

PROPOSITION 303
OFFICIAL TITLE

HOUSE CONCURRENT RESOLUTION 2047

AN ACT CHANGING THE ARTICLE HEADING OF TITLE 36, CHAPTER 6, ARTICLE 8, ARIZONA REVISED STATUTES, TO "TOBACCO TAX FUNDS"; AMENDING TITLE 36, CHAPTER 6, ARTICLE 8, ARIZONA REVISED STATUTES, BY ADDING SECTION 36-770; REPEALING SECTION 36-772, ARIZONA REVISED STATUTES; AMENDING TITLE 36, CHAPTER 6, ARTICLE 8, ARIZONA REVISED STATUTES, BY ADDING A NEW SECTION 36-772 AND SECTIONS 36-776, 36-777 AND 36-778; AMENDING TITLE 42, CHAPTER 3, ARTICLE 6, ARIZONA REVISED STATUTES, BY ADDING SECTION 42-3251.01; AMENDING SECTION 42-3302, ARIZONA REVISED STATUTES; RELATING TO TOBACCO TAXES.

TEXT OF THE PROPOSED AMENDMENT

Be it enacted by the Legislature of the State of Arizona:

Section 1. Heading change

The article heading of title 36, chapter 6, article 8, Arizona Revised Statutes, is changed from "TOBACCO TAX AND HEALTH CARE FUND" to "TOBACCO TAX FUNDS".

Sec. 2. Title 36, chapter 6, article 8, Arizona Revised Statutes, is amended by adding section 36-770, to read:

36-770. Tobacco products tax fund

A. THE TOBACCO PRODUCTS TAX FUND IS ESTABLISHED CONSISTING OF REVENUES DEPOSITED IN THE FUND PURSUANT TO SECTION 42-3251.01 AND INTEREST EARNED ON THOSE MONIES. THE ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM ADMINISTRATION SHALL ADMINISTER THE FUND.

B. FORTY-TWO CENTS OF EACH DOLLAR IN THE FUND SHALL BE DEPOSITED IN THE PROPOSITION 204 PROTECTION ACCOUNT ESTABLISHED BY SECTION 36-778.

C. FIVE CENTS OF EACH DOLLAR IN THE FUND SHALL BE DEPOSITED IN THE HEALTH RESEARCH FUND ESTABLISHED BY SECTION 36-275.

D. TWENTY-SEVEN CENTS OF EACH DOLLAR IN THE FUND SHALL BE DEPOSITED IN THE MEDICALLY NEEDY ACCOUNT ESTABLISHED BY SECTION 36-774.

E. TWENTY CENTS OF EACH DOLLAR IN THE FUND SHALL BE DEPOSITED IN THE EMERGENCY HEALTH SERVICES ACCOUNT ESTABLISHED BY SECTION 36-776.

F. FOUR CENTS OF EACH DOLLAR IN THE FUND SHALL BE DEPOSITED IN THE HEALTH CARE ADJUSTMENT ACCOUNT ESTABLISHED BY SECTION 36-777.

G. TWO CENTS OF EACH DOLLAR IN THE FUND SHALL BE DEPOSITED IN THE HEALTH EDUCATION ACCOUNT ESTABLISHED BY SECTION 36-772.

H. EXCEPT AS PROVIDED IN SECTION 36-776, MONIES IN THE FUND:

1. ARE CONTINUOUSLY APPROPRIATED.
2. DO NOT REVERT TO THE STATE GENERAL FUND.
3. ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF APPROPRIATIONS.

Sec. 3. Repeal

Section 36-772, Arizona Revised Statutes, is repealed.

Sec. 4. Title 36, chapter 6, article 8, Arizona Revised Statutes, is amended by adding a new section 36-772, to read:

36-772. Health education account: audit: reports

A. IN ADDITION TO THE MONIES DEPOSITED PURSUANT TO SECTION 36-770, TWENTY-THREE CENTS OF EACH DOLLAR IN THE TOBACCO TAX AND HEALTH CARE FUND SHALL BE DEPOSITED IN THE HEALTH EDUCATION ACCOUNT FOR PROGRAMS FOR THE PREVENTION AND REDUCTION OF TOBACCO USE, THROUGH PUBLIC HEALTH EDUCATION PROGRAMS, INCLUDING COMMUNITY BASED EDUCATION, CESSATION, EVALUATION AND OTHER PROGRAMS TO DISCOURAGE TOBACCO USE AMONG THE GENERAL POPULATION AS WELL AS MINORS AND CULTURALLY DIVERSE POPULATIONS.

B. THE DEPARTMENT OF HEALTH SERVICES SHALL ADMINISTER THE ACCOUNT.

C. EXCEPT AS PROVIDED IN SUBSECTION D OF THIS SECTION, MONIES THAT ARE DEPOSITED IN THE HEALTH EDUCATION ACCOUNT:

1. SHALL BE USED TO SUPPLEMENT MONIES THAT ARE APPROPRIATED BY THE LEGISLATURE FOR HEALTH EDUCATION PURPOSES AND SHALL NOT BE USED TO SUPPLANT THOSE APPROPRIATED MONIES.

2. SHALL BE SPENT FOR THE FOLLOWING PURPOSES:

(a) CONTRACTS WITH COUNTY HEALTH DEPARTMENTS, QUALIFYING COMMUNITY HEALTH CENTERS AS DEFINED IN SECTION 36-2907.06, INDIAN TRIBES, ACCREDITED SCHOOLS, NON-PROFIT ORGANIZATIONS, COMMUNITY COLLEGES AND UNIVERSITIES FOR EDUCATION PROGRAMS RELATED TO PREVENTING AND REDUCING TOBACCO USE.

(b) ADMINISTRATIVE EXPENDITURES RELATED TO IMPLEMENTING AND OPERATING A PROGRAM DEVELOPED PURSUANT TO SUBDIVISION (a) TO AWARD AND OVERSEE CONTRACTS FOR EDUCATION PROGRAMS INCLUDING OBTAINING EXPERT SERVICES TO ASSIST IN EVALUATING REQUESTS FOR PROPOSALS AND RESPONSES TO THOSE REQUESTS.

(c) DEPARTMENT OF HEALTH SERVICES EXPENDITURES FOR DEVELOPING AND DELIVERING EDUCATION PROGRAMS THAT ARE DESIGNED TO PREVENT OR REDUCE TOBACCO USE INCLUDING RADIO, TELEVISION OR PRINT MEDIA COSTS. WHEN CONTRACTING FOR THE DEVELOPMENT AND PRODUCTION OF ORIGINAL ADVERTISING MATERIALS, THE DEPARTMENT SHALL REQUIRE ADVERTISING, PRODUCTION AND EDITORIAL FIRMS TO USE THEIR BEST EFFORTS TO EMPLOY OR CONTRACT WITH RESIDENTS OF THIS STATE TO MANAGE, PRODUCE AND EDIT THE ORIGINAL ADVERTISING. THE DEPARTMENT SHALL REPORT ANNUALLY BY DECEMBER 1 TO THE GOVERNOR, THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES REGARDING INSTANCES WHEN THE DEPARTMENT DID NOT EMPLOY OR CONTRACT WITH RESIDENTS OF THIS STATE, INCLUDING THE REASONS FOR FAILING TO DO SO.

(d) THE EVALUATIONS REQUIRED BY SUBSECTION F OF THIS SECTION.

