

HELPING FUND CALIFORNIA'S HEALTHCARE PRIORITIES

The Tobacco Tax Act of 2006 achieves two goals: it will reduce smoking, especially among kids, and fund critical healthcare priorities such as disease prevention, medical research, children's health insurance and emergency room care.

This initiative strengthens existing and proven anti-smoking and healthcare programs. No new bureaucracies or entitlements are created and no other funds will be used to offset any reductions in the tax collected.

Those healthcare priorities include:

TOBACCO-USE PREVENTION AND CONTROL

Almost 80 percent of adult smokers become addicted to tobacco before they reach the age of 18. The tax increase itself will help smokers overcome their addiction. The new revenues will also support California's proven effective tobacco-use prevention program. Existing programs receiving new revenues include those managed by the:

- California Department of Health Services, Tobacco Control Section (media campaign, competitive grants, local health departments, smoking cessation hotline, etc.)
- California Department of Education's schools-based prevention programs;
- University of California's Tobacco-Related Disease Research Program.

Two new programs are included in the initiative:

- Funding for state and local law enforcement agencies to eradicate cigarette smuggling and black market cigarettes, and to increase enforcement of tobacco-related laws; and
- Expanded smoking cessation services to help more people quit smoking, and to expand services to underserved communities.

DISEASE PREVENTION, TREATMENT AND RESEARCH

New revenues will support programs aimed at reducing the major causes of illness and death in California, including breast, cervical, colorectal and prostate cancer programs; cancer research; cancer registry; heart disease and stroke prevention; nutrition and physical activity; lung disease research; and asthma prevention and control. These funds will expand and deepen public health efforts to combat California's deadly chronic diseases.

CHILDREN'S HEALTH INSURANCE

800,000 California children—nearly 10%—do not have even basic health insurance. It's cheaper to provide immunizations and regular checkups than to pay the costs of more serious healthcare complications and multiple trips to the emergency rooms. Providing coverage is the responsible thing to do. The initiative will help enroll eligible children into existing programs, establish cost-sharing structures for health insurance premiums, and build on successful programs to make insurance available to all California children.

EMERGENCY CARE SERVICES

Funds from the initiative will go directly to local emergency room care—a service as vital to the public's interest as fire and police protection. Seventy California hospitals closed their doors between 1996 and 2004—10 in the past two years alone. Hospital emergency rooms and trauma centers are overcrowded and in deep financial trouble. Emergency rooms statewide will be eligible for funds to help cover the costs of emergency room physicians, nurses, specialists and other services.

NURSE EDUCATION

California is struggling with a severe shortage of qualified nurses—another major cause of the closure of hospitals and emergency services. California has the lowest number of nurses per capita in the country. California currently needs 14,000 nurses, which is expected to grow to a shortage of 42,000 by 2010. The Tobacco Tax of 2006 will provide funding to nearly double the number of nurses graduating yearly.

COMMUNITY CLINICS

More than 700 community-based clinics throughout the state that provide healthcare to uninsured and underinsured children and adults will be able to provide increased services because of these new revenues. Not-for-profit community-based clinics serve everybody who walks through their doors, regardless of their ability to pay. Clinics provide primary care services to large numbers of people who would otherwise seek primary care in emergency rooms.

CHILDREN AND FAMILIES TRUST FUND

Funds are provided to the Proposition 10 account to make up for any reduced revenue caused by the decline in tobacco use as a result of this initiative.

The Tobacco Tax Act of 2006 is supported by a broad coalition, including the American Cancer Society, American Heart Association, and the American Lung Association.

The initiative puts in place strict safeguards and audits to ensure that funds go exactly where voters intend. Legislators will not be able to raid the trust funds.