward secondhand smoke
UW-CTRI: Mini-grants	159,486	To distribute competitively a portion of the Tobacco Control Board's funds throughout the state for innovative projects and studies	Two of nine projects met all of their objectives; seven others met some of their objectives or could not collect sufficient data to allow researchers to measure project effectiveness
UW-CTRI: Wisconsin Women's Health Foundation	150,000	To provide information on high-risk behaviors, including smoking	Foundation presented nine one-day health fairs to 940 participants

Program	Funding	Purpose	Outcome
MCW: Tobacco Prevention Research and Education Project	1,000,000	To support tobacco prevention and cessation efforts at MCW	Three projects were successful in achieving their goals; seven projects had mixed results, eight projects were not successful in achieving their goals; lack of information for one project
Statewide Media and Countermarketing Campaign	\$7,000,000	To operate a statewide media campaign	Increase in advertisement recall and knowledge, tobacco-related behaviors had not changed
Community Coalition Grants	5,570,852	To provide funding to local public health departments to establish community coalitions, decrease exposure to secondhand smoke, prevent youth initiation, and promote quitting among youth and adults	Final reports and evaluations were not available
Monitoring and Evaluation Program	1,900,000	To monitor smoking rates and attitudes toward tobacco and to evaluate the work of Board-funded projects and local coalitions	Several reports on youth and adult tobacco use and attitudes were produced during 2001 and 2002; program is analyzing results of the statewide media campaign and is compiling information on municipal smoking ordinances and worksite smoking policies
Wisconsin Tobacco Quit Line	1,337,351	To provide toll-free cessation counseling and referral to local resources	February 2002 report and two recent surveys indicate Quit Line has operated effectively and has assisted individuals in their attempts to quit smoking
DPI School Grants	1,250,000	To distribute funds to school districts and Cooperative Educational Service Agencies for school-based anti-smoking activities	Evaluation is ongoing
Youth Led Movement	1,048,752	To launch a statewide youth-led movement that will provide teenagers with the appropriate knowledge to make informed decisions about tobacco use	High levels of interest have prompted discussion about expanding the initiatives undertaken

Program	Funding	Purpose	Outcome
Training and Technical Assistance	900,000	To provide training and technical assistance to local anti-tobacco coalitions	Not applicable
Wisconsin Ethnic Network	650,000	To reduce tobacco use among ethnic communities of color in Wisconsin	Four member organizations each established community-based networks to serve their target populations; four groups met with a media firm to develop culturally appropriate media campaigns for tobacco awareness; held first annual statewide meeting and reported a variety of outreach activities at local cultural events, schools, and conferences
Young Adult Pilot Study: UW Oshkosh	\$231,000	To reduce smoking in the UW-Oshkosh student population by 4% by December, 2001	29% reduction in the number of students using tobacco
Young Adult Pilot Study: UW-Madison School of Pharmacy	200,084	To develop and test an accessible, work-based smoking cessation program to employed young adults	Copps Food Stores and internal pharmacies were sold in October, 2001; fewer employees than expected participated; project will continue using pharmacists employed by the new owner of the pharmacies
Youth Cessation Pilot Study: Not On Tobacco	373,918	To reduce youth smoking rates	Only 4 of 18 schools that expressed interest recruited enough students for the program; 117 youth completed the program; 23.1% quit smoking; 79.5% still smoking, but smoking less on weekdays; 75.9% still smoking, but reduced weekend smoking rates
Pregnant Smokers Pilot Study: First Breath	319,242	To decrease smoking in the low-income pregnant population	Unable to recruit the expected 500 clinic participants and 500 control group participants; 90 women had participated and were 30 days post-partum; 23.1% had quit smoking compared to 7.9% in control group; 61.5% reduced smoking compared to 42.1 in control group
Tobacco Control Resource Center for Wisconsin	275,000	To provide a central repository of tobacco control-related literature, brochures, videotapes, and other resources	Not applicable
Spit Tobacco Initiative	138,000	To increase youth awareness of the risks of spit tobacco and decrease the level of use and experimentation	Program success could not be determined because of a low survey response



SOON - In edit 5/20
State of Wisconsin
2003 - 2004 LEGISLATURE

LRBb0145/P1

DAK/.....
King

D-NOTE

LFB:.....Swissdorf (CM) – Tobacco control

FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION

SENATE AMENDMENT ,

TO 2003 SENATE BILL 44

1 At the locations indicated, amend the bill as follows:

2 ✓ 1. Page 50, line 6: delete lines 6 to 12 and substitute:

3 "SECTION 10c. 13.101 (16) of the statutes is repealed."

