

1 A bill to be entitled

2 An act relating to the surcharge on cigarettes;
3 providing a short title; amending s. 210.011, F.S.;
4 increasing the surcharge rates applicable to packages
5 of cigarettes containing various quantities of
6 cigarettes of specified weights and lengths;
7 establishing a separate fee rollback account in a
8 specified trust fund; requiring specified amounts of
9 the surcharge on packages of cigarettes to be
10 deposited in such separate fee rollback account;
11 providing requirements and procedures with respect to
12 the Legislature's anticipated use of such funds to
13 incrementally roll back certain fee increases
14 previously enacted; providing an effective date.

15
16 WHEREAS, each day, nearly 4,000 children in the United
17 States try their first cigarettes, and an additional 1,000
18 children under 18 years of age become regular, daily smokers,
19 amounting to nearly 400,000 new underage smokers each year, and

20 WHEREAS, the addiction rate for smoking is higher than the
21 addiction rate for marijuana, alcohol, or cocaine, and symptoms
22 of serious nicotine addiction often occur just weeks or even
23 days after youth experimentation with smoking begins, and

24 WHEREAS, nearly 90 percent of all smokers begin while in
25 their teens or earlier, and approximately one-third of all youth
26 smokers will eventually die prematurely from smoking-related

27 disease, and

28 WHEREAS, research consistently confirms that policies that
29 raise cigarette prices reduce smoking, including underage
30 smoking, and

31 WHEREAS, lower smoking prevalence resulting from higher
32 cigarette prices reduces secondhand smoke exposure among
33 nonsmokers, especially children and pregnant women, and

34 WHEREAS, this state has had proven success in reducing
35 smoking rates through policies that increase the price of
36 cigarettes, and

37 WHEREAS, since 2009, when a \$1 surcharge was imposed on
38 each pack of cigarettes sold in this state, pack sales have
39 fallen by more than 27 percent; the percentage of high school
40 students who smoke has declined by more than one-quarter, from
41 14.3 percent to 10.1 percent; and the percentage of middle
42 school students who smoke has seen an even more precipitous
43 decline of more than one-third, from 5.4 percent to 3.3 percent,
44 and

45 WHEREAS, national economic research has shown that every
46 10-percent increase in the real price of cigarettes reduces
47 overall cigarette consumption by approximately 3 to 5 percent,
48 reduces the number of young adult smokers by 3.5 percent, and
49 reduces the number of children who smoke by 6 or 7 percent, and

50 WHEREAS, an additional tobacco surcharge would lead to even
51 better public health, decrease the number of premature deaths
52 caused by smoking, and prevent many youth from ever becoming

53 smokers, NOW, THEREFORE,

54

55 Be It Enacted by the Legislature of the State of Florida:

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57 Section 1. This act may be cited as the "Youth Smoking
 58 Prevention Act."

59 Section 2. Section 210.011, Florida Statutes, is amended
 60 to read:

61 210.011 Cigarette surcharge levied; collection.—

62 (1) A surcharge, in addition to all other taxes of every
 63 kind levied by law, is levied upon the sale, receipt, purchase,
 64 possession, consumption, handling, distribution, and use of
 65 cigarettes in this state, in the following amounts, except as
 66 otherwise provided in subsections (2)-(5), for cigarettes of
 67 standard dimensions:

68 (a) Upon all cigarettes weighing not more than 3 pounds
 69 per thousand, 5 cents on each cigarette.

70 (b) Upon all cigarettes weighing more than 3 pounds per
 71 thousand and not more than 6 inches long, 10 cents on each
 72 cigarette.

73 (c) Upon all cigarettes weighing more than 3 pounds per
 74 thousand and more than 6 inches long, 20 cents on each
 75 cigarette.

76 (2) The descriptions of cigarettes contained in subsection
 77 (1) are declared to be standard as to dimensions for the purpose
 78 of levying a surcharge as provided in this section. If any

79 cigarette is received, purchased, possessed, sold, offered for
 80 sale, given away, or used which is of a size other than those
 81 standard dimensions, the cigarette is subject to a surcharge at
 82 the rate of 4.2 cents on each cigarette.

