

1 ENGROSSED SENATE
2 BILL NO. 845

By: David and Fields of the
Senate

3 and

4 Osborn (Leslie) and Wallace
5 of the House
6

7 An Act relating to public health; providing short
8 title; creating the "Smoking Cessation and Prevention
9 Act of 2017"; expressing legislative intent; amending
10 63 O.S. 2011, Section 1-1525, which relates to owner
11 prevention of smoking in nonsmoking areas; requiring
12 signage in additional locations; directing certain
13 agencies to inform the public of the danger of using
14 tobacco products in a motor vehicle where certain
15 children are present; prohibiting the use of tobacco
16 products in certain properties; providing exception;
17 directing certain agency collaboration for certain
18 purpose; expressing legislative intent and findings;
19 assessing a smoking cessation fee on the wholesale
20 sale of cigarettes; providing fee amounts; providing
21 for apportionment of fees; defining terms; requiring
22 the promulgation of rules; creating the Health Care
23 Enhancement Fund; exempting funds from fiscal year
24 limitations; identifying funding source; authorizing
appropriation from certain fund; limiting sale of
certain excise stamps under specified condition;
providing for noncodification; providing for
codification; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law not to be
codified in the Oklahoma Statutes reads as follows:

It being immediately necessary for the health and welfare of the
people of the State of Oklahoma that smoking rates be reduced and

1 that children be warned of and protected from the dangers of
2 smoking, there is hereby created an act which shall be known and may
3 be cited as the "Smoking Cessation Act of 2017".

4 SECTION 2. NEW LAW A new section of law not to be
5 codified in the Oklahoma Statutes reads as follows:

6 It is the intent of the Legislature that the revenues derived
7 pursuant to the fee imposed in Section 7 of this act be used
8 throughout this state for the purposes of preventing Oklahomans from
9 smoking cigarettes and encouraging Oklahomans who already do so to
10 cease cigarette smoking. Any revenue collected pursuant to the
11 provisions of this act shall be subject to the rebate provisions of
12 state-tribal compacts relating to tobacco sales.

13 SECTION 3. AMENDATORY 63 O.S. 2011, Section 1-1525, is
14 amended to read as follows:

15 Section 1-1525. The state or local governmental agency or the
16 person who owns or operates a public place shall, at a minimum, do
17 the following in order to prevent smoking in public places:

18 1. Post conspicuous signs at entrances to and in prominent
19 locations within places where smoking is prohibited which state that
20 smoking is prohibited or that the indoor environment is free of
21 tobacco smoke; and

22 2. Ask smokers to refrain from smoking upon observation of
23 anyone violating the provisions of ~~this act~~ Section 1-1521 et seq.
24 of this title.

1 SECTION 4. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 1-1528 of Title 63, unless there
3 is created a duplication in numbering, reads as follows:

4 The State Department of Health and the Tobacco Settlement
5 Endowment Trust shall work together to inform the public about the
6 dangers of smoking in motor vehicles where children are present.

7 SECTION 5. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 1-1529 of Title 63, unless there
9 is created a duplication in numbering, reads as follows:

10 The use of any tobacco product shall be prohibited on any and
11 all properties owned, leased or contracted for use by the State of
12 Oklahoma, including but not limited to all buildings, land and
13 vehicles owned, leased or contracted for use by agencies or
14 instrumentalities of the State of Oklahoma. Provided, these
15 prohibitions shall not apply to the Oklahoma Veterans Centers.

16 SECTION 6. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 1-1530 of Title 63, unless there
18 is created a duplication in numbering, reads as follows:

19 The Oklahoma State Department of Health and the Department of
20 Mental Health and Substance Abuse Services shall work together to
21 develop new and innovative strategies to prevent tobacco use by
22 minors.