4 ✓ 2. Page 92, line 25: after that line insert:

5 "SECTION 177g. 16.519 (3) of the statutes is repealed."

6 ✓ 3. Page 342, line 5: delete "(a) 4." and substitute "(a) 4. (b)".

7 ✓ 4. Page 350, line 25: delete "(a) 1." and substitute "(a) 1. (b)".

8 ✓ 5. Page 374, line 20: after that line insert:

9 "SECTION 470h. 20.435 (5) (fm) of the statutes is created to read:

10 20.435 (5) (fm) Tobacco use control grants. The amounts in the schedule for
11 grants under s. 255.15 (3) (b)."

1 ✓ 6. Page 378, line 7: delete the material beginning with that line and ending
2 with page 379, line 8, and substitute:

3 "SECTION ~~484h~~ 20.436 of the statutes is repealed."

4 ✓ 7. Page 412, line 6: after that line insert:

5 "SECTION 670f. 20.855 (4) (rh) of the statutes is repealed."

6 8. Page 456, line 6: after that line insert:

7 "SECTION 842p. 25.17 (16) of the statutes is repealed."

8 ✓ 9. Page 459, line 3: delete lines 3 to 7 and substitute:

9 "SECTION ~~863c~~ 25.66 of the statutes is repealed."

10 SECTION 863s. 25.69 of the statutes, as affected by 2001 Wisconsin Act 109,

11 section 83, is amended to read:

~~NOTE: NOTE: This section is repealed and recreated eff. 7-1-03 by 2001 Wis. Act 109 to read: NOTE:~~

25.69 Permanent endowment fund. There is established a separate nonlapsible trust fund designated as the permanent endowment fund, consisting of all of the proceeds from the sale of the state's right to receive payments under the Attorneys General Master Tobacco Settlement Agreement of November 23, 1998, and all investment earnings on the proceeds. ~~Moneys in the permanent endowment fund shall be used only to make the transfers under ss. 13.101 (16) and 20.855 (4) (rh).~~

History: 2001 a. 16, 109.

12 ✓ 10. Page 951, line 20: after that line insert:

13 "SECTION 2455r. 255.10 (intro.) of the statutes is amended to read:

14 255.10 Thomas T. Melvin youth tobacco prevention and education
15 program. (intro.) From the moneys distributed under s. 255.15 (3) (a) 2. (b), the
16 department shall administer the Thomas T. Melvin youth tobacco prevention and
17 education program, with the primary purpose of reducing the use of cigarettes and
18 tobacco products by minors. The department shall award grants for the following
19 purposes:
20
21
22

History: 1997 a. 27; 2001 a. 16.

23 SECTION 2455v. 255.15 (title) of the statutes is amended to read:

24 255.15 (title) Statewide tobacco use control program."

History: 1999 a. 9; 2001 a. 16.

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1 ✓ 11. Page 952, line 4: after that line insert:

2 "SECTION 2459d. 255.15 (1m) (f) of the statutes is amended to read:

3 255.15 (1m) (f) ~~Develop and prepare an annual plan regarding~~ Continue
4 implementation of a strategic plan for a statewide tobacco control program, including
5 the allocation of funding for a statewide tobacco control program, and update the
6 plan annually."

History: 1999 a. 9; 2001 a. 16.

7 ✓ 12. Page 952, line 5: delete lines 5 to 11 and substitute:

8 "SECTION ~~2460e~~ 255.15 (2m) of the statutes is created to read:

9 255.15 (2m) TOBACCO CONTROL ADVISORY COMMITTEE. (a) The secretary shall,
10 under s. 15.04 (1) (c), create a tobacco control advisory committee, which shall consist
11 of not more than 17 members, appointed by the secretary for 3-year terms, and shall
12 include all of the following ~~as members:~~

- 13 1. At least one representative of a local tobacco prevention coalition.
- 14 2. At least one youth who represents youth involved in tobacco prevention and
- 15 control efforts.
- 16 3. At least one representative of a population that is disproportionately
- 17 impacted by tobacco use.
- 18 4. At least one representative of a statewide health care provider association
- 19 or organization.
- 20 5. At least one representative of a statewide or regional hospital association or
- 21 organization.
- 22 6. At least one representative of a statewide or regional insurance association.
- 23 7. At least one representative of a state or local chamber of commerce or other
- 24 business association or organization.

use

LPS: Check BOTH periods

The committee

~~which~~

1 8. One senator.

