

## HOUSE AMENDMENTS TO HOUSE BILL 2201

By COMMITTEE ON REVENUE

February 21

- 1 On page 1 of the printed bill, line 2, after “ORS” insert “323.457,” and delete “323.625.”
- 2 In line 9, after “12” insert “, 12a”.
- 3 In line 16, delete “and”.
- 4 In line 18, delete the period and insert “;
- 5 “(c) A statewide Healthy Kids Advice Line; and
- 6 “(d) A statewide Healthy Kids Healthcare Access Line.”.
- 7 On page 5, line 8, delete “350” and insert “300”.
- 8 In line 17, delete “350” and insert “300”.
- 9 After line 18, insert:
- 10 “(6) A child who was not born in this state may qualify for health care coverage under this
- 11 section only if the child has lived in this state for 180 days.
- 12 “(7) Notwithstanding subsection (6) of this section, a child may qualify for health care coverage
- 13 under this section to the extent required by federal law as a condition of the state receiving federal
- 14 funds.
- 15 “(8) The office shall adopt verification requirements to ensure that recipients of health care
- 16 coverage under this section are legal residents of Oregon.
- 17 “(9) The office shall contract with community health centers and safety net clinics to provide
- 18 health care services to children who are not enrolled in a health benefit plan.”.
- 19 In line 19, delete “(6)” and insert “(10)” and after “section” insert “and section 7 of this 2007
- 20 Act”.
- 21 After line 21, insert:
- 22 “(c) ‘Community health centers and safety net clinics’ means nonprofit medical clinics that pro-
- 23 vide primary physical health, vision, dental or mental health services to low-income patients without
- 24 charge or using a sliding fee scale based on the income of the patient. ‘Community health centers
- 25 and safety net clinics’ includes school-based clinics.”.
- 26 In line 22, delete “(c)” and insert “(d)”.
- 27 In line 26, delete the first “and” and insert a comma.
- 28 In line 27, before the period insert “and must cover health care services provided by community
- 29 health centers and safety net clinics”.
- 30 Delete lines 32 and 33.
- 31 On page 6, after line 38, insert:
- 32 **“SECTION 12a. (1) The Oregon Healthy Kids Program Fund is established in the State**
- 33 **Treasury, separate and distinct from the General Fund. Interest earned by the Oregon**
- 34 **Healthy Kids Program Fund shall be credited to the fund.**
- 35 **“(2) Moneys in the Oregon Healthy Kids Program Fund are continuously appropriated to**

1 the Department of Human Services for purposes of the Oregon Healthy Kids Program cre-  
2 ated by section 2 of this 2007 Act.

3 “(3) Notwithstanding subsection (2) of this section, if and to the extent that the Legisla-  
4 tive Assembly determines that the Oregon Healthy Kids Program is fully funded, moneys in  
5 the Oregon Healthy Kids Program Fund established by this section may be used, in amounts  
6 determined by the Legislative Assembly, to fund other health services provided by the de-  
7 partment.”.

8 On page 9, delete lines 7 through 20 and insert:

9 “**SECTION 20.** All moneys received by the Department of Revenue from the tax imposed  
10 under section 19 of this 2007 Act shall be paid over to the State Treasurer to be held in a  
11 suspense account established under ORS 293.445. After the payment of refunds:

12 “(1) 6.5 percent shall be credited to the suspense account created pursuant to ORS  
13 323.455 (1) and is appropriated and credited in the same manner as moneys received from the  
14 tax imposed by ORS 323.030 (1);

15 “(2) 13 percent shall be credited to the suspense account created pursuant to ORS 323.457  
16 (1) and is appropriated and credited in the same manner as moneys received from the tax  
17 imposed by ORS 323.031 (1); and

18 “(3) After the amounts described in subsections (1) and (2) of this section are credited,  
19 the balance of the moneys in the account shall be appropriated and credited as follows:

20 “(a) 10 percent shall be credited to the Tobacco Use Reduction Account established under  
21 ORS 431.832 to fund cigarette and tobacco use prevention and education programs recom-  
22 mended in the Best Practices for Comprehensive Tobacco Control Programs published by the  
23 United States Department of Health and Human Services, Centers for Disease Control and  
24 Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office  
25 on Smoking and Health, August 1999; and

26 “(b) 90 percent shall be credited to the Oregon Healthy Kids Program Fund established  
27 by section 12a of this 2007 Act.

