

REVENUE: Revenue statement issued

FISCAL: Fiscal statement issued

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Action: Do adopt with amendments to the A-engrossed bill and be printed engrossed

Vote: 3-2-0

Yeas: Burdick, Monroe, Deckert

Nays: G. George, Starr

Exc.:

Prepared By: Mazen Malik, Economist

Meeting Dates: 6/8

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**WHAT THE BILL DOES:** Proposes amendment to Oregon Constitution imposing specific tobacco taxes. Dedicates revenue raised to children's healthcare programs, health care programs for low-income adults and other medically underserved Oregonians, and to tobacco use prevention and education. Refers proposed amendment to the people for their approval or rejection.

**ISSUES DISCUSSED:**

- The healthy kids initiative
- Children health care costs, and health care costs in general.
- Federal Poverty line
- Illegal immigration and proof of citizenship.
- Federally mandated requirements, and Social Security number requirements.
- Large amount of money to DHS.
- Smoking Reduction by education verses price increase.

**EFFECT OF COMMITTEE AMENDMENTS:** Allows for the exemptions that are found in the statutes to be included in the constitutional amendment.

**BACKGROUND:**

The resolution will constitutionally instate a tax increase on tobacco of 84.5 cents and 30% of whole price on the other tobacco products. This amount is on top what exists in statutes today at the rate of \$1.18 for cigarettes and 65% for other tobacco products. This constitutional amendment will be dedicated to the healthy Kids program and other health, prevention and education programs. The dedication necessities that a different method of distribution need to be adopted. This new method is defined in SB 3. Thus, the companion bill takes affect only if SJR 4 passes.

6/13/2007 8:40:14 AM

*This summary has not been adopted or officially endorsed by action of the committee.*