2 9. One representative to the assembly who is of a different political party from ✓
3 the senator appointed under subd. 8.

4 10. ✓ At least 3 representatives of organizations that have the reduction of the
5 health and economic impacts of tobacco use as their primary organizational
6 missions.

7 11. The secretary.

8 12. The superintendent of public instruction or his or her designee.

9 13. The attorney general or his or her designee.

10 14. ✓ One or more members of organizations or associations specified by the
11 department.

12 (b) The tobacco control advisory committee shall do all of the following:

13 1. Develop public-private partnerships on tobacco use control issues and
14 initiatives.

15 2. Ensure regular review and monitoring of the plan under sub. (1m) (f). ✓

16 3. Identify external resources and steps ^{that} the department could take to support
17 implementation of the plan under sub. (1m) (f) or other local tobacco use prevention
18 and control policy initiatives.

19 4. Ensure coordination with other tobacco control efforts in this state.

20 5. Provide advice and guidance on proposed tobacco use prevention and control
21 plans and strategies, including those funded under sub. (3). ✓

22 6. Ensure that an external evaluator conducts regular outcome-based
23 evaluations of tobacco use prevention and control projects and presents the
24 evaluations to the joint legislative audit committee.

1 7. Develop and distribute an annual report on the impacts of tobacco use in this
2 state and the progress of tobacco use prevention and control efforts.

3 8. For members specified in par. (a) 1., 4., 5., 6., 7., 10., and 14., commit the
4 human and material resources of the associations or organizations represented by
5 those members to efforts toward tobacco use prevention and control to the greatest
6 extent possible.

7 **SECTION 2460m.** 255.15 (3) (a) of the statutes is repealed.

8 **SECTION 2461m.** 255.15 (3) (b) (intro.) of the statutes is amended to read:

9 255.15 (3) (b) (intro.) From the appropriation under s. ~~20.436 (1) (te)~~ 20.435 (5)
10 (fm), the ~~board~~ department may distribute grants for any of the following:

11 History: 1999 a. 9; 2001 a. 16.

11 **SECTION 2461r.** 255.15 (3) (b) 8. of the statutes is amended to read:

12 255.15 (3) (b) 8. Other tobacco use cessation or prevention programs, including
13 tobacco research and intervention.”

14 History: 1999 a. 9; 2001 a. 16.

14 **13.** Page 1078, line 17: after that line insert:

15 “(p) ^{5x} TOBACCO CONTROL ADVISORY COMMITTEE; INITIAL APPOINTMENTS.

16 Notwithstanding the length of terms specified in section 255.15 (2m) (a) (intro.) of
17 the statutes, as created by this act, the initial members of the tobacco control
18 advisory committee shall be appointed by the first day of the 4th month beginning
19 after the effective date of this subsection for the following terms:

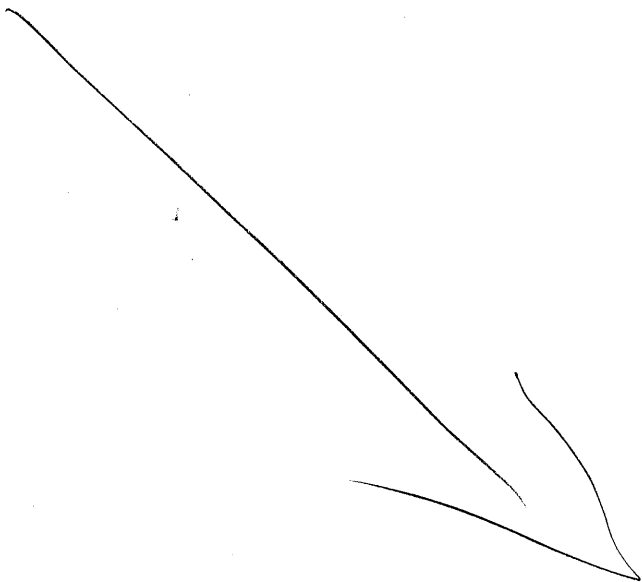
20 (a) The members specified in section 255.15 (2m) (a) 1. to 3. of the statutes, as
21 created by this act, for terms expiring on July 1, 2008.