28 “**SECTION 21.** Sections 19 and 20 of this 2007 Act apply to cigarette distributions occur-  
29 ring on or after the later of October 1, 2007, or the first day of the calendar month following  
30 the effective date of this 2007 Act.”.

31 Delete lines 24 through 40 and insert:

32 “**SECTION 22.** (1) Notwithstanding ORS 323.030 (3) and in addition to and not in lieu of  
33 any other tax, for the privilege of holding or storing cigarettes for sale, use or consumption,  
34 a floor tax is imposed upon every dealer at the rate of 42.25 mills for each cigarette in the  
35 possession of or under the control of the dealer in this state at 12:01 a.m. on the later of  
36 October 1, 2007, or the first day of the calendar month following the effective date of this  
37 2007 Act.

38 “(2) The tax imposed by this section is due and payable on or before 20 days after the  
39 later of October 1, 2007, or the first day of the calendar month following the effective date  
40 of this 2007 Act. Any amount of tax that is not paid within the time required shall bear in-  
41 terest at the rate established under ORS 305.220 per month, or fraction of a month, from the  
42 date on which the tax is due to be paid, until paid.

43 “(3) On or before 20 days after the later of October 1, 2007, or the first day of the cal-  
44 endar month following the effective date of this 2007 Act, every dealer must file a report with  
45 the Department of Revenue in such form as the department may prescribe. The report must

1 state the number of cigarettes in the possession of or under the control of the dealer in this  
2 state at 12:01 a.m. on the later of October 1, 2007, or the first day of the calendar month  
3 following the effective date of this 2007 Act and the amount of tax due. Each report must  
4 be accompanied by a remittance payable to the department for the amount of tax due.”.

5 In line 44, delete “\$1.0625” and insert “\$1.05625”.

6 On page 10, line 1, delete “20’ and” and insert “20,”.

7 In line 2, after “10” insert “and in the amount of 4.225 cents for each Oregon cigarette tax  
8 stamp bearing the designation ‘1”.

9 In line 3, after “on” insert “the later of October 1, 2007, or”.

10 In line 4, delete “quarter” and insert “month”.

11 Delete lines 5 through 18 and insert:

12 “**SECTION 24.** (1) Every distributor must take an inventory as of 12:01 a.m. on the later of  
13 October 1, 2007, or the first day of the calendar month following the effective date of this 2007 Act  
14 of all packages of cigarettes to which are affixed Oregon cigarette tax stamps and of all unaffixed  
15 Oregon cigarette tax stamps in the possession of or under the control of the distributor.

16 “(2) Every distributor must file a report with the Department of Revenue on or before 20 days  
17 after the later of October 1, 2007, or the first day of the calendar month following the effective date  
18 of this 2007 Act in such form as the department may prescribe, showing:

19 “(a) The number of Oregon cigarette tax stamps, with the designations of the stamps, that were  
20 affixed to packages of cigarettes in the possession of or under the control of the distributor at 12:01  
21 a.m. on the later of October 1, 2007, or the first day of the calendar month following the effective  
22 date of this 2007 Act; and

23 “(b) The number of unaffixed Oregon cigarette tax stamps, with the designations of the stamps,  
24 that were in the possession of or under the control of the distributor at 12:01 a.m. on the later of  
25 October 1, 2007, or the first day of the calendar month following the effective date of this 2007  
26 Act.”.

27 After line 23, insert:

28 “(4) Notwithstanding ORS 323.320, the department may establish a date after which the value  
29 of stamps sold prior to the effective date of this 2007 Act will not be refunded or credited to a dis-  
30 tributor.”.

31 After line 28, insert:

32 “**SECTION 25a.** Amounts necessary to pay the expenses incurred by the Department of  
33 Revenue and to reimburse the Oregon State Police and the Department of Justice for the  
34 administration and enforcement of ORS 323.005 to 323.482 are continuously appropriated to  
35 the Department of Revenue from the suspense accounts described in sections 20 and 25 of  
36 this 2007 Act.

