

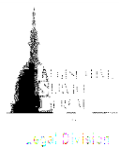
# HOUSE BILL NO. 6250

September 22, 2020, Introduced by Reps. Wittenberg, Greig, Hope, Brenda Carter and Rabhi and referred to the Committee on Government Operations.

A bill to amend 1993 PA 327, entitled  
"Tobacco products tax act,"  
by amending section 12 (MCL 205.432), as amended by 2018 PA 639.

## **THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 12. (1) The proceeds derived from the payment of taxes,  
2 fees, and penalties provided for under this act and the license  
3 fees received by the department shall be deposited with the state  
4 treasurer and disbursed only as provided in this section and  
5 section 7(5). However, before a distribution of funds is made under  
6 this section, subject to appropriation, the funds described in this



1 section may be used by the department, the attorney general, and  
2 the department of state police for enforcement and administration  
3 of this act.

4 (2) The tax imposed under section 7(1)(a) shall be disbursed  
5 as follows:

6 (a) 94% of the proceeds shall be credited to the state school  
7 aid fund established by section 11 of article IX of the state  
8 constitution of 1963.

9 (b) 6% of the proceeds shall be credited to the Healthy  
10 Michigan fund created under section 5953 of the public health code,  
11 1978 PA 368, MCL 333.5953. Fifty percent of the proceeds described  
12 in this subdivision that are used for smoking prevention programs  
13 shall be used by the department of health and human services to  
14 expand the free smokers quit kit program to include the nicotine  
15 patch or nicotine gum.

16 (3) The tax imposed on cigarettes under section 7(1)(b) shall  
17 be disbursed as follows:

18 (a) Beginning May 1, 1994 and through June 30, 2004, 5.3% of  
19 the proceeds shall be credited to the health and safety fund  
20 created in the health and safety fund act, 1987 PA 264, MCL 141.471  
21 to 141.479.

22 (b) Beginning July 1, 2004, 6.5% of the proceeds shall be  
23 credited to the health and safety fund created in the health and  
24 safety fund act, 1987 PA 264, MCL 141.471 to 141.479.

25 (c) Through June 30, 2004, 25.3% of the proceeds shall be  
26 credited to the general fund of this state.

27 (d) Beginning July 1, 2004 and through September 30, 2014,  
28 24.1% of the proceeds shall be credited to the general fund of this  
29 state.



(e) 63.4% of the proceeds shall be credited to the state school aid fund established by section 11 of article IX of the state constitution of 1963.

(f) 6% of the proceeds shall be credited to the Healthy Michigan fund created under section 5953 of the public health code, 1978 PA 368, MCL 333.5953. Fifty percent of the proceeds described in this subdivision that are used for smoking prevention programs shall be used by the department of health and human services to expand the free smokers quit kit program to include the nicotine patch or nicotine gum.

(g) Beginning October 1, 2014, 24.1% of the proceeds shall be disbursed as follows:

(i) For the 2014-2015 fiscal year and each subsequent fiscal year, \$3,000,000.00 to the Michigan state capitol historic site fund created in section 7 of the Michigan state capitol historic site act, 2013 PA 240, MCL 4.1947. For the 2015-2016 fiscal year and each subsequent fiscal year, the state treasurer shall adjust the figure described in this subparagraph by an amount determined by the state treasurer at the end of each calendar year to reflect the cumulative annual percentage change in the ~~consumer price index~~ **Consumer Price Index**. Beginning for the 2015-2016 fiscal year and each subsequent fiscal year, if the cumulative annual percentage change in the ~~consumer price index~~ **Consumer Price Index** is negative, then the adjustment for that fiscal year is zero. As used in this subsection, "~~consumer price index~~" **Consumer Price Index** means the most comprehensive index of consumer prices available for this state from the Bureau of Labor Statistics of the United States Department of Labor. From the funds described in this subparagraph, not later than February 1 of each year, the Michigan



~~state capitol commission created in section 5 of the Michigan state capitol historic site act, 2013 PA 240, MCL 4.1945,~~ **legislative council** shall report to the chairpersons of the house and senate appropriations committees. The report ~~shall~~ **must** contain all of the following:

(A) The proposed maintenance plan for the Michigan State Capitol Historical Site for the immediately following fiscal year.

(B) The projected 5-year maintenance plan for the Michigan State Capitol Historical Site for the immediately following 5 fiscal years.

(C) Projected large-scale projects for the Michigan State Capitol Historical Site that exceed \$1,000,000.00.