22 (b) The members specified in section 255.15 (2m) (a) 4. to 7. of the statutes, as
23 created by this act, for terms expiring on July 1, 2007.

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nonstat.

1 (c) The members specified in section 255.15 (2m) (a) 8. to 10. and 14. of the
2 statutes, as created by this act, for terms expiring on July 1, 2006.”.

3  (END)



19

✓ # Page 1109, line ~~25~~ : after that line insert:

IX
"(*) TOBACCO CONTROL FUND ELIMINATION. On

the effective date of this subsection, the unencumbered balance in the tobacco control fund immediately before the effective date of this subsection is transferred to the general fund."

(End)

D-NOTE

approp. change

INSERT 2-5 ✓

✓ # . Page 455, line 4 : after that line insert :

" SECTION 837s. RP; 25.17 (1)(tc) ✓ . "

INSERT 2-14 ✓

✓ #. Page 397, line 22: delete "in equal
amounts to the tobacco control fund and".

INSERT 2-9

**** NOTE: Note that the reference
to the transfer to the Tobacco Control Fund
in the General Fund Summary (p. 141 of
2003 SB-44) must be deleted.

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb0145/P1dn

DAK: j...
King

To Kim Swissdorf:

1. I'm not sure ^{that} I understand what happens to money that was in s. 20.436 (1) (tb), stats.; I have, in this amendment, repealed that appropriation. Do you then increase the amount for s. 20.435 (1) (a) in the schedule? Does that fund expenses of the Tobacco Control Advisory Committee, which are allowed under s. 15.04 (1) (c)?
2. Please review s. 20.435 (5) (fm), ^{s.} as created in this amendment. Should it be an annual appropriation, as drafted?
3. Note that, in dealing with the DHFS request to have ~~the~~ s. 20.436 renumbered into s. 20.435 (5), stats., rather than 20.435 (1), stats., that I did not renumber s. 20.436 (1) (g), stats., and, instead, repealed it. That is because s. 20.435 (5) (i), stats., appears to fulfill that purpose.
4. With respect to the tobacco control advisory committee, please review the nonstatutory provisions to see if the staggering of terms is what you want. In addition, what is a "state chamber of commerce" (see s. 255.15 (2m) (a) 7.)? Is this a reference to Wisconsin Manufacturers and Commerce? ⁽¹⁾
5. The motion refers to "Wisconsin's strategic plan." No reference to this "strategic plan" exists in the statutes, although the rules at TCB 1.04 (1) (e) mention the Tobacco Control Board's strategic plan. Please see my amendment to s. 255.15 (1m) (f), stats., and the language of s. 255.15 (2m) (b) 2. and 3. in the bill.
6. Please note my amendment to s. 255.15 (3) (b) 8. ^A I believe that this language is necessary to ensure that the department retains authority under that paragraph to fund activities of the UW-Madison tobacco research and intervention center and the Medical College of Wisconsin and all of the statutorily specified Thomas T. Melvin youth tobacco prevention and education program activities.

INSERT D-NOTE

Debora A. Kennedy
Managing Attorney
Phone: (608) 266-0137
E-mail: debora.kennedy@legis.state.wi.us

(INS D-NOTE)

7. Rather than leaving s. 255.15 (6), stats., as amended in the bill, wouldn't you want to repeal it and add the task specified in it to s. 255.15 (2m) (b)?

8. I understand from Rob Marchant, here in the LRB, that Joint Finance has decided to eliminate the provisions that deal with a revenue obligation program to purchase Tobacco Settlement Asset-Backed Bonds (LRB-1797/7, drafted by Rick Champagne); among these provisions in the budget bill is s. 20.505 (1) (tm), which I have affected in this amendment. If Joint Finance does not reverse its decision, my change will be eliminated, along with the rest of s. 20.505 (1) (tm), and will not appear in the Joint Finance substitute amendments.