D. THE DEPARTMENT OF HEALTH SERVICES SHALL USE MONIES DEPOSITED IN THE ACCOUNT PURSUANT TO SECTION 36-770 FOR THE PREVENTION AND EARLY DETECTION OF THE FOUR LEADING DISEASE RELATED CAUSES OF DEATH IN THIS STATE, AS PERIODICALLY DETERMINED BY THE CENTERS FOR DISEASE CONTROL AND PREVENTION, OR ITS SUCCESSOR AGENCY. INITIALLY, THESE ARE CANCER, HEART DISEASE, STROKE AND PULMONARY DISEASE. THE MONIES SHALL ONLY BE USED TO SUPPLEMENT MONIES THAT ARE APPROPRIATED BY THE LEGISLATURE AND

SHALL NOT BE USED TO SUPPLANT THOSE APPROPRIATED MONIES.

E. MONIES FROM THE HEALTH EDUCATION ACCOUNT SHALL NOT BE SPENT FOR LOBBYING ACTIVITIES INVOLVING ELECTED OFFICIALS OR POLITICAL CAMPAIGNS FOR INDIVIDUALS OR ANY BALLOT MEASURE.

F. THE DEPARTMENT OF HEALTH SERVICES SHALL EVALUATE THE PROGRAMS ESTABLISHED PURSUANT TO SUBSECTION C, PARAGRAPH 2 OF THIS SECTION AND SHALL BIENNIALLY SUBMIT A WRITTEN REPORT OF ITS FINDINGS TO THE GOVERNOR, THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES. THE DEPARTMENT OF HEALTH SERVICES SHALL PROVIDE A COPY OF EACH REPORT TO THE SECRETARY OF STATE AND THE DIRECTOR OF THE ARIZONA STATE LIBRARY, ARCHIVES AND PUBLIC RECORDS. THE DEPARTMENT OF HEALTH SERVICES SHALL SUBMIT ITS FIRST REPORT ON OR BEFORE NOVEMBER 15, 2004. THE FIRST REPORT SHALL INCLUDE DATA BEGINNING IN FISCAL YEAR 2001-2002.

Sec. 5. Title 36, chapter 6, article 8, Arizona Revised Statutes, is amended by adding sections 36-776, 36-777 and 36-778, to read:

36-776. Emergency health services account

A. THE EMERGENCY HEALTH SERVICES ACCOUNT IS ESTABLISHED CONSISTING OF MONIES DEPOSITED PURSUANT TO SECTION 36-770. THE ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM ADMINISTRATION SHALL ADMINISTER THE ACCOUNT. THE ADMINISTRATION SHALL USE ACCOUNT MONIES SOLELY FOR THE REIMBURSEMENT OF UNCOMPENSATED CARE, PRIMARY CARE SERVICES AND TRAUMA CENTER READINESS COSTS.

B. MONIES IN THE ACCOUNT ARE SUBJECT TO LEGISLATIVE APPROPRIATION. ANY MONIES REMAINING UNEXPENDED AND UNENCUMBERED ON JUNE 30 OF EACH YEAR IN THE ACCOUNT REVERT TO THE PROPOSITION 204 PROTECTION ACCOUNT ESTABLISHED BY SECTION 36-778.

36-777. Health care adjustment account

A. THE HEALTH CARE ADJUSTMENT ACCOUNT IS ESTABLISHED CONSISTING OF MONIES DEPOSITED PURSUANT TO SECTION 36-770. THE DEPARTMENT OF REVENUE SHALL ADMINISTER THE ACCOUNT.

B. THE DEPARTMENT OF REVENUE SHALL TRANSFER APPROPRIATE AMOUNTS OF ACCOUNT MONIES TO THE HEALTH EDUCATION ACCOUNT ESTABLISHED BY SECTION 36-772, THE HEALTH RESEARCH ACCOUNT ESTABLISHED BY SECTION 36-773 AND THE MEDICALLY NEEDY ACCOUNT ESTABLISHED BY SECTION 36-774 TO COMPENSATE FOR DECREASES IN THESE ACCOUNTS DUE TO LOWER TOBACCO TAX REVENUES AVAILABLE UNDER SECTION 36-771 AS A RESULT OF THE LEVY OF LUXURY TAXES THAT ARE DEDICATED TO THE TOBACCO PRODUCTS TAX FUND PURSUANT TO SECTION 42-3251.01.

C. ANY MONIES IN THE ACCOUNT IN EXCESS OF THE AMOUNT NEEDED FOR THE ADJUSTMENTS PRESCRIBED IN THIS SECTION REVERT TO THE TOBACCO PRODUCTS TAX FUND FOR DISTRIBUTION IN EQUAL AMOUNTS TO THE ACCOUNTS DESCRIBED IN SECTION 36-770, SUBSECTIONS B, C, D AND E.

36-778. Proposition 204 protection account

A. THE PROPOSITION 204 PROTECTION ACCOUNT IS ESTABLISHED CONSISTING OF MONIES DEPOSITED PURSUANT TO SECTION 36-770. THE ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM ADMINISTRATION SHALL ADMINISTER THE ACCOUNT.

B. THE ADMINISTRATION SHALL USE ACCOUNT MONIES TO IMPLEMENT AND FUND PROGRAMS AND SERVICES REQUIRED AS A RESULT OF THE EXPANDED DEFINITION OF AN ELIGIBLE PERSON PRESCRIBED IN SECTION 36-2901.01.

C. THE ADMINISTRATION SHALL SPEND THE BALANCE OF MONIES IN THE ACCOUNT BEFORE IT SPENDS MONIES FROM THE ARIZONA TOBACCO LITIGATION SETTLEMENT FUND ESTABLISHED BY SECTION 36-2901.02.

Sec. 6. Title 42, chapter 3, article 6, Arizona Revised Statutes, is amended by adding section 42-3251.01, to read:

42-3251.01. Levy and collection of tobacco tax

A. IN ADDITION TO THE TAXES IMPOSED BY SECTION 42-3251, PARAGRAPHS 1 THROUGH 5, THERE IS LEVIED AND SHALL BE COLLECTED AN ADDITIONAL TAX OF ONE AND ONE-HALF TIMES THE TAX PRESCRIBED IN THAT SECTION ON JANUARY 1, 2002.

B. MONIES COLLECTED PURSUANT TO THIS SECTION SHALL BE DEPOSITED, PURSUANT TO SECTIONS 35-146 AND 35-147, IN THE TOBACCO PRODUCTS TAX FUND ESTABLISHED BY SECTION 36-770.

Sec. 7. Section 42-3302, Arizona Revised Statutes, is amended to read:

42-3302. Levy; rates; disposition of revenues

A. In addition to all other taxes, there is levied and shall be collected by the department a tax on the purchase on an Indian reservation of cigarettes, cigars, smoking tobacco, plug tobacco, snuff and other forms of tobacco at the rates prescribed by ~~section~~ SECTIONS 42-3251 AND 42-3251.01.

B. The department shall deposit, pursuant to sections 35-146 and 35-147, monies levied and collected pursuant to subsection A of this section in the tobacco tax and health care fund established by section 36-771 AND THE TOBACCO PRODUCTS TAX FUND ESTABLISHED BY SECTION 36-770 for use as prescribed by title 36, chapter 6, article 8.

C. If an Indian tribe imposes a luxury, sales, transaction privilege or similar tax on cigarettes, cigars, smoking tobacco, plug tobacco, snuff and other forms of tobacco but at a rate that is:

1. Less than that prescribed by subsection A of this section, the tax imposed by this article shall be levied at a rate equal to the difference between the rate prescribed by subsection A of this section and the tax imposed by the Indian tribe.