37 “**SECTION 25b.** Section 25a of this 2007 Act is repealed January 1, 2008.

38 “**SECTION 25c.** ORS 323.457 is amended to read:

39 “323.457. (1) Moneys received under ORS 323.031 shall be paid over to the State Treasurer to  
40 be held in a suspense account established under ORS 293.445. Amounts necessary to pay the ex-  
41 penses incurred by the Department of Revenue and to reimburse the Oregon State Police and the  
42 Department of Justice for the administration and enforcement of this section and ORS 323.031 are  
43 continuously appropriated to the Department of Revenue from the suspense account. After the pay-  
44 ment of administrative and enforcement expenses and refunds:

45 “(a) [29.37/30] 47/50 of the moneys shall be credited to the Oregon Health Plan Fund established

1 under ORS 414.109;

2 “(b) [0.14/30] 1/50 of the moneys are continuously appropriated to the Oregon Department of  
3 Administrative Services for distribution to the cities of this state;

4 “(c) [0.14/30] 1/50 of the moneys are continuously appropriated to the Oregon Department of  
5 Administrative Services for distribution to the counties of this state; **and**

6 “(d) [0.14/30] 1/50 of the moneys are continuously appropriated to the Department of Transpor-  
7 tation to be distributed and transferred to the Elderly and Disabled Special Transportation Fund  
8 established under ORS 391.800[; and].

9 “[e) 0.21/30 of the moneys shall be credited to the Tobacco Use Reduction Account established  
10 under ORS 431.832.]

11 “(2)(a) Moneys distributed to cities and counties under this section shall be distributed to each  
12 city or county using the proportions used for distributions made under ORS 323.455.

13 “(b) Moneys shall be distributed to cities, counties and the Elderly and Disabled Special Trans-  
14 portation Fund at the same time moneys are distributed to cities, counties and the Elderly and  
15 Disabled Special Transportation Fund under ORS 323.455.

16 “**SECTION 25d.** ORS 323.457, as amended by section 5e, chapter 804, Oregon Laws 2003, and  
17 section 110, chapter 94, Oregon Laws 2005, is amended to read:

18 “323.457. (1) Moneys received under ORS 323.031 shall be paid over to the State Treasurer to  
19 be held in a suspense account established under ORS 293.445. After the payment of refunds:

20 “(a) [29.37/30] 47/50 of the moneys shall be credited to the Oregon Health Plan Fund established  
21 under ORS 414.109;

22 “(b) [0.14/30] 1/50 of the moneys are continuously appropriated to the Oregon Department of  
23 Administrative Services for distribution to the cities of this state;

24 “(c) [0.14/30] 1/50 of the moneys are continuously appropriated to the Oregon Department of  
25 Administrative Services for distribution to the counties of this state; **and**

26 “(d) [0.14/30] 1/50 of the moneys are continuously appropriated to the Department of Transpor-  
27 tation to be distributed and transferred to the Elderly and Disabled Special Transportation Fund  
28 established under ORS 391.800[; and].

29 “[e) 0.21/30 of the moneys shall be credited to the Tobacco Use Reduction Account established  
30 under ORS 431.832.]

31 “(2)(a) Moneys distributed to cities and counties under this section shall be distributed to each  
32 city or county using the proportions used for distributions made under ORS 323.455.

33 “(b) Moneys shall be distributed to cities, counties and the Elderly and Disabled Special Trans-  
34 portation Fund at the same time moneys are distributed to cities, counties and the Elderly and  
35 Disabled Special Transportation Fund under ORS 323.455.”.

36 On page 11, delete lines 4 through 45.

37 On page 12, delete lines 1 through 8 and insert:

38 “**SECTION 27. The amendments to ORS 323.505 by section 26 of this 2007 Act apply to**  
39 **tobacco products tax reporting periods beginning on or after the later of October 1, 2007, or**  
40 **the first day of the calendar month following the effective date of this 2007 Act.”.**

41 In line 12, delete “30” and insert “28”.

42 In line 18, delete “31” and insert “29”.