83 (3) When cigarettes as described in paragraph (1)(a) are
 84 packed in varying quantities of 20 cigarettes or fewer, except
 85 the manufacturer's free samples authorized under s. 210.04(9),
 86 the following rates shall govern:

87 (a) Packages containing 10 cigarettes or fewer require a
 88 surcharge of \$1 ~~50 cents~~.

89 (b) Packages containing more than 10 but not more than 20
 90 cigarettes require a surcharge of \$2 ~~\$1~~.

91 (4) When cigarettes as described in paragraph (1)(b) are
 92 packed in varying quantities of 20 cigarettes or fewer, except
 93 the manufacturer's free samples authorized under s. 210.04(9),
 94 the following rates shall govern:

95 (a) Packages containing 10 cigarettes or fewer require a
 96 surcharge of \$2 ~~\$1~~.

97 (b) Packages containing more than 10 but not more than 20
 98 cigarettes require a surcharge of \$3 ~~\$2~~.

99 (5) When cigarettes as described in paragraph (1)(c) are
 100 packed in varying quantities of 20 cigarettes or fewer, except
 101 the manufacturer's free samples authorized under s. 210.04(9),
 102 the following rates shall govern:

103 (a) Packages containing 10 cigarettes or fewer require a
 104 surcharge of \$3 ~~\$2~~.

105 (b) Packages containing more than 10 but not more than 20
106 cigarettes require a surcharge of \$5 ~~\$4~~.

107 (6) This surcharge shall be paid by the dealer to the
108 division for deposit and distribution as hereinafter provided
109 upon the first sale or transaction within the state, whether
110 such sale or transfer is to the ultimate purchaser or consumer.
111 The seller or dealer shall collect the surcharge from the
112 purchaser or consumer, and the purchaser or consumer shall pay
113 the surcharge to the seller. The seller or dealer is responsible
114 for the collection of the surcharge and payment of the surcharge
115 to the division. All surcharges are due not later than the 10th
116 day of the month following the calendar month in which they were
117 incurred, and thereafter shall bear interest at the rate of 1
118 percent per month. If the amount of surcharge due for a given
119 period is assessed without allocating it to any particular
120 month, the interest begins accruing on the date of the
121 assessment. Whenever cigarettes are shipped from outside the
122 state to anyone other than a distributing agent or wholesale
123 dealer, the person receiving the cigarettes is responsible for
124 the surcharge on the cigarettes and payment of the surcharge to
125 the division.

126 (7) It is the legislative intent that the surcharge on
127 cigarettes be uniform throughout the state.

128 (8) The surcharge levied under this section shall be
129 administered, collected, and enforced in the same manner as the
130 tax imposed under s. 210.02.

131 (9) (a) Except as provided in paragraph (b), revenue
132 produced from the surcharge levied under this section shall be
133 deposited into the Health Care Trust Fund within the Agency for
134 Health Care Administration.

135 (b)1. There is established within the Highway Safety
136 Operating Trust Fund within the Department of Highway Safety and
137 Motor Vehicles a fee rollback account, which shall be maintained
138 as a separate account within the trust fund.

139 2. One dollar of revenue produced from the surcharge
140 levied on each package of cigarettes described in paragraph
141 (3)(b) and subsections (4) and (5) and 50 cents from the
142 surcharge levied on each package of cigarettes described in
143 paragraph (3)(a) shall be deposited in the fee rollback account
144 to be held in reserve until the Florida Consensus Estimating
145 Conference provides formal written certification to the
146 Legislative Budget Commission that the conference's official
147 estimates project that adequate revenues exist in the fee
148 rollback account to support the incremental rollback of fee
149 increases enacted by the Legislature in chapter 2009-71, Laws of
150 Florida. Thereafter, the Legislative Budget Commission may
151 approve requests to transfer or direct the transfer of revenues
152 from the fee rollback account to the General Revenue Fund or
153 other appropriate trust funds, where such transferred funds
154 shall remain unallocated in anticipation of, and exclusively
155 for, use by the Legislature for the appropriation of funds to
156 incrementally roll back the fee increases enacted in chapter

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2014

157 | 2009-71, Laws of Florida.

158 | Section 3. This act shall take effect July 1, 2014.