

2025 Regular Session

HOUSE BILL NO. 517

BY REPRESENTATIVES BRASS AND MANDIE LANDRY

TAX/TOBACCO TAX: Establishes the Youth Cessation and Prevention Fund and dedicates a portion of the avails of the tax levied on smokeless tobacco to the fund

1 AN ACT

2 To enact R.S. 47:841.2, relative to the tobacco tax; to establish the Youth Cessation and
3 Prevention Fund as a special fund in the state treasury; to provide for the transfer,
4 deposit, and use of the monies in the fund; to provide for an effective date; and to
5 provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:841.2 is hereby enacted to read as follows:

8 §841.2. Youth Cessation and Prevention Fund

9 A. There is hereby created as a special fund in the state treasury the "Youth
10 Cessation and Prevention Fund", hereinafter referred in this Section as the "fund".
11 After satisfying the requirements of Article VII, Section 9(B) of the Constitution of
12 Louisiana relative to the Bond Security and Redemption Fund and after a sufficient
13 amount is allocated from that fund to pay all of the obligations secured by the full
14 faith and credit of the state which become due and payable within any fiscal year, the
15 state treasurer shall annually deposit into the fund an amount equal to twenty percent
16 of the avails of the tax imposed pursuant to the provisions of R.S. 47:841(E).

17 B. All unexpended and unencumbered monies in the fund at the end of the
18 fiscal year shall remain in the fund. The monies in the fund shall be invested by the
19 state treasurer in the same manner as monies in the state general fund and all
20 earnings on investment of monies in the fund shall be deposited into the fund.

1 Monies appropriated from the fund shall be used solely as provided in Subsection C
2 of this Section.

3 C. Subject to an annual appropriation by the legislature, monies in the fund
4 shall be appropriated as follows:

5 (1) Forty percent to the Louisiana Cancer Research Center, established
6 pursuant to R.S. 17:1922, to be used solely for statewide planning and funding the
7 establishment of school, community-based, and mass-media cessation and other
8 evidence-based initiatives to prevent and control the use of all tobacco products
9 including but not limited to cigarettes, cigars, smokeless tobacco, smoking tobacco,
10 vapor products, and all emerging tobacco and nicotine products by youth and young
11 adults in schools and the community.

12 (2) Forty percent to the Louisiana Department of Health, office of public
13 health, Bureau of Chronic Disease Prevention and Healthcare Access, for the tobacco
14 related disease program administered by the Well-Ahead Louisiana Program to be
15 used solely as follows:

16 (a) To administer the Louisiana Quitline that provides cessation services to
17 youth and adults across the state.

18 (b) To fund evidence-based prevention and cessation initiatives, outreach,
19 and media strategies.

20 (c) To fund contracts, cooperative endeavor agreements, or other similar
21 agreements with organizations to expand education and cessation in target
22 communities.

23 (d) To fund expenses related to administering the programs provided for in
24 Subparagraphs (a) through (c) of this Paragraph.

25 (3) Ten percent to the Cancer Center of Louisiana State University Health
26 Sciences Center in Shreveport to be used solely for funding the establishment of
27 smoking prevention mass-media programs and evidence-based tobacco control
28 programs within the public hospital system and the screening, prevention, and

1 treatment of tobacco use and dependance among individuals with diseases caused or
 2 exacerbated by tobacco use.

3 (4) Ten percent to the Mary Bird Perkins Cancer Center in Gonzales,
 4 Louisiana to be used solely for funding the establishment of smoking prevention
 5 mass media programs and evidence-based tobacco control programs within the
 6 public hospital system and for the screening, prevention, and treatment of tobacco
 7 use and dependance among individuals with diseases caused or exacerbated by
 8 tobacco use.

9 D. No amount appropriated as required in this Section shall displace, replace,
 10 or supplant appropriations from the state general fund for the recipients of the fund.
 11 This shall mean that no appropriation for any fiscal year from the fund shall be made
 12 for any purpose for which a general fund appropriation was made in the previous
 13 year unless the total appropriations for the fiscal year from the state general fund for
 14 such purpose exceed general fund appropriations for the previous year.

15 Section 2. This Act shall become effective upon signature by the governor or, if not
 16 signed by the governor, upon expiration of the time for bills to become law without signature
 17 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 18 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 19 effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 517 Reengrossed

2025 Regular Session

Brass

Abstract: Dedicates a portion of the avails of the tax levied on smokeless tobacco to the Youth Cessation and Prevention Fund to be used to address youth and adult prevention and cessation of tobacco product use.

Proposed law establishes the "Youth Cessation and Prevention Fund", (fund) as a special fund in the state treasury. After satisfying present constitution requirements relative to the Bond Security and Redemption Fund, the state treasurer shall annually deposit into the fund an amount equal to 20% of the avails of the tax imposed on smokeless tobacco.

Proposed law requires monies to be appropriated from the fund as follows:

- (1) 40% to the La. Cancer Research Center to be used solely for statewide planning and funding the establishment of school, community-based, and mass-media cessation and other evidence-based initiatives to prevent and control the use of all tobacco products and all emerging tobacco and nicotine products by youth and young adults in schools and the community.
- (2) 40% to the La. Dept. of Health, office of public health, Bureau of Chronic Disease Prevention and Healthcare Access, for the tobacco related disease program administered by the Well-Ahead La. Program.
- (3) 10% to the Cancer Center of La. State University Health Sciences Center in Shreveport to be used solely for funding the establishment of smoking prevention mass-media programs and evidence-based tobacco control programs within the public hospital system and the screening, prevention, and treatment of tobacco use and dependence among individuals with diseases caused or exacerbated by tobacco use.
- (4) 10% to the Mary Bird Perkins Cancer Center in Gonzales, La. to be used solely for funding the establishment of smoking prevention mass media programs and evidence-based tobacco control programs within the public hospital system and for the screening, prevention, and treatment of tobacco use and dependence among individuals with diseases caused or exacerbated by tobacco use.

Proposed law prohibits amounts appropriated to the fund from displacing, replacing, or supplanting appropriations from the state general fund for the recipients of the fund.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 47:841.2)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Change the effective date of proposed law from July 1, 2025, to Jan. 1, 2026.
2. Change dates with respect to the treatment of floor stock when the tax increase in proposed law becomes effective to require the increase in the tax to apply to all floor stock of vapor products and electronic cigarettes purchased by retailers and wholesale dealers on and after Jan. 1, 2026.
3. Remove references to stamped products and unused stamps in reference to treatment of floor stock.
4. Require wholesale and retail dealers of vapor products and electronic cigarettes to file an inventory of products on hand as of Dec. 31, 2025, and require the inventory to be filed with the Dept. of Revenue by Feb. 1, 2026.

The House Floor Amendments to the engrossed bill:

1. Delete provisions of proposed law that changed the tax levied on vapor products and electronic cigarettes from .15¢ per milliliter of consumable nicotine liquid solution or other material containing nicotine that is depleted as a vapor product is used to 33% of the invoice price of these products.

2. Delete provisions of proposed law with respect to applying the change in the tax rate to vapor products and electronic cigarettes in the floor stock of retail and wholesale dealers.
3. Establish the Youth Cessation and Prevention Fund and dedicates a portion of the avails of the tax levied on smokeless tobacco to the fund to be used to address youth and adult prevention and cessation of tobacco product use.
4. Change the effective date from Jan. 1, 2026, to governor's signature.