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb0145/P1dn
DAK:kmg:cph

May 20, 2003

To Kim Swissdorf:

1. I'm not sure that I understand what happens to money that was in s. 20.436 (1) (tb), stats.; I have, in this amendment, repealed that appropriation. Do you then increase the amount for s. 20.435 (1) (a) in the schedule? Does that fund expenses of the Tobacco Control Advisory Committee, which are allowed under s. 15.04 (1) (c)?
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have affected in this amendment. If Joint Finance does not reverse its decision, my change will be eliminated, along with the rest of s. 20.505 (1) (tm), and will not appear in the Joint Finance substitute amendment.

Debra A. Kennedy
Managing Attorney
Phone: (608) 266-0137
E-mail: debra.kennedy@legis.state.wi.us

Kennedy, Debora

From: Swissdorf, Kim
Sent: Thursday, May 22, 2003 11:59 AM
To: Kennedy, Debora
Subject: Draft #145/P1

OK--I've gone through the tobacco draft with Charlie. Here are my responses to your questions and some other comments:

- ? 1) The amount from 20.436(1)(tb) will increase 20.435(1)(a). [I realized I still have to ask Charlie about expenses under 15.04(1)(c)--I'll get back to you on that.]
- ✓ 2) 20.435(5)(fm) should be a continuing appropriation.
- ✓ 3) Repealing 20.436(1)(g) is just fine.
- ✓ 4) I'm not sure what is meant by state chamber of commerce. It could be WMC or one of its affiliates. I think the language should remain as it is--vague and inclusive--because I don't know the intent behind the words, and the Committee voted on that language.
- ✓ 5) 255.15(1m)(f) to incorporate the strategic plan language is fine.
- ✓ 6) 255.15(3)(b)8 to include the research language is fine.
- ✓ 7) We agree that 255.15(6) should be incorporated into 255.15(2m)(b), rather than a separate section.
- ✓ 8) OK--I assume 20.505(1)(tm) will go away.

Other comments:

On page 4, line ~~4~~ ⁷ ~~#7~~ ⁶ --add "or organization" after "association." ?

OK--I think that's it. I still have to go through the hospital and ASC data one. Let me know if you have any questions about this stuff. THANKS!!!

Kim Swissdorf
Fiscal Analyst
Legislative Fiscal Bureau
One East Main St., Suite 301
Madison, WI 53703
(608) 266-3847
Kim.Swissdorf@legis.state.wi.us



1 2003 - In edit 5/22
State of Wisconsin
2003 - 2004 LEGISLATURE

LRBb0145/Pl 1
DAK:kmg:cp

LFB:.....Swissdorf (CM) – Tobacco control

FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION

SENATE AMENDMENT ,

TO 2003 SENATE BILL 44

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8 5. Page 374, line 20: after that line insert:

9 “SECTION 470h. 20.435 (5) (fm) of the statutes is created to read:

10 20.435 (5) (fm) *Tobacco use control grants.* The amounts in the schedule for
11 grants under s. 255.15 (3) (b).”

As a continuing appropriation,

1 **6.** Page 378, line 7: delete the material beginning with that line and ending
2 with page 379, line 8, and substitute:

3 “**SECTION 478x.** 20.436 of the statutes is repealed.”

4 **7.** Page 397, line 23: delete “in equal amounts to the tobacco control fund and”.

5 **8.** Page 412, line 6: after that line insert:

6 “**SECTION 670f.** 20.855 (4) (rh) of the statutes is repealed.”

7 **9.** Page 455, line 4: after that line insert:

8 “**SECTION 837s.** 25.17 (1) (tc) of the statutes is repealed.”

9 **10.** Page 456, line 6: after that line insert:

10 “**SECTION 842p.** 25.17 (16) of the statutes is repealed.”

11 **11.** Page 459, line 3: delete lines 3 to 7 and substitute:

12 “**SECTION 861x.** 25.66 of the statutes is repealed.

 ****NOTE: Note that the reference to the transfer to the Tobacco Control Fund in
the General Fund Summary (p. 141 of 2003 SB-44) must be deleted.

