

SENATE
STATE OF MINNESOTA
EIGHTY-EIGHTH LEGISLATURE

S.F. No. 1250

(SENATE AUTHORS: COHEN)

DATE	D-PG	OFFICIAL STATUS
03/11/2013	772	Introduction and first reading Referred to Finance

A bill for an act

1.1 relating to the state budget; increasing the health impact fee; adjusting the
 1.2 distribution of the health impact fund; amending Minnesota Statutes 2012,
 1.3 sections 16A.725, subdivision 3; 256.9658, subdivision 3; repealing Minnesota
 1.4 Statutes 2012, section 16A.725, subdivision 2.
 1.5

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

1.7 Section 1. Minnesota Statutes 2012, section 16A.725, subdivision 3, is amended to read:

1.8 Subd. 3. **Fund reimbursements.** (a) Each fiscal year, the commissioner of
 1.9 management and budget shall first transfer from the balance in the health impact fund
 1.10 to the general fund ~~an amount sufficient to offset the general fund cost of the certified~~
 1.11 ~~expenditures under subdivision 2 or the balance of the fund, whichever is less.~~

1.12 ~~(b) If any balance remains in the health impact fund after the transfer in paragraph~~
 1.13 ~~(a), the commissioner of management and budget shall transfer to the health care access~~
 1.14 ~~fund the amount sufficient to offset the health care access fund cost of the certified~~
 1.15 ~~expenditures in subdivision 2, or the balance of the fund, whichever is less.~~

1.16 Sec. 2. Minnesota Statutes 2012, section 256.9658, subdivision 3, is amended to read:

1.17 Subd. 3. **Fee imposed.** (a) A fee is imposed upon the sale of cigarettes in this
 1.18 state, upon having cigarettes in possession in this state with intent to sell, upon any
 1.19 person engaged in business as a distributor, and upon the use or storage by consumers
 1.20 of cigarettes. The fee is imposed at the following rates:

1.21 (1) on cigarettes weighing not more than three pounds per thousand, ~~37.5~~ 87.5
 1.22 mills on each cigarette; and

1.23 (2) on cigarettes weighing more than three pounds per thousand, ~~75~~ 125 mills on
 1.24 each cigarette.

2.1 (b) A fee is imposed upon all tobacco products in this state and upon any person
2.2 engaged in business as a distributor in an amount equal to the liability for tax under
2.3 section 297F.05, subdivision 3, or on a consumer of tobacco products equal to the tax
2.4 under section 297F.05, subdivision 4. Liability for the fee is in addition to the tax under
2.5 section 297F.05, subdivision 3 or 4.

2.6 Sec. 3. **REPEALER.**

2.7 Minnesota Statutes 2012, section 16A.725, subdivision 2, is repealed.

APPENDIX
Repealed Minnesota Statutes: 13-2541

16A.725 HEALTH IMPACT FUND AND FUND REIMBURSEMENTS.

Subd. 2. **Certified tobacco expenditures.** By April 30 of each year, the commissioner of human services shall certify to the commissioner of management and budget the state share, by fund, of tobacco use attributable costs for the previous fiscal year in Minnesota health care programs, including medical assistance, general assistance medical care, and MinnesotaCare, or other applicable expenditures.