2. Equal to or greater than the tax prescribed by subsection A of this section, then the rate of tax under this article is zero.

Sec. 8. Tobacco revenue use, spending and tracking commission; membership; duties

A. On or before January 1, 2004, the legislature shall establish a tobacco revenue use, spending and tracking commission.

B. The commission shall include members that have expertise in the following:

1. Public health services.
2. Tobacco cessation or tobacco addiction programs.
3. School-based tobacco education programs.
4. Marketing or public relations.
5. Research and evaluation of public health programs.

C. The commission shall advise and consult with the department of health services on the goals, objectives and activities of programs that receive monies pursuant to section 36-772, Arizona Revised Statutes.

Sec. 9. Conditional enactment; effect of other ballot measures; intent of measure

A. This measure does not become effective if another measure presented to the voters in this election that deals with the levy and collection of an additional tax on tobacco products receives more votes than this measure.

B. It is the intent of this measure to prescribe the only levy and collection of an additional tax on tobacco products in this election.

Sec. 10. Transfer of monies

Any monies in the health education account on the effective date of the repeal of section 36-772, Arizona Revised Statutes, are

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transferred to the health education account established by section 4 of this act.

2. The Secretary of State shall submit this proposition to the voters at the next general election as provided by article IV, part 1, section 1, Constitution of Arizona.

ANALYSIS BY LEGISLATIVE COUNCIL

In 1994, the voters passed the Tobacco Tax for Health Care Purposes initiative. The initiative increased the state tax on cigarettes, cigars and other tobacco products and directed that the additional revenue generated by the tax be used for health care and education and research related to preventing and reducing tobacco use. The monies collected are deposited in the Tobacco Tax and Health Care Fund and allocated to four separate accounts.

Proposition 303 would increase the state tax on cigarettes, cigars and other tobacco products. The following table shows the proposed tax rates on each class of tobacco product:

ITEM	CURRENT TAX RATE	PROPOSED ADDITIONAL TAX RATE	PROPOSED TOTAL TAX RATE
Cigarettes	2.9¢ each (58¢ per pack)	3.0¢ each (60¢ per pack)	5.9¢ each (\$1.18 per pack)
Smoking tobacco, snuff, fine cut chewing tobacco and similar products	6.5¢ per oz.	6.8¢ per oz.	13.3¢ per oz.
Cavendish, plug, or twist tobacco	1.6¢ per oz	1.7¢ per oz.	3.3¢ per oz.
Small cigars (weighing not more than 3 pounds per 1000)	12.9¢ per 20	13.4¢ per 20	26.3¢ per 20
All other cigars (retailing at not more than 5¢ each)	6.4¢ per 3	6.6¢ per 3	13.0¢ per 3
All other cigars (retailing at more than 5¢ each)	6.4¢ per 3	6.6¢ per 3	13.0¢ per 3

Revenues collected from this tax would be deposited in a new Tobacco Products Tax Fund to be administered by the Arizona Health Care Cost Containment System (AHCCCS) administration. The AHCCCS administration would distribute the monies in the fund in the following manner:

1. Forty-two percent to the Proposition 204 Protection Account for programs and services dedicated to the expanded population eligible for coverage under AHCCCS as a result of the 2000 ballot measure that allocated monies from the tobacco litigation settlement.
2. Twenty-seven percent to the Tobacco Tax and Health Care Fund Medically Needy Account for services to low income and indigent persons.
3. Twenty percent to the Emergency Health Services Account for the reimbursement of uncompensated care, primary care services and trauma center readiness costs.
4. Five percent to the Health Research Fund for research on preventing and treating tobacco-related disease and addiction and other diseases.
5. Four percent to the Health Care Adjustment Account for distribution to other accounts under the Tobacco Tax and Health Care Fund to compensate for decreases in those accounts due to lower tobacco tax revenues from fewer sales as a result of the new tax on tobacco products.
6. Two percent to the Tobacco Tax and Health Care Fund Health Education Account for the prevention and early detection of the four leading disease-related causes of death in Arizona.

Proposition 303 would repeal and, with a few exceptions, reenact word-for-word the current statute that establishes the Tobacco Tax and Health Care Fund Health Education Account. By doing this future legislatures would be prevented by the Arizona Constitution from making any substantial changes to this account. Proposition 303 would reenact the current Health Education Account statute with the following changes: (1) allows the Department of Health Services (DHS) to use a portion of account monies for evaluations of the tobacco education and prevention programs funded by other account monies, (2) requires DHS to use monies deposited in the account from the Tobacco Products Tax Fund for prevention and early detection of the four leading disease-related causes of death in Arizona as determined by the Centers for Disease Control and Prevention (initially, cancer, heart disease, stroke and pulmonary disease) and (3) eliminates the requirement that the Auditor General conduct evaluations of the account programs.

In addition, Proposition 303 would require the Legislature to establish by January 1, 2004 a Tobacco Revenue Use, Spending and Tracking Commission to advise and consult with DHS on the goals, objectives and activities of the tobacco education prevention programs funded by Health Education Account monies.

ARGUMENTS "FOR" PROPOSITION 303

Church Women United in Arizona urges a YES vote.

This measure will create supplemental funding for healthcare for hardworking Arizonans who live below the poverty level, who were covered by the two Healthy Arizona Initiatives we supported the 1996 and 2000 election ballots, and which received overwhelming approval by you, the voters. Prop 303 adds to our past work, and we commend the legislature, whom we have often chided, for doing the right thing in putting this measure before us.

This tobacco tax adds a new funding source, above the amounts available from the Tobacco Litigation Settlement fund and the state general fund, so that we can get AHCCCS health insurance to everyone who qualifies, especially in bad times when the state budget has a

lot to do and when families most need the help. In good times we build up a cushion and, sweetest of all, we have a continuing source of funding when the tobacco lawsuit payments end in two decades.

It also guarantees funding for other good healthcare and tobacco education programs, and helps people to stop smoking.

And even if everyone were to quit smoking and this source of funding were to go up in smoke (yes, we are churchwomen: we believe in the possibility of miracles!), Arizona would still be the winner!

Vote YES on prop 303-- This one is no gamble-- on this one we can't lose.

Church Women United in Arizona,

An ecumenical fellowship representing 8 units in cities and towns throughout the state, and women from 23 different Protestant, Catholic and Orthodox denominations.

Vera Lander, President, Tucson

Theda Stuntz, Treasurer, Phoenix

Paid for by "Church Women United in Arizona"

The Joint Legislative Budget Committee staff (JLBC) is charged with preparing a fiscal analysis for every initiative and referendum that appears on the ballot. Excerpts of the Proposition 303 analysis are provided to you as additional information:

- The revenues generated by the tobacco tax increase shall be allocated to various health care programs including a voter-approved health care coverage program, emergency health services, health research, health education, and health programs for the working poor.
- The proposed tobacco tax increase shall generate \$90.2 million in FY 2003, \$149.2 million in FY 2004, and \$147.1 million in FY 2005 in new revenue for the Tobacco Products Tax Fund. Due to the decrease in tobacco consumption that is likely to result from the tax increase, revenue to other funds that receive monies from existing tobacco taxes will decrease. JLBC estimates that deposits into other state funds will decrease by \$(4.5) million in FY 2003 and \$(7.7) million in FY 2004 below current projections for those years.
- Monies from the new tax shall be distributed into 6 different accounts, including the Proposition 204 Protection Account. These monies shall be spent on the Arizona Health Care Cost Containment System (AHCCCS) expansion, which was approved by voters in 2000 prior to spending the tobacco settlement monies. Proposition 204 is currently funded from both tobacco settlement monies and General Fund monies. The additional revenue from the tax increase would result in fewer General Fund monies needed for the expansion. JLBC estimates General Fund expenditure savings of \$(37.9) million in FY 2003 and \$(62.6) million in FY 2004.