13 **SECTION 863s.** 25.69 of the statutes, as affected by 2001 Wisconsin Act 109,
14 section 83, is amended to read:

15 **25.69 Permanent endowment fund.** There is established a separate
16 nonlapsible trust fund designated as the permanent endowment fund, consisting of
17 all of the proceeds from the sale of the state’s right to receive payments under the
18 Attorneys General Master Tobacco Settlement Agreement of November 23, 1998,
19 and all investment earnings on the proceeds. ~~Moneys in the permanent endowment~~
20 ~~fund shall be used only to make the transfers under ss. 13.101 (16) and 20.855 (4)~~
21 ~~(rh).~~”

22 **12.** Page 951, line 20: after that line insert:

1 “SECTION 2455r. 255.10 (intro.) of the statutes is amended to read:

2 **255.10 Thomas T. Melvin youth tobacco prevention and education**
3 **program.** (intro.) From the moneys distributed under s. 255.15 (3) (a) 2. (b), the
4 department shall administer the Thomas T. Melvin youth tobacco prevention and
5 education program, with the primary purpose of reducing the use of cigarettes and
6 tobacco products by minors. The department shall award grants for the following
7 purposes:

8 **SECTION 2455v.** 255.15 (title) of the statutes is amended to read:

9 **255.15 (title) Statewide tobacco use control program.”.**

10 **13.** Page 952, line 4: after that line insert:

11 “SECTION 2459d. 255.15 (1m) (f) of the statutes is amended to read:

12 255.15 (1m) (f) ~~Develop and prepare an annual plan regarding~~ Continue
13 implementation of a strategic plan for a statewide tobacco use control program,
14 including the allocation of funding for a statewide tobacco control program, and
15 update the plan annually.”.

16 **14.** Page 952, line 5: delete lines 5 to 11 and substitute:

17 “SECTION 2459x. 255.15 (2m) of the statutes is created to read:

18 255.15 (2m) TOBACCO CONTROL ADVISORY COMMITTEE. (a) The secretary shall,
19 under s. 15.04 (1) (c), create a tobacco control advisory committee. The committee
20 shall consist of not more than 17 members, appointed by the secretary for 3-year
21 terms, and shall include all of the following:

22 1. At least one representative of a local tobacco prevention coalition.

23 2. At least one youth who represents youth involved in tobacco prevention and
24 control efforts.

1 3. At least one representative of a population that is disproportionately
2 impacted by tobacco use.

3 4. At least one representative of a statewide health care provider association
4 or organization.

5 5. At least one representative of a statewide or regional hospital association or
6 organization.

7 6. At least one representative of a statewide or regional insurance association.

or organization

8 7. At least one representative of a state or local chamber of commerce or other
9 business association or organization.

10 8. One senator.

11 9. One representative to the assembly who is of a different political party from
12 the senator appointed under subd. 8.

13 10. At least 3 representatives of organizations that have the reduction of the
14 health and economic impacts of tobacco use as their primary organizational
15 missions.

16 11. The secretary.

17 12. The superintendent of public instruction or his or her designee.

18 13. The attorney general or his or her designee.

19 14. One or more members of organizations or associations specified by the
20 department.

21 (b) The tobacco control advisory committee shall do all of the following:

22 1. Develop public-private partnerships on tobacco use control issues and
23 initiatives.

24 2. Ensure regular review and monitoring of the plan under sub. (1m) (f).

1 3. Identify external resources and steps that the department could take to
2 support implementation of the plan under sub. (1m) (f) or other local tobacco use
3 prevention and control policy initiatives.

4 4. Ensure coordination with other tobacco control efforts in this state.

5 5. Provide advice and guidance on proposed tobacco use prevention and control
6 plans and strategies, including those funded under sub. (3).

7 6. Ensure that an external evaluator conducts regular outcome-based
8 evaluations of tobacco use prevention and control projects and presents the
9 evaluations to the joint legislative audit committee.

10 7. Develop and distribute an annual report on the impacts of tobacco use in this
11 state and the progress of tobacco use prevention and control efforts.

12 8. For members specified in par. (a) 1., 4., 5., 6., 7., 10., and 14., commit the
13 human and material resources of the associations or organizations represented by
14 those members to efforts toward tobacco use prevention and control to the greatest
15 extent possible.

Ins. 5-15 ←

16 **SECTION 2460d.** 255.15 (3) (a) of the statutes is repealed.

