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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 572

- 02/01/2021 Authored by Morrison, Schultz, Edelson, Acomb, Bahner and others
- 03/08/2021 The bill was read for the first time and referred to the Committee on Taxes
- 03/11/2021 By motion, recalled and re-referred to the Committee on Health Finance and Policy
- 03/11/2021 Adoption of Report: Re-referred to the Committee on Taxes

1.1 A bill for an act

1.2 relating to taxation; cigarettes; establishing a tobacco use prevention and cessation

1.3 account; dedicating revenue; appropriating money; amending Minnesota Statutes

1.4 2020, section 297F.10, subdivision 1.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2020, section 297F.10, subdivision 1, is amended to read:

1.7 Subdivision 1. **Tax and use tax on cigarettes.** Revenue received from cigarette taxes,

1.8 as well as related penalties, interest, license fees, and miscellaneous sources of revenue

1.9 shall be deposited by the commissioner in the state treasury and credited as follows:

1.10 (1) \$22,250,000 each year must be credited to the Academic Health Center special

1.11 revenue fund hereby created and is annually appropriated to the Board of Regents at the

1.12 University of Minnesota for Academic Health Center funding at the University of Minnesota;

1.13 and

1.14 (2) \$3,937,000 each year must be credited to the medical education and research costs

1.15 account hereby created in the special revenue fund and is annually appropriated to the

1.16 commissioner of health for distribution under section 62J.692, subdivision 4; and

1.17 (3) \$15,000,000 each year must be credited to the tobacco use prevention and cessation

1.18 account hereby created in the special revenue fund and is annually appropriated to the

1.19 commissioner of health for tobacco use prevention and cessation projects consistent with

1.20 the duties specified in section 144.392; a public information program under section 144.393;

1.21 the development of health promotion and health education materials about tobacco use

1.22 prevention and cessation; tobacco use prevention activities under section 144.396; and

1.23 statewide tobacco cessation services under section 144.397. In activities funded under this

2.1 clause, the commissioner of health must prioritize preventing youth use of commercial
2.2 tobacco and electronic delivery devices, must promote racial and health equity, and must
2.3 use strategies that are evidence-based or based on promising practices. For purposes of this
2.4 clause, "tobacco" and "electronic delivery device" have the meanings given in section
2.5 609.685, subdivision 1; and

2.6 ~~(3)~~ (4) the balance of the revenues derived from taxes, penalties, and interest (under this
2.7 chapter) and from license fees and miscellaneous sources of revenue shall be credited to
2.8 the general fund.

2.9 **EFFECTIVE DATE.** This section is effective for revenue received after June 30, 2021.