To view the referenced JLBC fiscal analysis in its entirety, please visit the following website: www.azleg.state.az.us/jlbc/ballot1.htm

Laura Knaperek, Tempe

The programs supported by Proposition 303 are vital to the continued medical and economic well-being of Arizona. A portion of the increased funds from this tax will be earmarked to continue disease research. Such research will ultimately help save countless lives from the devastating effects of cancer, Alzheimer's Disease, Parkinson's Disease, Cystic Fibrosis, and other disorders.

Funds will also be used to support the voter-approved expansion of health care coverage for Arizonans who earn less than 100% of the federal poverty level. Without these additional tobacco tax dollars, the State will be forced to use additional General Fund revenues, necessitating reductions in or elimination of other services or programs.

Monies will also support programs that aid in the prevention and reduction of tobacco use. And there will be additional funds to provide trauma services, through hospital emergency rooms, in all parts of our state.

These are exactly the kinds of health programs the public has repeatedly identified as top priorities. A "YES" vote will help move the state from merely discussing these priorities to actually addressing them.

Please vote "YES" on Proposition 303.

Jane Dee Hull, Governor, Phoenix

Tobacco is responsible for 30% of all cancer deaths. We know from experience that increasing the tobacco tax will result in a decrease in tobacco consumption. Higher prices on cigarettes mean fewer smokers and healthier lives. This measure will re-enact the state's Tobacco Education and Prevention Program (TEPP), which was passed by the voters in 1994, and cut significantly by the Legislature the last two years. Our state won national recognition for TEPP's efforts to reduce smoking among children. Arizona needs this program in order to continue reducing smoking among our states' young people.

The American Cancer Society is dedicated to eliminating cancer as a major health problem by doubling the number of lives saved, keeping more Americans than ever from getting cancer in the first place, and significantly increasing the quality of life for cancer patients and their families. Proposition 303 will help us do this.

Proposition 303 provides funding for early detection and prevention programs for the four leading disease related causes of death. Currently, cancer is number two on that list. Prevention is the best way to keep people from getting cancer. Early detection of cancer is the best way to increase your survival rate and treatment options. Public awareness prevention programs and early detection screening programs will help to reduce deaths caused by cancer in Arizona.

By voting for Proposition 303 you will reduce youth smoking, restore the state's Tobacco Education and Prevention Program, and provide funding for early detection and prevention programs. We urge you to support this important measure.

Pamela K. Meyerhoffer, Chair, Board of Directors American Cancer Society, Southwest Division, Litchfield Park

Van Wolf, Member National Board of Directors, American Cancer Society, Phoenix

Paid for by "American Cancer Society"

The American Lung Association of Arizona urges you to vote "YES" on Proposition 303.

There is overwhelming evidence that increasing the price of cigarettes and other tobacco products reduces consumption of those products, especially among teenagers and young children. Studies have shown that every 10 percent increase in the price of cigarettes will reduce overall cigarette consumption by three to five percent, and will reduce youth smoking by seven percent. That's good news for public

health. Higher tobacco taxes are one of the best ways to keep kids from starting to smoke and motivate adults to stop.

Proposition 303 will also protect the award-winning Arizona Tobacco Prevention and Education program, which was established in 1994 and funded through the tobacco excise tax. This program succeeds in educating Arizona’s children about the dangerous effects of tobacco use. In addition to reducing smoking rates among Arizona’s youth, the program has also helped thousands of adults to kick the habit. According to the Arizona Department of Health Services, adult smoking prevalence declined 21% between 1996 and 1999.

Over the past year, the State Legislature slashed the funding for this valuable tobacco program, jeopardizing its ability to continue to help kids stay smoke free. Proposition 303 will reenact this tobacco prevention and education program and protect its funding source from future legislative tampering.

Raising the tobacco tax by \$.60 will decrease tobacco consumption and provide a funding source for effective tobacco education and prevention programs. Your “YES” vote on Proposition 303 will positively impact the health of Arizona’s children and adults.

Bill J. Pfeifer, President and CEO, American Lung Association of Arizona, Tempe

Ruben Alvarez, Vice Chair, American Lung Association of Arizona, Phoenix

Paid for by “American Lung Association”

Proposition 303 will increase tobacco taxes and discourage smokers from purchasing tobacco products. Those who stop smoking in response to cigarette tax increases will greatly improve their own health. Smokers who quit will also help reduce the amount of secondhand smoke exposure to their family members and friends.

The American Heart Association, Desert Mountain Affiliate’s mission is to reduce disability and death from cardiovascular diseases and stroke. The leading cause of disease related death in Arizona is cardiovascular disease and stroke is third. Smoking is a major cause of heart and blood vessel disease. In fact, half of all deaths resulting from smoking are due to cardiovascular disease.

Proposition 303 also reestablishes the Tobacco Education and Prevention Program (TEPP) to help educate and prevent people from smoking in the first place.

Help the American Heart Association, Desert Mountain Affiliate reduce the number of deaths in Arizona related to heart disease. We strongly support Proposition 303 and urge you to vote “YES.”

Jeff Anderson, Chairman, Phoenix Metro Board, American Heart Association, Paradise Valley

Mary Lee Hyatt, VP, Advocacy and Health Initiatives, American Heart Association, Phoenix

Paid for by “American Heart Association”

As former Surgeon General, I’m committed to saving lives in Arizona—particularly the lives of children. That’s why I support Proposition 303 and you should too. All the evidence shows that higher tobacco taxes reduce smoking. The tobacco companies’ own internal research demonstrates that one of the best ways to ensure more people—especially kids—quit smoking, or never start at all, is to raise cigarette prices. By voting “YES” on Proposition 303, you get to tell the huge tobacco companies that we won’t ignore the 5,900 people dying in Arizona of smoking related illnesses every year.

Arizona voters wisely passed a tobacco tax increase in 1994 and funded Arizona’s Tobacco Education and Prevention Program. Sadly but not surprisingly, the tobacco industry spent millions of dollars misleading voters and fighting this program in order to protect their profits. All evidence suggests that smoking has decreased dramatically in Arizona, especially among young people, as a result of the 1994 tobacco tax increase. Proposition 303 will further reduce smoking in Arizona, protect Arizona’s children and fund important health programs all at the same time.

Protect Arizona’s children and tell the tobacco companies that saving lives is more important than saving their profits. Vote “YES” on Proposition 303.

C. Everett Koop, M.D., Sc.D. U.S. Surgeon General, 1981-1989, Hanover, New Hampshire

Paid for by “Arizona for a Healthy Future”

I am a strong supporter of Proposition 303 and I urge you to vote “YES.” Proposition 303 will protect Arizona kids from tobacco by pricing them out of the market. It has been shown over and over again that higher tobacco prices reduce smoking—especially among young people. Higher tobacco prices will reduce the use of all tobacco.

