

By: Uresti

H.B. No. 3192

A BILL TO BE ENTITLED

AN ACT

relating to an increase in the cigarette tax and to the use of that increase for certain health and human services programs.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 154.021(b), Tax Code, is amended to read as follows:

(b) The tax rates are:

(1) \$70.50 [~~\$20.50~~] per thousand on cigarettes weighing three pounds or less per thousand; and

(2) the rate provided by Subdivision (1) plus \$2.10 per thousand on cigarettes weighing more than three pounds per thousand.

SECTION 2. Section 154.603, Tax Code, is amended to read as follows:

Sec. 154.603. DISPOSITION OF REVENUE. (a) After the deductions for the purposes provided by Section 154.602 [~~of this code~~], the revenue remaining of the first \$2 of tax received per 1,000 cigarettes for cigarettes weighing three pounds or less per thousand and the first \$4.10 per 1,000 cigarettes of the tax received for cigarettes weighing more than three pounds per thousand is allocated:

(1) 18.75 percent to the foundation school fund; and

(2) 81.25 percent to the general revenue fund.

(b) The revenue remaining after the deductions for the

1 purposes provided by Section 154.602 [~~of this code~~] and allocation
2 under Subsection (a) of the next \$18.50 of tax received per 1,000
3 cigarettes for cigarettes weighing three pounds or less per
4 thousand and the next \$18.50 per 1,000 cigarettes of the tax
5 received for cigarettes weighing more than three pounds per
6 thousand [~~this section~~] is allocated to the general revenue fund.

7 (c) The revenue remaining after the deductions for the
8 purposes provided by Section 154.602 and allocation under
9 Subsections (a) and (b) shall be deposited as follows:

10 (1) the next \$5 of tax received per 1,000 cigarettes
11 for cigarettes weighing three pounds or less per thousand and the
12 next \$5 per 1,000 cigarettes of the tax received for cigarettes
13 weighing more than three pounds per thousand shall be deposited to
14 the credit of the tobacco cessation account in the general revenue
15 fund and may be appropriated only to the Texas Department of Health
16 for programs to reduce the use of cigarettes and tobacco products by
17 children in this state;

18 (2) the next \$2.50 of tax received per 1,000
19 cigarettes for cigarettes weighing three pounds or less per
20 thousand and the next \$2.50 per 1,000 cigarettes of the tax received
21 for cigarettes weighing more than three pounds per thousand shall
22 be deposited to the credit of the children's health care account in
23 the general revenue fund and may be appropriated only to the Texas
24 Department of Health to provide immunizations for children and
25 newborn hearing and screening services;

26 (3) the next \$1.50 of tax received per 1,000
27 cigarettes for cigarettes weighing three pounds or less per

1 thousand and the next \$1.50 per 1,000 cigarettes of the tax received
2 for cigarettes weighing more than three pounds per thousand shall
3 be deposited to the credit of the Texas Department of Mental Health
4 and Mental Retardation account in the general revenue fund and may
5 be appropriated only to the Texas Department of Mental Health and
6 Mental Retardation to provide community mental health and mental
7 retardation services for children and respite care for children
8 with developmental delay;

9 (4) the next \$1.50 of tax received per 1,000
10 cigarettes for cigarettes weighing three pounds or less per
11 thousand and the next \$1.50 per 1,000 cigarettes of the tax received
12 for cigarettes weighing more than three pounds per thousand shall
13 be deposited to the credit of the Texas Commission on Alcohol and
14 Drug Abuse account in the general revenue fund and may be
15 appropriated only to the Texas Commission on Alcohol and Drug Abuse
16 to provide youth treatment prevention services and rehabilitative
17 services for children;

18 (5) the next \$10 of tax received per 1,000 cigarettes
19 for cigarettes weighing three pounds or less per thousand and the
20 next \$10 per 1,000 cigarettes of the tax received for cigarettes
21 weighing more than three pounds per thousand shall be deposited to
22 the credit of the children's health insurance program account in
23 the general revenue fund and may be appropriated only to the Health
24 and Human Services Commission for the child health plan program
25 under Chapter 62, Health and Safety Code;

26 (6) the next \$2.50 of tax received per 1,000
27 cigarettes for cigarettes weighing three pounds or less per

1 thousand and the next \$2.50 per 1,000 cigarettes of the tax received
2 for cigarettes weighing more than three pounds per thousand shall
3 be deposited to the credit of the Interagency Council on Early
4 Childhood Intervention account in the general revenue fund and may
5 be appropriated only to the Interagency Council on Early Childhood
6 Intervention to provide services to children considered at risk of
7 developmental delay;

8 (7) the next \$2 of tax received per 1,000 cigarettes
9 for cigarettes weighing three pounds or less per thousand and the
10 next \$2 per 1,000 cigarettes of the tax received for cigarettes
11 weighing more than three pounds per thousand shall be deposited to
12 the credit of the child abuse and neglect prevention trust fund
13 account in the general revenue fund; and

14 (8) the remaining \$25 of tax received per 1,000
15 cigarettes for cigarettes weighing three pounds or less per
16 thousand and the remaining \$25 per 1,000 cigarettes of the tax
17 received for cigarettes weighing more than three pounds per
18 thousand shall be deposited to the credit of the trauma care account
19 in the general revenue fund and may be appropriated only to the
20 Texas Department of Health for programs to reimburse hospitals and
21 physicians for trauma care services in this state for which the
22 hospitals and physicians do not otherwise receive reimbursement.

23 SECTION 3. This Act takes effect September 1, 2003.