(ii) The remaining proceeds shall be credited to the general fund of this state.

(4) Beginning August 1, 2002, the tax imposed on cigarettes under section 7(1)(c) shall be disbursed as follows:

(a) Through June 30, 2004, 74.2%, and beginning July 1, 2004, 9.0% of the proceeds shall be credited to the general fund of this state.

(b) Through June 30, 2004, 4.6%, and beginning July 1, 2004, 56.3% of the proceeds shall be credited to the state school aid fund established by section 11 of article IX of the state constitution of 1963.

(c) 6.0% of the proceeds shall be credited to the Healthy Michigan fund created under section 5953 of the public health code, 1978 PA 368, MCL 333.5953. Fifty percent of the proceeds described in this subdivision that are used for smoking prevention programs shall be used by the department of health and human services to expand the free smokers quit kit program to include the nicotine



1 patch or nicotine gum.

2 (d) Through June 30, 2004, 3.0%, and beginning July 1, 2004,  
3 3.7% of the proceeds shall be paid to counties with a 2000  
4 population of more than 2,000,000, to be used only for indigent  
5 health care.

6 (e) Through June 30, 2004, 12.2%, and beginning July 1, 2004,  
7 25.0% of the proceeds shall be credited to the Medicaid benefits  
8 trust fund created under section 5 of the Michigan trust fund act,  
9 2000 PA 489, MCL 12.255.

10 (5) Beginning August 1, 2002, the tax imposed under section  
11 7(1)(f) shall be disbursed as follows:

12 (a) 75.6% of the proceeds shall be credited to the state  
13 school aid fund established by section 11 of article IX of the  
14 state constitution of 1963.

15 (b) 6.0% of the proceeds shall be credited to the Healthy  
16 Michigan fund created under section 5953 of the public health code,  
17 1978 PA 368, MCL 333.5953. Fifty percent of the proceeds described  
18 in this subdivision that are used for smoking prevention programs  
19 shall be used by the department of health and human services to  
20 expand the free smokers quit kit program to include the nicotine  
21 patch or nicotine gum.

22 (c) 18.4% of the proceeds shall be credited to the general  
23 fund of this state.

24 (6) Beginning August 1, 2002, the tax imposed on cigarettes  
25 under section 7(1)(d) shall be disbursed as follows:

26 (a) 94.0% of the proceeds shall be credited to the state  
27 school aid fund established by section 11 of article IX of the  
28 state constitution of 1963.

29 (b) 6.0% of the proceeds shall be credited to the Healthy



Michigan fund created under section 5953 of the public health code, 1978 PA 368, MCL 333.5953. Fifty percent of the proceeds described in this subdivision that are used for smoking prevention programs shall be used by the department of health and human services to expand the free smokers quit kit program to include the nicotine patch or nicotine gum.

(7) Beginning July 1, 2004, the tax imposed on cigarettes under section 7(1)(e) shall be disbursed as follows:

(a) Beginning July 1, 2004 and through September 30, 2005, 100% of the proceeds shall be credited to the Michigan Medicaid benefits trust fund created under section 5 of the Michigan trust fund act, 2000 PA 489, MCL 12.255.

(b) Beginning October 1, 2005, 75.0% of the proceeds shall be credited to the Michigan Medicaid benefits trust fund created under section 5 of the Michigan trust fund act, 2000 PA 489, MCL 12.255.

(c) Beginning October 1, 2005, 25.0% of the proceeds shall be credited to the general fund of this state.

(8) Beginning July 1, 2004, the tax imposed under section 7(1)(g) shall be disbursed as follows:

(a) Beginning July 1, 2004 and through September 30, 2005, 100% of the proceeds shall be credited to the Michigan Medicaid benefits trust fund created under section 5 of the Michigan trust fund act, 2000 PA 489, MCL 12.255.

(b) Beginning October 1, 2005, 75.0% of the proceeds shall be credited to the Michigan Medicaid benefits trust fund created under section 5 of the Michigan trust fund act, 2000 PA 489, MCL 12.255.

(c) Beginning October 1, 2005, 25.0% of the proceeds shall be credited to the general fund of this state.

(9) The proceeds of the fees and penalties provided for in



- 1 this act shall be used for the administration of this act.
- 2 Enacting section 1. This amendatory act does not take effect
- 3 unless Senate Bill No. \_\_\_\_\_ or House Bill No. 6246 (request no.
- 4 06877'20) of the 100th Legislature is enacted into law.