You may or may not know of my anti tobacco fight and I can say that I have seen first hand what tobacco can do. My main thrust has been fighting a hidden epidemic. It’s the use of what the tobacco companies call “smokeless tobacco.” It has been shown that the most popular age to start smoking is between the ages of 11 and 12. Using “spit tobacco” (smokeless tobacco) has begun earlier than 11 and 12. I have a newspaper clipping from Dr. Laizure, a dentist in Washington state who got actively involved in this fight after discovering a lesion inside the mouth of a 9 year old boy. This is just one story. I’ve lost friends to oral cancer and I have seen the anguish and sorrow the use of “spit tobacco” brings to a family.

Vote “YES” on Proposition 303. It’s the right thing to do. In doing so, you will protect kids, save lives and preserve the programs that have reduced all tobacco use among our young people here in Arizona.

Thank you.

Joe Garagiola, Scottsdale

Paid for by “Arizona for a Healthy Future”

Prenatal care is fundamental for a pregnant woman to give birth to a healthy baby. As numerous studies have shown, lack of health insurance can be a significant barrier to prenatal care. According to U.S. Census Bureau data prepared for the March of Dimes, 264,000 (24.5%) women of childbearing age in Arizona are uninsured. The March of Dimes supports Proposition 303 because it will break down this barrier to care by supplying much-needed funds for health care coverage for uninsured pregnant women.

Proposition 303 will also provide funding for Newborn Screening, which can detect shortly after birth a number of serious inherited disorders that can be treated early to prevent disability or life-threatening consequences.

In addition, smoking during pregnancy is a major health risk, which can lead to serious problems in newborns as well as harming the mother and posing additional health risks after birth. Newborn babies who are exposed to smoke suffer from more respiratory illnesses and

ear infections than other babies. According to the U.S. Public Health Service, if all pregnant women in the U.S. stopped smoking, there would be an estimated 10 percent reduction in infant deaths.

A recent study published in the *American Journal Of Public Health* (November 2001) suggests smoking rates among pregnant women are responsive to tax hikes. The March of Dimes Supports Proposition 303 as it will help discourage pregnant women from smoking in Arizona, thus ensuring more healthy babies.

Vote "YES" and help protect Arizona's mothers and babies.

March of Dimes

Rex Collins, Board Chair, Arizona Chapter, Phoenix

Patrick W. Sniezek, Board Chair, Southern Division, Tucson

Henry Saldaña, State Director, Arizona Chapter, Phoenix

Paid for by "Arizona for a Healthy Future"

The Arizona Nurses' Association wholeheartedly supports Proposition 303 and we ask Arizona voters to do the same. Our mission includes advancing the development of professional nurses and the practice of nursing in order to promote health care for the people of Arizona. Nurses are committed to making significant contributions to the health of all Arizonans. Every day, we see the devastating health problems associated with tobacco use. A tax on cigarettes can discourage smoking and still generate dollars to address the critical health care needs of the citizens of Arizona.

Nurses across Arizona are struggling to deliver quality care in the face of a serious nursing shortage. Some of the income generated from this cigarette tax would be used to offset the costs of uncompensated care, primary care and trauma readiness costs. Patients would be assured that nurses and other health care professionals were available to deliver the care so desperately needed by the people of Arizona.

Proposition 303 raises the tax on tobacco products by \$.60, more than doubling the current tax to \$1.18 per pack of cigarettes. This tax will have a dramatic and powerful effect, as experience in Arizona and others states has shown that cigarette tax increases reduce and prevent smoking. Thus, Proposition 303 will significantly benefit the public health of Arizona and save lives by reducing smoking and funding health care services.

Please join us in voting "YES" on Proposition 303.

Kathy Player, RN, EdD, President, Phoenix

Mary Griffith, RN, MN, Director, Legislation, Phoenix

Paid for by "Arizona for a Healthy Future"

Dear Friend:

The Ronald McDonald House in Phoenix is dedicated to serving as a home away from home for families of seriously ill children. For those of us who work and support the house we can see first hand the toll that cigarette smoking has taken on the health of our children. Our records show that respiratory illness are among the top afflictions that cause a family to seek hospitalization in the Phoenix area for their child and utilize the services of the Ronald McDonald House. We believe that our guests would benefit from a Yes vote on Proposition 303.

Much of the respiratory illnesses that hit the families who stay at the Ronald McDonald House would not be necessary if only the children were not forced to inhale cigarette smoke second hand. Research shows that inhaling cigarette smoke, either directly or indirectly can cause serious illnesses and even death, and that smoking is highly addictive. We believe that it would be in the best interests of everyone if incidences of smoking were significantly curtailed.

Even tobacco companies agree that one way to ensure that more people will stop smoking all together is to raise cigarette prices; which is the goal of Proposition 303. Prop. 303 will fund important and necessary healthcare and disease prevention programs, and many will find it too expensive to engage in a habit that is fatal to 5,900 Arizonans per year.

We are pleased to be able to serve the families who seek assistance from Ronald McDonald House, however if we can prevent the illnesses that make it necessary for the families to utilize our services in the first place, we clearly have done our job. That is why the Ronald McDonald House Phoenix is proud to support Proposition 303.

Joe Pallo, Vice President, Phoenix

Jack Sullivan, Secretary, Phoenix

Paid for by "Arizona for a Healthy Future"

The Arizona Senior Olympics strongly supports the passage of Proposition 303, H.C.R. 2047, and urges all Arizonans to do likewise. The mission of the Arizona Senior Olympics (ASO), an Arizona non-profit corporation, is to promote the health and fitness of adults 50 and better through organized events, competition and education. This Proposition would provide needed funds for critical healthcare services for both the population served by ASO and all other eligible Arizonans.

A "yes" vote for Proposition 303 will increase the 1994 tobacco tax for health care rates from 60 cents per pack to \$1.18 per pack. This will generate an estimated \$150.9 million dollars in added annual income. This additional tax would discourage smoking and provide a funding source, with the existing tobacco settlement funds, for the expansion of the state's Medicaid population and continue medical care to low-income working people of Arizona whose incomes are under the 100% federal poverty level. Additional funding would be used for disease research contracts, prevention and early detection programs and reimbursement for uncompensated care and trauma center readiness costs.

Please join the Arizona Senior Olympics and vote "yes" on Proposition 303 to provide additional funds for critical healthcare to those in need and to discourage smoking.

Ted Williams, President, Arizona Senior Olympics, Phoenix

Cassandra Mason-Motz, Secretary, Arizona Senior Olympics, Phoenix

Paid for by "Arizona for a Healthy Future"

The pediatricians of Arizona urge your support of the tobacco tax referendum. There is overwhelming evidence that raising the price of cigarettes is the most effective way to prevent teens from smoking. The later teens begin smoking, the less likely they are to develop a life-long habit. Pediatricians know that prevention of disease is far easier than cure. Let's do what we can for the health of all our children.

Margaret Stemmler, MD, Secretary, Paradise Valley

Sue Braga, Executive Director, Scottsdale

Paid for by “American Academy of Pediatrics, Arizona Chapter”

Proposition (303) will save lives. As Family Physicians we see patients who otherwise would not get recommended evaluations and treatments because they lack access to health insurance. Preventive health care for children is essential to a family's future. It reduces the number of patients who wait until illnesses become more severe and are forced to show up in the emergency room – causing overcrowding and even less access. Proposition (303) will keep our emergency rooms open and dedicates funds to pay for health care for Arizona's working and uninsured families.

As physicians, we take care of many patients. Every day we see the most devastating problems associated with tobacco use. Severe heart, lung and cancer problems are prevalent among patients who use tobacco products. Smoking kills. Proposition (303) will increase the tax on tobacco products and reduce the number of people who smoke. It will help save thousands of lives. Research has proven that increasing the cost of a pack of cigarettes is especially effective in keeping our young people tobacco free.

