

SB0383/939430/2

BY: Budget and Taxation Committee

AMENDMENTS TO SENATE BILL 383

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike “and Little Cigars”; strike beginning with “altering” in line 3 down through “amount;” in line 4; in line 5, after “cavity;” insert “requiring that certain tobacco tax revenues be distributed to the Cigarette Restitution Fund for certain purposes; requiring certain revenues to be appropriated for certain activities aimed at cancer research;”; strike beginning with “providing” in line 5 down through “cigars;” in line 8; in line 9, strike “requiring that little cigars be sold in a certain manner;”; in line 10, strike “and packaging”; after line 11, insert:

“BY repealing and reenacting, with amendments,

Article – State Finance and Procurement

Section 7-317(b) and (g)

Annotated Code of Maryland

(2006 Replacement Volume and 2007 Supplement)”;

in line 14, after “Section” insert “2-1602.1 and”; in the same line, strike “and (b-2)”; and in line 19, strike “12-101(c), 12-201, 12-202, and 12-302(a)” and substitute “2-1603 and 12-202”.

On page 2, strike in their entirety lines 1 through 6, inclusive.

AMENDMENT NO. 2

On page 2, after line 8, insert:

“Article – State Finance and Procurement

7-317.

(Over)

(b) (1) The Fund is a continuing, nonlapsing fund that is not subject to § 7-302 of this subtitle.

(2) There shall be credited to the Fund all revenues consisting of funds received by the State from any source resulting, directly or indirectly, from any judgment against or settlement with tobacco product manufacturers, tobacco research associations, or any other person in the tobacco industry relating to litigation, administrative proceedings, or any other claims made or prosecuted by the State to recover damages for violations of State law.

(3) There shall be credited to the Fund all moneys collected under § 24-508 of the Health – General Article or § 5-608 of the Labor and Employment Article.

(4) THERE SHALL BE CREDITED TO THE FUND ALL MONEYS DISTRIBUTED TO THE FUND UNDER § 2-1602.1 OF THE TAX – GENERAL ARTICLE.

(g) (1) Amounts may only be expended from the Fund through appropriations in the State budget bill as provided in this subsection.

(2) The Governor shall include in the annual budget bill appropriations from the Fund equivalent to the lesser of \$100,000,000 or 90% of the funds estimated to be available to the Fund in the fiscal year for which the appropriations are made.

(3) For each fiscal year for which appropriations are made, at least 50% of the appropriations shall be made for those purposes enumerated in subsection (f)(1)(i), (ii), and (iii)1 through 9 of this section subject to the requirement of subsection (e)(2) of this section.

(4) For each fiscal year for which appropriations are made, at least 30% of the appropriations shall be made for the purposes of the Maryland Medical Assistance Program.

(5) For each fiscal year for which appropriations are made, 0.15% of the Fund shall be appropriated for the purposes of enforcement of Title 16, Subtitle 5 of the Business Regulation Article.

(6) FOR EACH FISCAL YEAR FOR WHICH APPROPRIATIONS ARE MADE, THE TOBACCO TAX REVENUE COLLECTED FROM MOIST SNUFF DISTRIBUTED TO THE FUND SHALL BE APPROPRIATED FOR ACTIVITIES AIMED AT CANCER RESEARCH.

[(6)](7) Any additional appropriations, not subject to paragraph (3), paragraph (4), [or] paragraph (5), OR PARAGRAPH (6) of this subsection, may be made for any lawful purpose.”;

and after line 9, insert:

“2-1602.1.

AFTER MAKING THE DISTRIBUTIONS REQUIRED UNDER §§ 2-1601 AND 2-1602 OF THIS SUBTITLE, THE COMPTROLLER SHALL DISTRIBUTE THE REVENUE COLLECTED FROM THE TOBACCO TAX IMPOSED ON MOIST SNUFF UNDER § 12-105(B)(2) OF THIS ARTICLE TO THE CIGARETTE RESTITUTION FUND FOR THE PURPOSES SPECIFIED UNDER § 7-317(G)(6) OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

2-1603.

(Over)

After making the distributions required under §§ 2-1601 [and 2-1602] THROUGH 2-1602.1 of this subtitle, the Comptroller shall distribute the remaining tobacco tax revenue to the General Fund of the State.".

AMENDMENT NO. 3

On page 2, strike in their entirety lines 11 through 22, inclusive; and in line 23, strike "**(B-2)**" and substitute "**(B-1)**".

On pages 2 and 3, strike in their entirety the lines beginning with line 27 on page 2 through line 6 on page 3, inclusive.

On page 3, in line 8, strike "**AND LITTLE CIGARS**"; strike beginning with "**OR**" in line 9 down through "**CIGARS**" in line 10; in lines 12, 14, and 16, in each instance, strike "**OR LITTLE CIGARS**"; in line 17, strike "**LITTLE CIGARS AND**"; in line 20, strike "**54**" and substitute "**39**"; and in the same line, strike "**PER**" and substitute "**FOR UP TO ONE**".

On pages 3 and 4, strike in their entirety the lines beginning with line 24 on page 3 through line 2 on page 4, inclusive.

On pages 4 through 6, strike in their entirety the lines beginning with line 19 on page 4 through line 20 on page 6, inclusive.