

SENATE BILL 769

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1999 Regular Session
9lr2552

By: **Senators Conway, Lawlah, Currie, Mitchell, Hughes, McFadden, and Exum**

Introduced and read first time: March 4, 1999

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **African American Tobacco Relief Fund**

3 FOR the purpose of altering the distribution of the tobacco tax revenue; establishing
4 an African American Tobacco Relief Fund; providing for the purpose, funding,
5 and administration of the African American Tobacco Relief Fund; defining
6 terms; and generally relating to the African American Tobacco Relief Fund.

7 BY repealing and reenacting, with amendments,
8 Article - Tax - General
9 Section 2-1603
10 Annotated Code of Maryland
11 (1997 Replacement Volume and 1998 Supplement)

12 BY adding to
13 Article - State Finance and Procurement
14 Section 7-327
15 Annotated Code of Maryland
16 (1995 Replacement Volume and 1998 Supplement)

17 **Preamble**

18 WHEREAS, Smoking and smokeless tobacco use kills an estimated 45,000
19 African Americans each year; and

20 WHEREAS, These deaths are acknowledged to be preventable; and

21 WHEREAS, The smoking prevalence rates increased significantly among
22 African American high school students from 1992 through 1997; and

23 WHEREAS, The smoking prevalence increased by 106% for eighth grade
24 students from 5.3% to 10.9% and nearly doubled for 10th grade students from 6.6% to
25 12.8%; and

1 WHEREAS, African American publications contain approximately 12% more
2 cigarette advertising than other widespread publications; and

3 WHEREAS, The density of tobacco billboard advertising is consistently
4 highest in African American communities; now, therefore,

5 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
6 MARYLAND, That the Laws of Maryland read as follows:

7 **Article - Tax - General**

8 2-1603.

9 (A) [After] EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION,
10 AFTER making the distributions required under §§ 2-1601 and 2-1602 of this
11 subtitle, the Comptroller shall distribute the remaining tobacco tax revenue to the
12 General Fund of the State.

13 (B) FOR FISCAL YEAR 2001 AND EACH FISCAL YEAR THEREAFTER, BEFORE
14 MAKING THE DISTRIBUTION REQUIRED UNDER SUBSECTION (A) OF THIS SECTION,
15 THE COMPTROLLER SHALL DISTRIBUTE 50% OF THE REMAINING TAX REVENUE TO
16 THE AFRICAN AMERICAN TOBACCO RELIEF FUND ESTABLISHED UNDER § 7-327 OF THE
17 STATE FINANCE AND PROCUREMENT ARTICLE.

18 **Article - State Finance and Procurement**

19 7-327.

20 (A) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
21 INDICATED.

22 (B) (1) "RECONSTITUTED SCHOOLS" MEANS SCHOOLS THAT CHANGE ONE
23 OR MORE OF THE SCHOOL'S:

24 (I) ADMINISTRATION;

25 (II) STAFF;

26 (III) ORGANIZATION; OR

27 (IV) INSTRUCTIONAL PROGRAM.

28 (2) "RECONSTITUTED SCHOOLS" MAY INCLUDE SCHOOLS CONTRACTING
29 WITH A THIRD PARTY BY ORDER OF THE STATE BOARD OF EDUCATION.

30 (C) "FUND" MEANS THE AFRICAN AMERICAN TOBACCO RELIEF FUND.

31 (D) THERE IS AN AFRICAN AMERICAN TOBACCO RELIEF FUND.

32 (E) THE PURPOSE OF THE FUND IS TO PROVIDE A FUND SOLELY TO FINANCE:

1 (1) THE UPGRADING OF PRIMARY AND SECONDARY EDUCATION IN
2 AFRICAN AMERICAN COMMUNITIES IN MARYLAND GIVING PRIORITY TO
3 RECONSTITUTED SCHOOLS;

4 (2) THE HEALTH CARE OF AFRICAN AMERICAN CHILDREN IN
5 MARYLAND;

6 (3) ADDITIONAL SUBSTANCE ABUSE TREATMENT OPPORTUNITIES FOR
7 AFRICAN AMERICAN CHILDREN IN MARYLAND; AND

8 (4) RECREATIONAL FACILITIES FOR AFRICAN AMERICAN CHILDREN IN
9 MARYLAND.

10 (F) THE AFRICAN AMERICAN TOBACCO RELIEF FUND SHALL DISBURSE FUNDS
11 FOR THE PURPOSES UNDER SUBSECTION (E) OF THIS SECTION WITHIN LOCAL
12 JURISDICTIONS ACCORDING TO POPULATION WITH THE JURISDICTIONS HAVING THE
13 LARGEST AFRICAN AMERICAN POPULATIONS RECEIVING THE LARGEST PORTIONS OF
14 THE DISBURSED FUNDS.

15 (G) LOCAL JURISDICTIONS RECEIVING DISBURSEMENTS FROM THE FUND
16 MAY NOT USE THE FUNDS FOR ANY PURPOSE OTHER THAN THE PURPOSES UNDER
17 SUBSECTION (E) OF THIS SECTION.

18 (H) THE FUND IS A CONTINUING, NONLAPSING SPECIAL FUND THAT IS NOT
19 SUBJECT TO § 7-302 OF THIS SUBTITLE.

20 (I) THE FUND SHALL CONSIST OF THE TOBACCO TAX REVENUE DISTRIBUTED
21 TO THE FUND UNDER § 2-1603 OF THE TAX - GENERAL ARTICLE.

22 (J) (1) THE STATE TREASURER SHALL HOLD AND THE STATE
23 COMPTROLLER SHALL ACCOUNT FOR THE FUND.

24 (2) THE FUND SHALL BE INVESTED AND REINVESTED IN THE SAME
25 MANNER AS OTHER STATE FUNDS.

26 (3) INVESTMENT EARNINGS SHALL ACCRUE TO THE CREDIT OF THE
27 FUND.

28 (K) SUBJECT TO THE PROVISIONS IN SUBSECTION (E) OF THIS SECTION,
29 EXPENDITURES FROM THE FUND SHALL BE MADE ONLY IN ACCORDANCE WITH AN
30 APPROPRIATION APPROVED BY THE GENERAL ASSEMBLY IN THE ANNUAL STATE
31 BUDGET.

32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
33 October 1, 1999.