Your Family Physicians urge you to vote “YES” on Proposition (303). Help us save lives.

David Cluff, D.O., President, Arizona Academy of Family Physicians, Payson

Roberto Garcia, M.D., President-Elect, Arizona Academy of Family Physicians, Yuma

Paid for by “Arizona for a Healthy Future”

As the Attorney General for Arizona, I led this state's fight to secure compensation from the tobacco industry for the health and financial burdens caused by tobacco. I support Proposition 303 because it continues the tradition of reducing tobacco use in Arizona--which Arizona voters have supported in the past--and funds health care for ALL Arizonans. I urge you to Vote yes for Proposition 303 to ensure that the voters' will is protected, and important health care programs are funded in our state.

In 1994, Arizona voters passed Proposition 200, which increased the tobacco tax and funded health care for the medically needy, in addition to a Tobacco Education and Prevention Program (TEPP) statewide. TEPP, a program that received national recognition, was instrumental in reducing statewide tobacco use rates in the first five years of its operation. Unfortunately, in response to the state budget crisis, the legislature slashed funding of this vital education and prevention program. Voting yes for Proposition 303 will protect tobacco funding from the legislature and reinstate the Tobacco Education and Prevention Program.

In 2000, Arizona voters again spoke their will when they passed Proposition 204 which directed 100% of the settlement funds from the Tobacco Industry lawsuit towards expanding healthcare coverage across Arizona, and mandated the legislature to apply for federal matching funds available to supplement the state funds. Arizona was one of 46 states that agreed to apply our funds to improve health, and is one of only a handful of those states to honor its word. Voting yes for Proposition 303 will ensure substantial and necessary funding to support the expanded population eligible for health care services through Proposition 204.

I urge you to vote yes on Proposition 303. It will protect the already expressed will of Arizonans, and ensure health care funding.

Grant Woods, Former Arizona Attorney General, Tempe

Paid for by “Arizona for a Healthy Future”

Proposition 303 will benefit Arizonans of all ages in two important ways. First, this proposition will provide funding to help pay for the expansion of Arizona's Medicaid program—AHCCCS—which was mandated by voter-passed Proposition 204 in 2000. These funds will ensure healthcare coverage for many of Arizona's working and uninsured families, some of whom have lost their health insurance because of the weakness in the economy. Providing vulnerable populations with access to routine preventive healthcare will ultimately serve to decrease their need for emergent care.

Proposition 303 will also establish an Emergency Health Services Account by dedicating new tobacco tax revenue to maintain trauma centers and provide primary care services. Arizona's hospitals are experiencing a crisis in their ability to continue to provide high quality emergency care due to the state's increasing population, increasing numbers of uninsured individuals, and a serious nursing shortage. Proposition 303 provides vital funding to keep our trauma centers and emergency departments open, many of which are seriously overcrowded.

Arizona's hospitals and healthcare systems are committed to maintaining high quality access to the emergency care they have always provided, 24 hours a day, seven days a week. Arizona citizens should vote for Proposition 303 to both strengthen our hospitals and emergency departments and to provide preventive care to keep families healthy and out of overcrowded emergency departments.

Help us stay vital to keep you alive by voting “Yes” on Proposition 303.

John R. Rivers, FACHE, President and Chief Executive Officer, Arizona Hospital and Healthcare Association, Paradise Valley

Joseph M. Kortum, Chairman-Elect, Board of Directors, Arizona Hospital and Healthcare Association, Flagstaff

Paid for by “Arizona Hospital and Healthcare Association”

As Arizona faces a half a billion dollar budget deficit, healthcare in Arizona is in jeopardy for low-income uninsured and working families. Proposition 303 is a remedy for that crisis. New revenues from the state cigarette tax increase can prevent cuts to programs that already provide critical services to low-income families.

The Arizona Association of Community Health Centers fully supports Proposition 303 which proposes to increase the tobacco tax to provide funding for healthcare services. This measure will provide a funding source with the tobacco settlement, for the AHCCCS expanded Medicaid population. The low-income working people of Arizona, who are under 100% of the federal poverty level, will continue to have access to medical care. Additional funding is designated for programs designed to serve the state's medically needy and for reimbursement of uncompensated care.

We urge you to join us with a yes vote on Proposition 303.

Ann Roggenbuck, President, Arizona Association of Community Health Centers, Flagstaff *Sylvia Echave Stock, Secretary, Arizona Association of Community Health Centers, Chandler*

Paid for by "Arizona Association of Community Health Centers"

The supporters of the Healthy Arizona Initiative, Proposition 204 of 2000, strongly endorse this because it will continue the positive gains we have made in access to health care for the working poor.

The economic downturn and state budget problems have made it hard to keep up with our citizens' health care needs. This referendum makes sense – a healthier state will be a state with a stronger economy. If this measure is not successful, the safety net in Arizona may disappear with services we all count on.

This referendum preserves funding for primary care services, specialty care and emergency rooms. By supporting both primary and specialty care, this measure improves public health for everyone in our state.

We urge you to vote "YES" on this important referendum.

Eve C. Shapiro, MD, MPH, Chair, Healthy Arizona Steering Committee, Tucson *Steve Nash, Steering Committee Member, Tucson*

Paid for by Steve Nash

The Arizona Medical Association representing more than 4300 physicians in Arizona supports the passage of the new tobacco tax initiative.

Tobacco tax increases reduce the incidence of teenage smoking. Therefore, an increase of 60 cents on a pack of 20 cigarettes should serve as a significant deterrent to teenagers either continuing to smoke or beginning to smoke in the first place. From a public health standpoint, this is of tremendous value to the state and its citizens not only because of future health and productivity, but also because of vast savings in downstream expensive medical care involved in taking care of smoking patients. Kids should not smoke. This will help.

An estimated \$63.3 million per year will be devoted to funding the AHCCCS expansion mandated by the citizens' vote to provide health care coverage to the poor and medically needy. These funds when matched with federal Medicaid funds will bring nearly \$200 million annually into Arizona to provide needed care to people eligible for AHCCCS.

Additionally, the referendum directs \$30.1 million per year to be spent on unpaid care, primary care and trauma readiness costs. In effect this money will begin to address the problem of the uncompensated burden that physicians, hospitals and community health services share in serving the uninsured. These funds will focus on the emergency room and trauma centers, which at this time are the most vulnerable parts of our state's medical system and are facing potential crisis.

Arizona's physicians believe in good, high-quality health care. Care that focuses both on prevention and on the adequate funding of services rendered to our citizens. The state tobacco tax referendum contains both of these critical elements for quality care. For this reason, Proposition 303 has the support of the Arizona Medical Association on the November ballot.

Richard Dale, M.D., President, Tucson *Bruce Bethancourt, M.D., President-Elect, Paradise Valley*

Paid for by "Arizona For a Healthy Future"

The Arizona Public Health Association (AzPHA), an organization of public health professionals interested in the protection and promotion of personal and environmental health, supports Prop 303.

Voters approved an increase in the state tax on tobacco in 1994. Monies generated by that increase established the Tobacco Education and Prevention Program (TEPP). For the past six years, TEPP has been a leader in establishing a statewide program that includes community-based education, prevention, cessation services and a nationally recognized media campaign. The results of this program speak for themselves. At a time when the nation is experiencing an increase in tobacco use among young adults, that figure in Arizona is on the decline. Overall, tobacco use among adults has also been reduced.

