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FOR IMMEDIATE RELEASE  
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## **DOLLAR INCREASE ON CIGARETTES PEGGED AT MORE THAN \$900 MILLION**

### **Senator Ted Deutch Calls for Action on Heels of Growing Budget Deficits**

**Boca Raton, FL** – Senator Ted Deutch (D-Boca Raton) responded to this weekend’s prediction by the state’s Revenue Estimating Conference that his cigarette tax legislation, SB 1840, would raise nearly \$900 million in the upcoming fiscal year, noting that in the wake of Friday’s dire prognosis of Florida’s overall budget picture it is more important than ever to expedite consideration of his bill. Deutch pointed out that in addition to potentially plugging certain holes in Florida’s crisis-ridden healthcare budget, including the provision of a recurring source of funding for the perennially-threatened Medically Needy and Medicaid Aged and Disabled programs, his proposal also includes a significant stimulus component with thousands of clean, high-wage jobs in the research and biotech sectors that would help prime the pump of the state’s economic recovery when it is needed most.

“We immediately need to fix our state’s recurring fiscal problems, and assessing cigarettes in a more sensible manner relative to their actual impact on our budget is a great place to start,” said Senator Deutch. He added, “Moving forward, we also should do it in such a way that revenues generated by our tax and fee policies are

invested in a healthier, long-term future for Florida. My bill balances that need responsibly.”

Deutch repeated his assertion, shown to be accurate by the state’s own economists, that a dollar increase in the state’s cigarette tax, the 6<sup>th</sup> lowest in the nation at a mere 33.9-cents per pack, would significantly narrow the gap in what the state collects annually from tobacco users (\$430 million) versus what Florida spends on tobacco-related illnesses through the Medicaid program (\$1.3 billion). He also lamented the fact that all Florida households, including the roughly 80 percent without a single tobacco user, are saddled with an annual tax burden of \$586 to cover the state’s smoking-related Medicaid tab, an increasingly tough pill to swallow in an economy in which many families are struggling just to put food on the table.

“Everyone is looking for an acceptable recipe to address our budget crisis,” Deutch commented. “My bill is equal parts common sense and fairness, and more than 70 percent of Floridians consistently say they want this issue on the table.”

As this weekend’s official revenue estimate was attached to his bill, Deutch urged his colleagues to take up SB 1840, which sits in the Senate Finance and Tax Committee, this coming week. While doing so, the Boca Raton senator also braced for an exceptionally vigorous fight from the opposition, especially given the fact that the stakes are so high in Florida, which realizes more yearly cigarette pack sales than any state in the nation at 1.3 billion, as well as the country’s leading level of tobacco industry marketing expenditures at \$930 million.

“I welcome a debate on the question of further lining the pockets of Big Tobacco versus helping to stabilize our budget, save lives, and prevent kids from taking up a deadly habit,” Deutch stated. “There are many tough choices we need to make in Tallahassee, but this isn’t one of them.”

Lastly, Deutch noted that all but four other states, with leadership on both sides of the aisle, have logically increased their cigarette taxes, many on multiple occasions, since Florida last did so way back in 1990. The majority, he noted, have done so in the last five years. Meanwhile, the sunshine state’s budget deficits have exploded, while tobacco companies have flourished.

“This has got to stop,” Deutch stated. “The time has come to put the interests of Florida and its kids first for a change.”

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