17 **SECTION 2461d.** 255.15 (3) (b) (intro.) of the statutes is amended to read:

18 255.15 (3) (b) (intro.) From the appropriation under s. ~~20.436(1)(te)~~ 20.435(5)
19 (fm), the ~~board~~ department may distribute grants for any of the following:

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21 255.15 (3) (b) 8. Other tobacco use cessation or prevention programs, including
22 tobacco research and intervention *MS Stet*

INSERT
5-22-23

23 **15.** Page 1076, line 12: after that line insert:

INSERT 5-15 ✓

#9. Address the issue of populations most adversely affected by tobacco use.

INSERT 5-22

#. Page 953, line 3: delete lines 3 to 7 and substitute:
"SECTION 2464. RP; 255.15(6) :".

2464d



State of Wisconsin
2003 - 2004 LEGISLATURE

LRBb0145/1
DAK:kmg:cph

LFB:.....Swissdorf (CM) – Tobacco control

FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION
SENATE AMENDMENT ,
TO 2003 SENATE BILL 44

- 1 At the locations indicated, amend the bill as follows:
- 2 **1.** Page 50, line 6: delete lines 6 to 12 and substitute:
- 3 “SECTION 10c. 13.101 (16) of the statutes is repealed.”
- 4 **2.** Page 92, line 25: after that line insert:
- 5 “SECTION 177g. 16.519 (3) of the statutes is repealed.”
- 6 **3.** Page 342, line 5: delete “(a) 4.” and substitute “(a) 4. (b)”.
- 7 **4.** Page 350, line 25: delete “(a) 1.” and substitute “(a) 1. (b)”.
- 8 **5.** Page 374, line 20: after that line insert:
- 9 “SECTION 470h. 20.435 (5) (fm) of the statutes is created to read:
- 10 20.435 (5) (fm) *Tobacco use control grants.* As a continuing appropriation, the
- 11 amounts in the schedule for grants under s. 255.15 (3) (b).”.

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2 with page 379, line 8, and substitute:

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19 and all investment earnings on the proceeds. ~~Moneys in the permanent endowment~~
20 ~~fund shall be used only to make the transfers under ss. 13.101 (16) and 20.855 (4)~~
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4 or organization.

5 5. At least one representative of a statewide or regional hospital association or
6 organization.

7 6. At least one representative of a statewide or regional insurance association
8 or organization.

9 7. At least one representative of a state or local chamber of commerce or other
10 business association or organization.

11 8. One senator.

12 9. One representative to the assembly who is of a different political party from
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14 10. At least 3 representatives of organizations that have the reduction of the
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15 extent possible.

16 9. Address the issue of populations most adversely affected by tobacco use.

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19 255.15 (3) (b) (intro.) From the appropriation under s. ~~20.436 (1) (te)~~ 20.435 (5)
20 (fm), the ~~board~~ department may distribute grants for any of the following:

21 **SECTION 2461r.** 255.15 (3) (b) 8. of the statutes is amended to read:

22 255.15 (3) (b) 8. Other tobacco use cessation or prevention programs, including
23 tobacco research and intervention.”.

24 **15.** Page 953, line 3: delete lines 3 to 7 and substitute:

1 “SECTION 2464d. 255.15 (6) of the statutes is repealed.”

2 **16.** Page 1076, line 12: after that line insert:

3 “(5x) TOBACCO CONTROL ADVISORY COMMITTEE; INITIAL APPOINTMENTS.

4 Notwithstanding the length of terms specified in section 255.15 (2m) (a) (intro.) of
5 the statutes, as created by this act, the initial members of the tobacco control
6 advisory committee shall be appointed by the first day of the 4th month beginning
7 after the effective date of this subsection for the following terms:

8 (a) The members specified in section 255.15 (2m) (a) 1. to 3. of the statutes, as
9 created by this act, for terms expiring on July 1, 2008.

10 (b) The members specified in section 255.15 (2m) (a) 4. to 7. of the statutes, as
11 created by this act, for terms expiring on July 1, 2007.

12 (c) The members specified in section 255.15 (2m) (a) 8. to 10. and 14. of the
13 statutes, as created by this act, for terms expiring on July 1, 2006.”.

14 **17.** Page 1109, line 19: after that line insert:

15 “(1x) TOBACCO CONTROL FUND ELIMINATION. On the effective date of this
16 subsection, the unencumbered balance in the tobacco control fund immediately
17 before the effective date of this subsection is transferred to the general fund.”.

18

(END)