Recent budget cuts drastically reduced the funding for TEPP, and the continued success of the program is in jeopardy as a result. With the passage of Prop303, voters have an opportunity to restore funding to this effective program and, in the long term, reduce tobacco's harmful effect on the state.

Arizona cannot continue to sustain the financial burden tobacco use has on our health care system. It is estimated that the annual health care costs directly related to tobacco use is \$876 million. Prop 303 will not only reduce these costs by aiding in the reduction of tobacco use, but it will also provide funding for health care for the medically needy, the medically indigent and the working poor.

It is time for voters to again make their voices heard. The healthy future of all Arizonans depends on a yes vote on Prop 303.

Vanessa Hill, President, Board of Directors, Arizona Public Health Association, Phoenix *Elsie Eyer, Executive Director, Arizona Public Health Association, Peoria*

Paid for by "Arizona Public Health Association"

As a lawmaker, I urge you to support Prop 303.

I believe our intent in referring this measure to voters is to add the newly authorized portion of tobacco tax revenues as a source of funding for healthcare, above and beyond what you, the voters, have mandated in past votes. I strongly agree with the intent of this proposition that the highest priority is to put the new money where the people are, in healthcare for the medically needy.

A key part of Prop 303 will be to lock in funding for the voter-approved Prop 204 (approved in 2000) that had relied too heavily on tobacco settlement money to expand state health insurance to include more than 186,000 Arizona residents who fall below the Federal poverty level. The passage of this measure will fund healthcare for the working poor, fund uncompensated emergency care and fund trauma centers. In addition, it will offset state general fund supplemental appropriations to allow for Prop 204 expansion. A yes vote on Prop 303 will also protect the tobacco education fund.

We hope to protect the public health programs funded under Prop 204 such as Healthy Families and Health Start. Without this new funding, once we go through all of the Tobacco Settlement money, the programs will no longer exist without annual general fund appropriations by the legislature.

I feel that it's critical that we fund these programs and protect those funding streams. The 60 cents may not generate as much as these programs for low income working families need, but it's a solid base we can count on and work with to ensure that these critical programs continue.

Representative Meg Burton Cahill, Tempe

As Arizona deals with continuing budget deficits, one of the potential casualties could be mental health and substance abuse treatment for low income and working families, as well as, severely disabled Arizonans. We have begun to make positive strides toward meeting the need of these vulnerable citizens and new revenues from Proposition 303 will provide a protected source of funding for severely needed health services.

In addition, this proposition will address the under-funded and critically needed primary healthcare for this same population, and designate funding for the reimbursement of uncompensated care, as well as, research and tobacco prevention education.

The Arizona Council of Human Service Providers urges you to join us with a yes vote on Proposition 303.

Ron Carpio, Board Chair, Arizona Council of Human Service Providers, Board of Directors, Mesa

Robert Wilderman, Immediate Past Chair, Arizona Council of Human Service Providers, Board of Directors, Holbrook

Paid for by "Arizona Council of Human Service Providers"

Proposition 303 will make a difference for many Arizonans by improving access to healthcare, providing early detection and prevention programs, funding Arizona's Tobacco Education and Prevention Program, as well as funding disease research in Arizona, including support for the exciting new Translational Genomics Research Institute.

- Many Arizonans suffer from high rates of deadly diseases, limited access to health care or limited access to the latest methods of disease prevention and promotion of healthy lifestyles.
- Arizona has more residents without health insurance than the rest of the U.S. population and the number is rising.
- In Arizona, we have shown how effective prevention can be with our smoking-cessation programs. Our smoking rate among adults is 18 percent, compared to 23 percent nationally.
- We attained national recognition when programs that were the result of collaborations among many agencies, including our college, reduced the smoking rate by 21 percent in just two years.
- Arizona's three universities are collaborating in a new College of Public Health and many exciting new research projects that will be supported by Proposition 303.
- With the recent sequencing of the human genome, medical research will put a new face on medicine – more cures for diseases and treatments with fewer side effects. Arizona's universities will conduct much of this work.
- Research done in Arizona will help doctors determine the genetic fingerprints of a patient's condition and tailor treatment to it -- drug therapies will be individualized to produce the greatest good in each patient.
- In addition to the health benefits, the Arizona economy will benefit from new employment opportunities for its citizens in the high paying field of biotechnology.

By ensuring health we are strengthening our people, our communities and our economy. We urge you to vote "YES" for Proposition 303.

Raymond L. Woosley, M.D., Ph.D. Vice President for Health Sciences (Colleges of Medicine, Nursing, Pharmacy and Public Health) at the University of Arizona, Tucson

G. Marie Swanson, Ph.D. Dean of the Arizona College of Public Health, Tucson

Paid for by "Arizona for a Healthy Future"

Arizona Citizen Action, an affiliate of USAction (www.usaction.org), is a leading advocate for improved health care for Arizonans. We urge a vote for Proposition 303. Prop. 303 will reduce smoking, especially among youth, while funding much needed health care services for low income working adults and children. Prop. 303 will also finance cancer research and hard hitting anti-smoking campaigns aimed at youth. The funding for all these programs has been threatened by our current state budget crisis.

Nicotine is a horribly addictive drug that robs free choice from many smokers and ultimately kills them. While Diane enjoys her grandchildren, Rod Wells, Dave's father, never met his grandchildren because of smoking-caused esophageal cancer. When Rod started smoking, tobacco taxes were minimal.

Prop. 303 will raise cigarette taxes by 60 cents to \$1.18 a pack. While many of us cringe at higher taxes, this is a tax increase where the public benefits far exceed the cost. The Surgeon General estimates that increasing the price of cigarettes by 60 cents will reduce the number of young people who start smoking by at least 12 percent. States across the nation are following the lead of Massachusetts, where a decade of aggressive anti-tobacco efforts with higher tobacco taxes and anti-tobacco ads have reduced the percent of adults smoking by nearly 20 percent. The drop among teens has been more dramatic. Teens in Massachusetts are 1/3 less likely to smoke than elsewhere in the nation!

Prop. 303 by reducing smoking, especially among teenagers, while also helping fund important health care needs of low income families who qualified under the 2000 voter-approved Prop. 204 is a big win for Arizona. Vote "Yes" on Prop. 303.

Dave Wells, Board Member, Arizona Citizen Action, Tempe

Diane Bacon, Board Member, Arizona Citizen Action, Phoenix

Paid for by "Arizona for a Healthy Future"

I urge you to vote YES on Proposition 303. Access to quality healthcare for prevention services is something all Arizonans deserve, especially our children. And access to trauma care can be difference between life and death. Proposition 303 will ensure both.

I have done much to advocate for the protection and improved health of some of our most challenged children. And through important actions such as the passage of Proposition 204 in 2000, the population now eligible for health care services has been greatly expanded. This has been a major step forward in improving overall health in Arizona. Proposition 303 will continue to protect these important health care improvements in our State

As a member of the Arizona business community, I also understand the fiscal challenges facing the state budget to fund these health care services, in addition to the threat of closure of many critical trauma care facilities. By supporting Proposition 303 this year, funding for important prevention and trauma care services will be protected. And so will the lives and health of thousands and thousands of Arizonans. Please join me in voting yes for Proposition 303.

Denise D. Resnik, President, Denise Resnik & Associates, Paradise Valley

Paid for by "Arizona for a Healthy Future"

As concerned citizens who are actively involved in our community, we strongly urge your support of Proposition 303.

