



1997 SENATE BILL 440

February 4, 1998 – Introduced by Senators RISSER, ROESSLER, BURKE and CLAUSING, cosponsored by Representatives BOCK, MORRIS-TATUM, URBAN, BLACK and NOTESTEIN. Referred to Committee on Economic Development, Housing and Government Operations.

1 **AN ACT** *to repeal* 20.435 (5) (dg); *to amend* 139.31 (1) (a), 139.31 (1) (b) and
2 255.10 (intro.); and *to create* 20.435 (5) (qm), 25.17 (1) (ay), 25.63 and 36.25 (43)
3 of the statutes; **relating to:** increasing the cigarette tax, creating a cigarette
4 tax fund, creating an endowed associate directorship at the University of
5 Wisconsin–Madison Center for Tobacco Research and Intervention and making
6 an appropriation.

Analysis by the Legislative Reference Bureau

This bill increases the cigarette tax from 59 cents per pack to \$1 per pack.

The bill creates a separate, nonlapsible trust fund, called the cigarette tax fund, which consists of the revenue generated by the increase in the cigarette tax under the bill. Of the moneys collected in the cigarette tax fund, the first \$500,000 is transferred to a University of Wisconsin (UW) fund to endow an associate directorship at the UW–Madison Center for Tobacco Research and Intervention.

The remainder of the moneys collected in the cigarette tax fund is appropriated for the Thomas T. Melvin youth tobacco prevention and education program, administered by the department of health and family services (DHFS). Under that program, DHFS is required to award grants for various tobacco education initiatives directed at discouraging minors and adults from smoking, for research on methods to discourage tobacco use by minors and adults and for evaluations of the tobacco prevention and education program.

SENATE BILL 440

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 20.435 (5) (dg) of the statutes, as created by 1997 Wisconsin Act 27,
2 is repealed.

3 **SECTION 2.** 20.435 (5) (qm) of the statutes is created to read:

4 20.435 (5) (qm) *Thomas T. Melvin youth tobacco prevention and education*
5 *program.* From the cigarette tax fund, all moneys received by the fund and not
6 transferred under s. 25.63 (2), for the Thomas T. Melvin youth tobacco prevention
7 and education program under s. 255.10.

8 **SECTION 3.** 25.17 (1) (ay) of the statutes is created to read:

9 25.17 (1) (ay) Cigarette tax fund (s. 25.63);

10 **SECTION 4.** 25.63 of the statutes is created to read:

11 **25.63 Cigarette tax fund. (1)** There is established a separate, nonlapsible
12 trust fund designated as the cigarette tax fund, consisting of that portion of the tax
13 imposed under s. 139.31 (1) that is equivalent to 41 cents per package of cigarettes.

14 **(2)** On the date that the amount in the cigarette tax fund first reaches \$500,000,
15 an amount equal to \$500,000 is transferred to the trust fund under s. 36.03, 1969
16 stats., for the purpose of endowing the associate directorship of the University of
17 Wisconsin-Madison Center for Tobacco Research and Intervention under s. 36.25
18 (43).

19 **SECTION 5.** 36.25 (43) of the statutes is created to read:

20 36.25 (43) ASSOCIATE DIRECTORSHIP OF CENTER FOR TOBACCO RESEARCH AND
21 INTERVENTION. The board shall establish a Thomas T. Melvin associate directorship

SENATE BILL 440

1 at the University of Wisconsin-Madison Center for Tobacco Research and
2 Intervention to develop innovative methods of assisting individuals to quit smoking
3 and preventing children from starting to smoke.

4 **SECTION 6.** 139.31 (1) (a) of the statutes, as affected by 1997 Wisconsin Act 27,
5 is amended to read:

6 139.31 (1) (a) On cigarettes weighing not more than 3 pounds per thousand,
7 ~~29.5~~ 50 mills on each cigarette.

8 **SECTION 7.** 139.31 (1) (b) of the statutes, as affected by 1997 Wisconsin Act 27,
9 is amended to read:

10 139.31 (1) (b) On cigarettes weighing more than 3 pounds per thousand, ~~59~~ 100
11 mills on each cigarette.

12 **SECTION 8.** 255.10 (intro.) of the statutes, as created by 1997 Wisconsin Act 27,
13 is amended to read:

14 **255.10 Thomas T. Melvin youth tobacco prevention and education**
15 **program.** (intro.) From the appropriation under s. 20.435 (5) (~~dg~~) (qm), 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 **SECTION 9. Effective dates.** This act takes effect on July 1, 1998, or on the day
21 after publication, whichever is later, except as follows:

22 (1) CIGARETTE TAX. The treatment of section 139.31 (1) (a) and (b) of the statutes
23 takes effect on first day of the 2nd month beginning after publication.

24

(END)