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1 SECTION 7. NEW LAW A new section of law to be codified

2 in the Oklahoma Statutes as Section 1-1531 of Title 63, unless there
3 is created a duplication in numbering, reads as follows:

4 A. Smoking remains the number one preventable cause of death in
5 Oklahoma, killing more people than AIDS, alcohol, car accidents,
6 illegal drugs, murders and suicides combined. Eighty-eight thousand
7 Oklahoma children alive today will die prematurely of smoking-
8 related illnesses. Increasing the price point of cigarettes is the
9 single most effective strategy to reduce cigarette consumption by
10 deterring children and adolescents from taking up smoking, by
11 reducing the overall consumption of cigarettes by an estimated
12 26,000,000 cigarette packs in the first year, by reducing the
13 prevalence of adult smoking by an estimated five percent (5%), by
14 preventing an estimated 28,000 kids today from becoming adult
15 smokers, and by reducing health-related disparities among income
16 groups over time. For the reasons stated and in furtherance of the
17 stated purpose of this act, there shall be assessed by the Oklahoma
18 Tax Commission a smoking cessation fee on cigarettes, to be remitted
19 by every wholesaler, as provided in subsection B of this section.

20 B. The fee provided in this subsection shall be One Dollar and
21 fifty cents (\$1.50) per twenty (20) cigarette package, and a
22 proportionate rate on fractions thereof.

23 C. Beginning on the effective date of this act, and all
24 subsequent years, the smoking cessation fee provided by this section

1 shall be apportioned by the Oklahoma Tax Commission and transmitted
2 to the State Treasurer, who shall deposit the same in the State
3 Treasury to the credit of the following funds in the following
4 percentages:

5 a. One Million Dollars (\$1,000,000.00) to the ABLE
6 Commission Revolving Fund created in Section 567 of
7 Title 37 of the Oklahoma Statutes for the purpose of
8 enhanced enforcement of the provisions of Section
9 600.13 of Title 37 of the Oklahoma Statutes, and

10 b. all amounts in excess of One Million Dollars
11 (\$1,000,000.00) to the credit of the Health Care
12 Enhancement Fund created in Section 8 of this act.

13 D. For purposes of this section "cigarette" and "wholesaler"
14 shall have the same meaning as in Section 301 of Title 68 of the
15 Oklahoma Statutes.

16 E. The Oklahoma Tax Commission shall promulgate rules as needed
17 to implement the provisions of this section.

18 SECTION 8. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 1-1532 of Title 63, unless there
20 is created a duplication in numbering, reads as follows:

21 There is hereby created in the State Treasury a fund to be
22 designated the "Health Care Enhancement Fund". The fund shall be a
23 continuing fund, not subject to fiscal year limitations, and shall
24 consist of monies received pursuant to Section 7 of this act and any

1 monies designated to the fund by law. All monies accruing to the
2 credit of the fund shall be appropriated at the discretion of the
3 Legislature for the purpose of enhancing the health of Oklahomans.

4 SECTION 9. NEW LAW A new section of law not to be
5 codified in the Oklahoma Statutes reads as follows:

6 For the purpose of ensuring maximum wholesaler compliance with
7 remittance of the smoking cessation fee, the Oklahoma Tax Commission
8 shall not sell cigarette excise tax stamps to any wholesaler in
9 excess of the amount of the monthly average amount of such excise
10 tax stamps sold to such wholesaler during the preceding calendar
11 year prior to the effective date of this act. Provided, the
12 wholesaler may purchase in excess of the monthly average purchased
13 during the preceding calendar year upon documentation, to the Tax
14 Commission's satisfaction, of probable sales greater than the
15 wholesaler's sales in the preceding calendar year.

16 SECTION 10. It being immediately necessary for the preservation
17 of the public peace, health or safety, an emergency is hereby
18 declared to exist, by reason whereof this act shall take effect and
19 be in full force from and after its passage and approval.

1 Passed the Senate the 24th day of May, 2017.

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3 _____
4 Presiding Officer of the Senate

5 Passed the House of Representatives the ____ day of _____,
6 2017.

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8 _____
9 Presiding Officer of the House
10 of Representatives