There are many beneficial healthcare programs that will be funded through this Proposition, but most importantly, money from this tax will go to the emergency health services account. The emergency health services account reimburses trauma center readiness costs. This is especially vital considering the recent decision of Phoenix Memorial Hospital to close their emergency services department.

A closure will mean longer waits for those needing emergency care in the inner city and all over the Valley. Emergency room overcrowding has reached such a crisis that many ambulances are being denied access to emergency room services and need to call several hospitals before finding one which will accept the emergency patient.

Health officials are describing a medical crisis for the Southwestern region of the United States. For example, Southern Nevada's only Level 1 trauma center closed July 3rd. The next afternoon, a 59-year old man became the first to die from trauma injuries. Patients from Nevada are now being flown to the nearest trauma centers—here in Arizona.

You should also support this plan for the funding it provides to the protection account for the voter-approved Proposition 204, assuring continuing healthcare services for the uninsured and underinsured people of Arizona.

This Proposition also provides health education programs aimed at preventing and reducing tobacco use.

The funding provided from Proposition 303 will help keep our hospital emergency rooms open. With the closing of Phoenix Memorial, our inner city has become the first to be affected. We cannot let this continue.

Please vote **YES** on **Proposition 303**.

Earl & Mary Rose Wilcox, Phoenix

Paid for by "Arizona for a Healthy Future"

The National Organization for Women, Arizona, urges a YES vote on Prop 303.

The tobacco industry has for years targeted women, minorities and youth—even children-- in marketing their deadly product. The National Organization for Women, led by Arizona NOW, began a campaign in the 80's to provide smoke-free, accessible meetings within our own organization, to refuse tobacco company funding, and to condemn such advertising. We are concerned about medical reports that women find it particularly difficult to stop smoking because their smaller stature makes them even more vulnerable to the addictive quality of tobacco.

Although NOW ordinarily opposes a sales tax as regressive, we feel a regressive tax makes sense when it counteracts sales of a product that is inherently harmful. Therefore, we support an additional sales tax on tobacco.

More significantly, we support the proposed uses of the new funds generated by the tax. In addition to smoking cessation programs, early diagnosis and research programs, and emergency care, nearly half of these new revenues will go to creating a new healthcare fund. When added to the tobacco lawsuit money separately protected by Prop 204 in the last election and to general fund appropriations, this new fund sets aside additional money for Arizona's low-income workers to have AHCCCS healthcare insurance. This means that, good times or bad, women and their families will be assured that their basic health care needs will be met.

Vote YES on Prop 303.

National Organization for Women, Arizona

Marjorie Mead, Legislative Coordinator, Sun City

Karen Van Hoof, Finance Coordinator, Scottsdale

Paid for by "Arizona National Organization for Women"

The Arizona Coalition for Human Services urges a yes vote for Prop 303.

We represent a wide range of human service agencies offering assistance and support to tens of thousands of Arizonans every year. In our day to day encounters, we see the effects of the large numbers of uninsured persons in our state: work days lost due to untreated or preventable illnesses, needless pain and suffering, stress from worry about health concerns. To have a strong, attractive community which will support economic development and appeal to new businesses, we must have a healthy work force and accessible health care for all.

The Arizona Coalition for Human Services has consistently included increasing access to health care, especially for low income Arizonans, as one of our priorities. We believe that Prop 303 will provide much-needed funding to strengthen our health care system. We are pleased that the revenues from this measure will add a new stream of funding for the Healthy Arizona Initiative, as well as provide support for emergency and trauma care, health education, and research on leading disease-related causes of death.

We all benefit from a healthier community. Please vote yes on Prop 303.

Ann W. Nichols, Co-President, Arizona Coalition for Human Services, Tucson

Rita C. Weatherholt, Co-President, Arizona Coalition for Human Services, Tucson

Paid for by "Arizona Coalition for Human Services"

Proposition 303 will save lives by keeping our trauma centers and emergency rooms open. Arizona emergency care is in a crisis, with overcrowded trauma centers and emergency rooms facing closure. Proposition 303 provides vital funding to keep our trauma centers and

Spelling, grammar, and punctuation were reproduced as submitted in the "for" and "against" arguments.

Arguments "For" Proposition 303

emergency rooms operational and serving Arizona citizens.

Many times we are sent on emergency calls to deal with health crises, which would not happen with routine preventive health care. Proposition 303 provides preventive care by paying for healthcare for working and uninsured families.

Those of us who are on the front lines fighting to save Arizona's citizens know that we need to invest in funding our trauma centers. And that preventive care will keep family members healthy and out of overcrowded emergency rooms. We also see firsthand the effects of smoking - heart disease, stroke, and the like. This proposition will reduce smoking and save lives.

Help us save lives by voting "YES" on Proposition 303.

Chris Medrea, President, Professional Fire Fighters Association of Arizona, Phoenix

Derrick Johnson, Exec. V.P., Professional Fire Fighters Association of Arizona, Phoenix

Paid for by Professional Fire Fighters Association of Arizona

ARGUMENTS "AGAINST" PROPOSITION 303

The Secretary of State did not receive any arguments "against" Proposition 303.

BALLOT FORMAT

PROPOSITION 303

REFERRED TO THE PEOPLE BY THE LEGISLATURE

OFFICIAL TITLE

HOUSE CONCURRENT RESOLUTION 2047

AN ACT CHANGING THE ARTICLE HEADING OF TITLE 36, CHAPTER 6, ARTICLE 8, ARIZONA REVISED STATUTES, TO "TOBACCO TAX FUNDS"; AMENDING TITLE 36, CHAPTER 6, ARTICLE 8, ARIZONA REVISED STATUTES, BY ADDING SECTION 36-770; REPEALING SECTION 36-772, ARIZONA REVISED STATUTES; AMENDING TITLE 36, CHAPTER 6, ARTICLE 8, ARIZONA REVISED STATUTES, BY ADDING A NEW SECTION 36-772 AND SECTIONS 36-776, 36-777 AND 36-778; AMENDING TITLE 42, CHAPTER 3, ARTICLE 6, ARIZONA REVISED STATUTES, BY ADDING SECTION 42-3251.01; AMENDING SECTION 42-3302, ARIZONA REVISED STATUTES; RELATING TO TOBACCO TAXES.

DESCRIPTIVE TITLE

INCREASES CIGARETTE TAX 60 CENTS PER PACK; TAXES OTHER TOBACCO PRODUCTS, INCLUDING THOSE SOLD ON INDIAN RESERVATIONS TO NON-TRIBAL MEMBERS; PROVIDES HEALTHCARE FUNDING FOR LOW INCOME ARIZONANS, DISEASE DETECTION AND PREVENTION, TRAUMA AND EMERGENCY HEALTHCARE, DISEASE RESEARCH, PRIMARY MEDICAL CARE; REENACTS HEALTH EDUCATION ACCOUNT TO PREVENT AND REDUCE TOBACCO USE.

PROPOSITION 303

<p>A "yes" vote shall have the effect of increasing state tax on cigarettes by 60 cents per pack and taxing other tobacco products to provide funding for programs for healthcare for low-income Arizonans, early detection and prevention, trauma centers, emergency and primary medical care; reenacting the health education account for educational programs to prevent and reduce tobacco use.</p>	<p>YES <input type="checkbox"/></p>
<p>A "no" vote shall have the effect of not increasing state taxes on tobacco products to fund healthcare and tobacco education programs.</p>	<p>NO <input type="checkbox"/></p>